


TRAPPED:



POVERTY AMONGST WOMEN IN WALES TODAY

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DECEMBER 2019

Poverty amongst women in Wales today

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SUMMARY

1. Too many people in Wales are trapped in poverty. Women have a slightly greater risk of relative income poverty than men, with the risk being especially high for lone parents. The number of women in poverty is unchanged in the last ten years. Other measures of poverty such as material deprivation, homelessness, assets and food insecurity confirm that women are affected by poverty more than men.
2. We want to see a fair Wales where women achieve and prosper, with their specific circumstances recognised and reflected in policies and action. Despite solving poverty being a priority of the Welsh Government there is as yet no strategy in place nor measures to address the specific challenges women face.
3. We aimed to find out more about the experiences of women on low incomes. We found that women's experiences are often different to men's, with women being held back by limited work opportunities, low pay and lack of childcare. These findings, together with evidence from other research, point to ambitious action that needs to be taken by the Welsh Government and other public bodies.
4. **An effective cross-government strategy:** An effective strategy, focused on the root causes not disparate initiatives, is needed to achieve change at scale. Given its commitment to tackling poverty there is much more that the Welsh Government can and should do to help lift people out of poverty.
5. **More women into work:** Work remains a key route out of poverty. It not only increases household income but it also gives women money of their own and helps them to build up skills and experience for the future. We call for:
 - a. Support for women to enter and progress at work that understands and addresses the wider socio-economic barriers that women face;
 - b. Better pay and conditions through active promotion of the real Living Wage, which is of significant benefit to low paid women;
 - c. Encouragement of flexible working patterns to enable women to combine working and caring.
6. **Reforming social security:** Social security is a vital public service that supports women's and families' incomes. There is much more that the Welsh Government could do to ensure that social security unlocks the grip of poverty:
 - a. Urgently request the UK government for administrative powers over Universal Credit to give women choice and flexibility in managing their finances;
 - b. Reform its own benefit schemes so that they help to solve poverty and allow households to choose who claims.
7. **A new childcare offer:** Lack of good quality and affordable childcare is a major factor that holds women in poverty back. The Welsh Government should replace its current mixture of provision with seamless, universal free provision:
 - a. Free, part time childcare and early years education from age 9 months to school age for 48 weeks a year with additional hours available on a sliding scale of fees.

- b. Free, before-school, after-school and holiday care from school age to 14 years, for 48 weeks a year, with additional hours available on a sliding scale of fees.
 - c. A place guaranteed for every child whose parents want one, irrespective of their parents' work status or decisions of schools to participate.

- 8. **Access to essential services:** women have been hard hit by cuts to essential services. While recognising the constraints in public spending we nevertheless call for:
 - a. investment in community-based learning for adults, with clear pathways into further learning and employment.
 - b. consideration of the transport needs of women and their families in the development of public transport services and infrastructure.

- 9. **Support women's financial independence:** Public bodies could do more to enable women to have a choice about their household financial arrangements and reduce the risk of financial abuse. We propose two important steps:
 - a. Offering short courses on personal finance in the community and for women participating in learning, volunteering and employment programmes;
 - b. Helping women in receipt of public funds who do not have a bank account to open one.

1. INTRODUCTION

Chwarae Teg's vision is a fairer Wales where women achieve and prosper. We have been working with women, businesses, educators and decision-makers since 1992 to tackle the barriers that prevent women from reaching their full potential.

Chwarae Teg is deeply concerned about the increase in poverty in Wales. Poverty is experienced differently by different groups and individuals, shaped by age, ethnicity and religious background, health conditions, and gender. However, these varied experiences are rarely reflected in policies to solve poverty, which are all too often based on 'one size fits all'. Through this piece of work, Chwarae Teg aims to investigate the gendered nature of poverty in Wales, identify and analyse evidence on the links between gender and poverty and contribute to key policy areas aimed at solving poverty.

We have done so with an awareness that the First Minister is committed to solving poverty, especially child poverty. As yet there is no clear indication of the Welsh Government's plans to do so: even the modest proposals in the First Minister's manifesto to extend eligibility for some children's schemes are yet to have an impact. The commitments that the Welsh Government has made are invariably based on perceptions about people in poverty rather than the lived experience of people on low incomes. Far too many public policies are gender blind, assuming that women and men are equally able to participate in and benefit from public sector schemes. And too many of those schemes are disparate, small-scale initiatives rather being part of a coherent, long-term programme to solve poverty.

Chwarae Teg has worked with the Bevan Foundation, Wales' most influential think tank and a leading authority in poverty in Wales, to deepen understanding of poverty and gender and to develop positive proposals to improve women's prosperity and prospects. This report sets out the key findings and recommendations for action.

What we did

The first section of the report considers the definition and measurement of poverty as it applies to women and provides an overview of recent trends in Wales. This is important to understand the scale and nature of women's poverty in Wales today, and how it differs to that of men.

The next four sections of the report consider the key drivers of poverty: work and the labour market; the social security system; childcare; access to essential services and household financial arrangements. Each section draws briefly on existing evidence and then considers the experiences of women themselves.

The experiences of women were gathered via a survey, to which there were a total of 129 valid responses. The responses were secured primarily through targeted Facebook advertising and through women's organisations encouraging responses. We also conducted 17 semi-structured face-to-face interviews with women in a variety of community settings including the Dusty Forge Centre, Cardiff and women involved in a mix of community organisations in Blaenau Gwent and Swansea, including Black, Asian and Minority Ethnic women involved in community cohesion in the latter. The participants were selected to include three key groups at especially high risk of being in poverty: women who are not in paid employment and rely on benefits, women who are in low-paid and / or part time work, and women who rely on their partner's income. This is the first time that women's views and experiences of low income have been gathered in Wales and although the

numbers are relatively small they provide a unique insight into the gendered nature of poverty today.

The final section of the report sets out our key findings and recommendations for action, setting out a positive framework for action to reduce poverty amongst women in Wales. Some of the recommendations inevitably require further development – in doing so, it is vital that women on low incomes are involved in the design of policy and delivery to ensure it meets their needs.

We are grateful to all the participants for sharing their experiences and for the advice and feedback of Chwarae Teg in undertaking this work. However, responsibility for the findings and for any errors is that of the Bevan Foundation.

2. DEFINING AND MEASURING POVERTY

Poverty means many things to different people and there has been a vigorous debate in government and academia about how best to define and measure it. There is however general agreement that poverty has three key elements. First of all, poverty means not having adequate resources. Those resources are often income, but they can also include people's individual capabilities or their ability to access non-market goods and services. Second, poverty is measured relative to the norms of a specific society and so in the UK does not mean starvation or destitution. Rather it means not having access to a standard of living that is enjoyed by the great majority of people. And third, poverty is almost always considered as something experienced by households and not individuals. This means that poverty within a household, and in particular as it affects women, is often hidden.

There are very many different definitions of poverty. For the purposes of this report, we are using the definition adopted by the Joseph Rowntree Foundation, which is:

‘when a person’s resources (mainly their material resources) are not sufficient to meet their minimum needs’¹

This definition has become relatively widely accepted, not least because it identifies the importance of non-material resources and compares them with need. However, measuring it is not so straightforward.

1.1. Measuring poverty

Until recently there have been very few measures of poverty other than the ‘60 per cent of median income’ measure. This measure is used by the Welsh and UK Governments and the EU, and is useful for showing large-scale, long-term changes and for comparisons between nations and regions. There are also some useful analyses available for different types of household, age, gender, work status, ethnicity, disability and housing tenure.

The 60 per cent median measure also has a number of flaws. These are that it only measures income relative to other people rather than taking account of need, and that the threshold of 60 per cent is arbitrary. The measure looks at household rather than individual resources and assumes that resources are distributed evenly within a household. It also does not take account of financial resources other than income (e.g. savings or debt) or of other resources such public service provision. Nor does it measure the depth of poverty, nor reflect in any way people's experiences of living on a low income.

For Wales, there are additional data-related disadvantages: data are only available for three-year rolling averages, can only be analysed for relatively broad groups in the population, and are not available for local authorities.

Two new approaches have emerged to try to address some of these problems. The Joseph Rowntree Foundation has sought to identify and quantify people's ‘minimum needs’ through an annual survey to establish a minimum acceptable standard of living. It then generates a ‘Minimum Income Standard’ (MIS) for different types of household. The MIS is higher than the 60 per cent

¹ Joseph Rowntree Foundation, A definition of poverty. <https://www.jrf.org.uk/report/definition-poverty>

median threshold for all types of household, with the biggest difference being for lone parent families and for couples with three or more children.²

Unfortunately, annual data on the proportion of the population with incomes below MIS is not produced, nor is data for nations and regions of the UK. An analysis commissioned by EHRC estimated that 61.2 per cent of children and 48.1 per cent of adults in Wales lived in households with incomes below the MIS.³

The Social Metrics Commission was established in 2016 to develop a new approach to poverty measurement which aims to:

- Account for all material resources, not just incomes, including for example savings
- Account for inescapable costs faced by some families, e.g. the extra costs of disability, costs of childcare;
- Include measures of depth and persistence of poverty
- Develop indicators of the lived experience of poverty.

The Commission's first estimates of poverty in Wales were published in July 2019.⁴ They indicate that poverty amongst working age people and children is higher than in the HBAI figures, but that poverty amongst pensioners is lower. However, the Commission's measure continues to consider household income and assume its equal distribution between family members. It also has no other data available e.g. on trends or other household types.

In the rest of this section, we use the relative low-income measure, not least because it is one of the few consistent sources of data that enables analysis of trends and provides at least some insight into poverty amongst people with different characteristics. We supplement that measure with four other sources: first, data on material deprivation, which measures whether households have gone without specific items; second, data on assets and debt, which are useful additions to understanding household income; third, data on homelessness, because having a secure home is a basic human need; and last, data on food security, because having an adequate diet is also a basic human need.

1.2. Relative low income

The headline rates of poverty for women and men of working age in the UK show that a slightly higher proportion of women have a relative low-income than men, with 21 per cent of women living in low-income households compared with 19 per cent of men.⁵ There is no equivalent data for Wales.

The data that are available for Wales⁶ assume that resources in couple households are split equally and hence women and men both have the same poverty rate: 22 per cent for couples with children

² Jonathan Portes and Howard Reed (2018) **The cumulative impact of tax and welfare reforms**. Equality and Human Rights Commission. Available at: <https://www.equalityhumanrights.com/en/publication-download/cumulative-impact-tax-and-welfare-reforms>

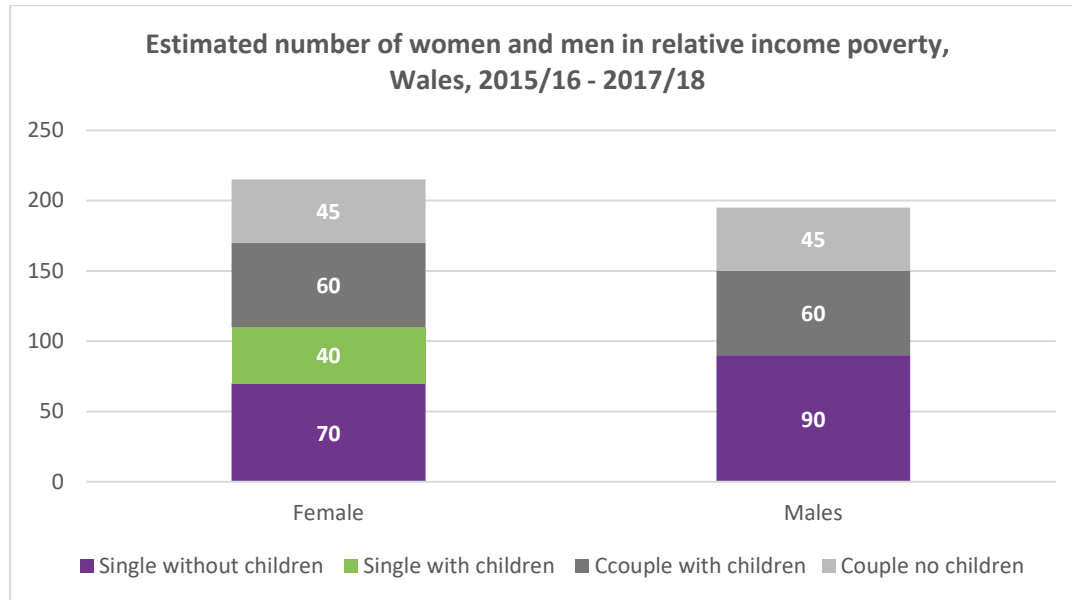
³ Ibid.

⁴ Social Metrics Commission (2019) **Measuring poverty 2019**. Available at: https://socialmetricscommission.org.uk/wp-content/uploads/2019/07/SMC_measuring-poverty-201908_full-report.pdf

⁵ Department for Work and Pensions (2019) **Households Below Average Income 2017/18: table 3.5db** <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201718>

⁶ Available via StatsWales at: <https://statswales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/Poverty>

and 15 per cent for couples without children. There is a difference between the genders amongst single people: single women without children have a higher risk of being in poverty than single men (32 per cent compared with 28 per cent). Single parents, the vast majority of whom are women, are even more likely to live in poverty with 44 per cent living below the poverty threshold. Assuming that household income is equally shared, being in a couple significantly reduces the risk of poverty for women, roughly halving it.



Source: StatsWales [Working age adults in relative income poverty by family type](#)

Note: All single adults with children are assumed to be female. Half of those in couple households are assumed to be female.

There are no data on poverty by gender combined with other characteristics. For both genders, living with someone who is disabled nearly doubles the likelihood of being in poverty, from 19 per cent for households where nobody is disabled to 32 per cent where someone is disabled.⁷ Nearly half – 47 per cent - of all households in poverty include a disabled person. People from ‘non-white ethnic groups’ have a higher risk of poverty than white people, at 29 per cent compared with 22 per cent.⁸ However the number of non-white people in poverty is small and they account for only about 3 per cent of all people in poverty.

Over the last ten years, there have been some marked changes in poverty amongst women compared with men. The risk of lone parents being in poverty has fallen from 54 per cent in the three years to 2009/10 to 44 per cent in the three years to 2017/18, while the risk for women in childless couples has risen. The risk of being in poverty has also risen for males in childless couples and for single males. As a result of these broad changes, just over half of people in poverty are female (52.4 per cent) compared with 56.6 per cent in the three years to 2009/10.⁹ Poverty in

⁷ Stats Wales **Working age adults in relative income poverty by whether there is disability within the family (Equality Act definition)** available at: <https://statswales.gov.wales/v/GPja>

⁸ Stats Wales **Working age adults in relative income poverty by ethnicity of the head of household.** Available at: <https://statswales.gov.wales/v/GPjZ>

⁹ Assuming all couple households comprise a man and a woman and that they distribute their resources equally, and that all single people in households with children are female.

Wales is not being ‘feminised’, at least in numerical terms: rather it is becoming more evenly distributed between genders (Table 1).

Table 1 Number of males and females in poverty by family type, Wales, 2007/08 – 2009/10 and 2015/16 to 2017-18				
	2007/08 to 2009/10		2015/16 to 2017/18	
	Number (000s)	Proportion %	Number (000s)	Proportion %
Single female without children	60	15.8	70	16.7
Single with children	60	15.8	40	9.5
Couple with children	60	15.8	60	14.3
Couple no children	35	9.2	45	10.7
Total female	215	56.6	215	51.2
Single male without children	70	18.4	90	21.4
Couple with children	60	15.8	60	14.3
Couple no children	35	9.2	45	10.7
Total male	165	43.4	195	46.4
Total all people	380	100	420	100

Source: StatsWales [Working age adults in relative income poverty by family type](#)

Note: All single adults with children are assumed to be female. Half of those in couple households are assumed to be female. Numbers are rounded to the nearest 5,000.

1.3. Material deprivation

Additional insights into poverty can be gained from analyses of material deprivation. Material deprivation means whether a household is able to afford certain things such as keeping their house warm enough, making regular savings, being able to afford to replace major electrical goods or afford a haircut. Material deprivation captures some of the consequences of long-term poverty rather than short-term financial strain, but as with most other sources it is based on households and not individuals.

Data for Wales are relatively limited. The National Survey for Wales shows that 18 per cent of women are materially deprived compared with 14 per cent of men. The highest rate of deprivation is amongst lone parents, nearly half of whom are deprived (49 per cent), followed by women aged 25 to 44 (26 per cent).¹⁰ There are no data on material deprivation and other personal characteristics.

1.4. Assets and debt

Other financial resources, such as savings and not being over-indebted, are important as well as income. There is however very limited evidence on women’s savings and debt, with much of what is available assuming, as before, that household resources are shared.

In terms of savings, a modest cash reserve can provide a vital buffer to cover unexpected expenses such as a household repair or a change in circumstances such as being unable to work. Amongst the

¹⁰ Welsh Government (2019) Material deprivation and low income: April 2017 to March 2018 Available at: <https://gov.wales/material-deprivation-and-low-income-april-2017-march-2018>

UK population as a whole, 40 per cent have savings of less than £100.¹¹ A survey of low-paid women found that 33 per cent have no savings at all, and that nearly half (43 per cent) have less than £100 saved.¹² There is some evidence that minority ethnic women, mothers of young children and lone mothers are the least likely to have savings.¹³

On debt, there is evidence from a number of sources that women are more likely than men to experience debt. The Money Advice Service's UK survey found that nearly two thirds (64 per cent) of the over-indebted population are women,¹⁴ while Stepchange reports that 60 per cent of its new clients in 2018 were women.¹⁵ Lone mothers are the group of women most likely to be in debt¹⁶ and debt is also relatively common amongst low-paid women.¹⁷

Women tend to owe slightly less than men - an average of £5,107 compared with £5,969 for men.¹⁸ Servicing debt takes a large proportion of some women's income: in one survey a quarter of low-paid women spent more than £100 a month on their debt.¹⁹

Insolvency is one option when debt becomes unmanageable. Insolvency amongst women has increased rapidly since 2000, with women now having a higher rate of insolvency than men.²⁰ The main reason for this is that there are now more insolvency options available. The introduction of Debt Relief Orders (DROs) in 2009 for people with low assets and low debts brought a large increase in the number of women entering this form of insolvency. In 2014 there were 7.4 DROs for every 10,000 women compared with 4.3 DROs for every 10,000 men. The main causes of women becoming insolvent are relationship breakdown and loss of income, coupled with living beyond their means.

The dynamics of household relationships mean that women may not have access to their savings or be responsible for debts accumulated in their name. Amongst survivors of domestic abuse, nearly one third (31.9 per cent) said that their access to money during the relationship was controlled by the perpetrator.²¹

A minority of women have been become liable for a partner's or former partner's debts. Of the 29 per cent of the population who have debts that their partner does not know about, men are less

¹¹ Money Advice Service (2016) **Closing the savings gap**/ Available at: <https://www.moneyadviceservice.org.uk/en/corporate/press-release-low-savings-levels-put-millions-at-financial-risk>

¹² Fawcett Society (2018) **No safety net for Britain's worst paid women**. Available at: <https://www.fawcettsociety.org.uk/news/no-safety-net-for-uks-worst-paid-women>

¹³ Ibid.

¹⁴ Money Advice Service (2013) **Indebted lives: the complexities of life in debt** <https://mascdn.azureedge.net/cms/indebted-lives-the-complexities-of-life-in-debt-november-2013-v3.pdf>

¹⁵ Stepchange Debt Charity (2019) **Wales in the Red**. <https://www.stepchange.org/Portals/0/assets/pdf/Wales-in-the-Red-2019-English.pdf>

¹⁶ Ibid

¹⁷ Fawcett Society (2018) **No safety net for Britain's worst paid women**. Available at: <https://www.fawcettsociety.org.uk/news/no-safety-net-for-uks-worst-paid-women>

¹⁸ R3 (2016) **Closing the Gap: Gender and the Changing Demographics of Insolvency** Available at: https://www.r3.org.uk/media/R3_Gender_Insolvency_June_2016.pdf

¹⁹ Fawcett Society (2018) op.cit.

²⁰ R3 (2016) op.cit.

²¹ Women's Aid (2019) **Domestic abuse report 2019: annual audit** Available at: <https://www.womensaid.org.uk/research-and-publications/the-domestic-abuse-report/>

likely than women to have told people about their debts.²² Some women are left with an ex-partners debt if they remain in the family home while their ex-partner avoids creditors.²³ Women's Aid found that 43.1 per cent of domestic abuse survivors were in debt as a result of the abuse.²⁴

1.5. Homelessness

Being homeless or threatened with homelessness can have a huge impact on women's and men's lives, affecting health, the ability to work and relationships. Despite the stereotype of the male rough-sleeper, women are at significantly greater risk of homelessness than men.

Welsh Government statistics show that women were the majority of applicants to local authorities for help because they are threatened with homelessness – 63 per cent of applicants in 2018/19,²⁵ some 6,800 women. A third of all applicants were lone parent families. Of people who had become homeless, slightly less than half (43 per cent) of those eligible for help to secure accommodation were women while just over half (52 per cent) of those in priority need (most commonly because they had dependent children or were pregnant) were female.

The main reason that both women and men are threatened with homelessness or becoming homeless is loss of rented accommodation. The breakdown of a relationship with a partner is a significant factor for women, being the cause of being threatened with homelessness for nearly one in eight women rising to one in five lone parents. Amongst women who do become homeless, relationship breakdown with violence was the root cause for nearly a quarter of homeless women who were in priority need. The proportions of men who were homeless or threatened with homelessness because of relationship breakdown were much lower.

Women are a minority of rough sleepers – around 14 per cent of the total²⁶ - and are often less visible. Women tend to avoid situations that put them at risk of abuse and instead sleep on public transport or in accident and emergency departments.²⁷ Women rough sleepers often do not use support services that they perceive to be designed for men.²⁸ They are at considerable risk when on the streets: Crisis found that women rough sleepers experienced more verbal abuse, intimidation

²² Money Advice Service (2018) **£96 billion of debt hidden from friends and family** <https://www.moneyadviceservice.org.uk/en/corporate/press-release--96-billion-of-debt-hidden-from-friends-and-family>

²³ Anna Darnell Bradley and David Marjoribanks (2017) **In too deep – an investigation into debt and relationships**. Relate. Available at: <https://www.relate.org.uk/policy-campaigns/our-campaigns/too-deep-investigation-debt-and-relationships>

²⁴ Women's Aid (2019) op. cit.

²⁵ Welsh Government (2019) **Homelessness in Wales**. Statistical First Release SFR 56/2019 <https://gov.wales/sites/default/files/statistics-and-research/2019-07/homelessness-april-2018-march-2019-993.pdf>

²⁶ Homeless Link (2017) **2017 Rough Sleeping Statistics** <https://www.homeless.org.uk/sites/default/files/site-attachments/Homeless%20Link%20-%20analysis%20of%20rough%20sleeping%20statistics%20for%20England%202017.pdf>

²⁷ Lisa Young and Tessa Horvath (2018) **Promising practice from the frontline Exploring gendered approaches to supporting women experiencing homelessness and multiple disadvantage**. Homeless Link. Available at: https://www.homeless.org.uk/sites/default/files/site-attachments/Women%27s%20research_March%202019_1.pdf

²⁸ Ibid.

and threats, theft of belongings and assaults than men.²⁹ LGBT women and men are both at particularly high risk of abuse and violence on the streets.

1.6. Food

The public and professionals alike regard two meals a day for adults and three meals and fresh fruit and vegetables daily for children as essentials. Low-income families have to spend a larger proportion of their incomes on food than other households, and food is the largest item of household expenditure for low-income households after housing, fuel and power costs.³⁰

Within households, women have by far the greatest responsibility for food.³¹ Women are nearly twice as likely as men to have all the responsibility for preparing food (61 per cent do compared with 34 per cent of men). Women are also more likely to report having all or most of the responsibility for food shopping (65 per cent compared with 31 per cent).

When money is short, women are more likely to go without adequate food than men. Studies for the Food Standards Agency found that women are more than twice as likely as men to experience low food security (13 per cent did so compared with 5 per cent), and are nearly twice as likely as men to say they could not afford balanced meals (15 per cent said this compared with 8 per cent of men).³² ³³ The same research found that 29 per cent of families with children under the age of 16 worried about food running out.

Food insecurity means a wide range of food-related behaviours. Moderate insecurity can mean compromising on the quality and quantity of food, such as eating toast at most meals or choosing cheap, filling foods rather than vegetables. More severe insecurity can involve mothers eating children's leftovers, skipping meals altogether, and filling up on water. A study by End Holiday Hunger found that one in six adults either skipped a meal or saw someone else in their household doing so. Parents – most commonly women - were more likely to skip meals than others – 27 per cent of parents of primary school children did so to make ends meet.³⁴

When food does run out, some households turn to food banks. In Wales, the Trussell Trust distributed three-day parcels to 113,373 people, including 72,580 adults, in financial year ending March 2019. There are no data on the gender of recipients, but a study of users of food banks found

²⁹ Ben Sanders and Francesca Albanese (2016) **"It's no life at all" Rough sleepers' experiences of violence and abuse on the streets of England and Wales** Crisis. Available at:

https://www.crisis.org.uk/media/20502/crisis_its_no_life_at_all2016.pdf

³⁰ UK Government (2018) **Family Food 2016/17: Expenditure**. Available at:

<https://www.gov.uk/government/publications/family-food-201617/expenditure>

³¹ Annemijn Sondaal, Beverley Bates and Si Ning Yeoh (2017) **The Food & You Survey: Wave 4, Wales report**. Food Standards Agency. Available at:

https://www.food.gov.uk/sites/default/files/media/document/foodandyouwalesreport_1.pdf

³² Ibid.

³³ The National Survey for Wales, however, has found no gender difference in most aspects of food poverty.

³⁴ Anne Connelly (2018) **Shocking figures showing hidden hunger show why we need to find out more** End Hunger UK. Available at: <http://endhungeruk.org/shocking-figures-showing-hidden-hunger-show-need-find/#more-274>

that half of foodbank users were women (as might be expected), with a third having child dependants.³⁵

1.7. Conclusion

This overview shows that women are at slightly higher risk of poverty than men, and that there are slightly more women in poverty than men. However relative low income only measures part of women's experiences – women are more likely to experience material deprivation and typically have fewer assets and more debts. Women are at greater risk of homelessness although they are less likely to sleep rough, and they experience greater food insecurity than men.

What is important is not that women's poverty is worse than men's. The key point is that women's poverty is different because it is shaped by – and sometimes masked by – their relationships with a partner. Being in a couple reduces the statistical risk of poverty, but that does not always reduce the *experience* of poverty.

The differences are particularly stark for women with children. Mothers not only bear many of the additional costs of raising children but they also live with the constraints on their labour market participation and education. For all the improvements in the past decade, it remains the case that lone parents – and their children – have by far the largest risks of poverty, deprivation, debt, homelessness and lack of food of all.

³⁵ University College London Insights (undated) **Who uses foodbanks and why? The impact of financial strain on food security** Available at: <https://www.ucl.ac.uk/public-policy/sites/public-policy/files/foodbanks.pdf>

2. WOMEN, POVERTY AND PAID WORK

Paid work is the most important source of income for the vast majority of individuals and families. Being in a household where someone is working continues to have a very much lower risk of poverty than being in a workless household, despite the rise of in-work poverty. Being in work has an even more dramatic impact on the risk of being in severe poverty. Women's place in the workforce is therefore a root cause of poverty.

2.1. Employment rate

Although the proportion of women in the workforce has risen rapidly in recent years, women continue to be less likely to have any kind of paid job than men. For all people aged 16-64, women's employment rates are slightly lower than men's (at 69.7 per cent compared with 76.6 per cent), but the gap is greater for women and men aged 25-49, at 10 percentage points.

This age is where the demands of child bearing and rearing are greatest, with women being much more likely to be out of the labour market because of caring for their family and home than at any other age. In the year to March 2019, more than half of economically inactive women in Wales aged 25-49 did not work because of looking after their family and home, some 49,200 women. They were more than three times more likely not to be in the labour market for this reason than men, just 15.6 per cent of whom were not working for family reasons, some 6,200 men.

In our survey, just over a third of women who were not in employment would accept a job if one was available. Some were very keen to have a paid job:

I have been unemployed for 10 months and am desperate for work

All I want is a job but at the moment there's nothing out there.

I've been looking for flexible, part-time or job-share graduate level work for about 4 yrs and have applied for over 30 jobs. ... I've been out of the workplace so long I can't get back in and there's a lack of graduate level flexible jobs [in this area].

Health or disability, caring responsibilities and cultural norms for BME women were the major reasons for not wanting paid work in both the survey and in face-to-face interviews. One lone parent interviewed lived with a spinal condition that affected her mobility and cared for a 7-year-old with a mental health condition and a 15-month-old baby. She had been interviewed for several jobs, but she felt that the combination of her own health and needing time off to care for her one of her children's additional health needs had resulted in her not being successful.

Amongst the Asian women we interviewed, the norm was that women were carers and home-makers. One explained her own position as she contemplated returning to work as a teaching assistant:

My husband wanted me to bring the children up in the right manner ... My husband is always telling me that ... he is working and my son will be working so why am I stressing about going to work? Yes, work for pleasure but don't go and work for the money

2.2. Hours of work

Women who are in work are very much more likely than men to work part time. Of 16-64 year olds, 41.7 per cent of women work part time, compared with 11.8 per cent of men. The combination of a lower employment rate and higher proportion of part-time working means that women are much less likely than men to work full-time – only six out of ten women work full-time (58.4 per cent) compared with nearly nine out of ten men (88.1 per cent).³⁶ Women are also more likely to be employed on zero-hours contracts than men.³⁷

Amongst those completing our survey and who were already in work, more than a quarter said they would like to increase their hours of work, with all but one saying this was because they needed the money.

Because I need more money, I'm doing 2 part time jobs currently

I am struggling financially. Just reached 60 and no state pension. I work 8 hours a week for minimum wage then as many hours as I can on a self employed basis, often for less than £1 an hour.

Of those who said that they did not want extra hours (42 per cent) or that 'it depends' (30 per cent), the vast majority said it they would need to be able to maintain their work – life balance and be sure that it was financially worthwhile for them.

Longer hours would mean I couldn't take my daughter to after school activities. Plus [I would have more] childcare costs if working longer hours.

I currently work full time in a responsible job as a civil servant. I am also a single mum to 4 children. I need to earn more money as juggling bills is difficult, but I also need to juggle parenting and work responsibilities, so I would need to weigh up options.

The question of managing time and money was especially acute for lone parents. Several described the very finely-balanced arrangements they had in place to enable them to work – they feared that the slightest upset would result in everything falling apart.

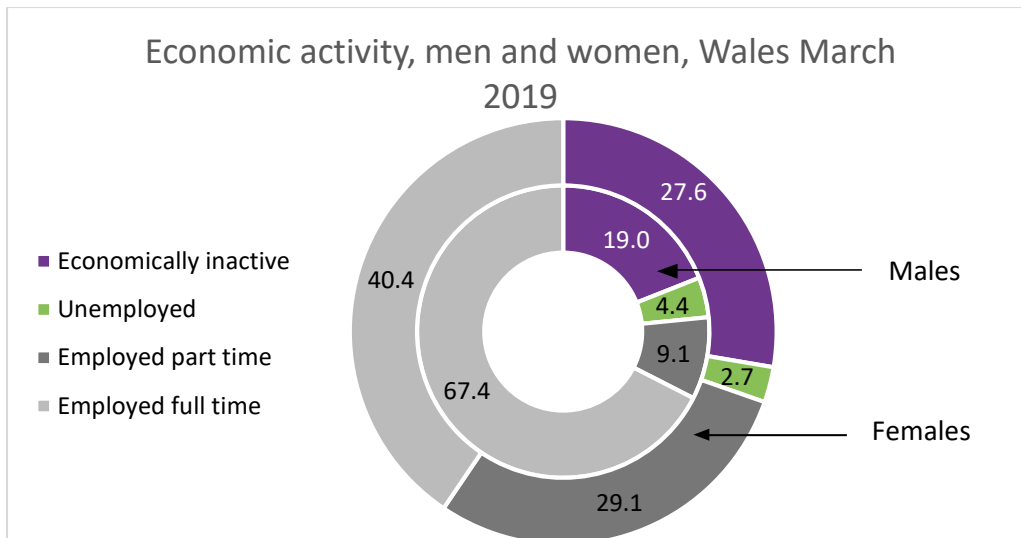
Because of their ages [16 and 13] I couldn't trust them to get up for school on their own. I start at 9 but more hours would mean I would start at 7am. Now I can get them up and take them to school and then go to work

A minority of women said that they would like to work more hours but could not do so because of their own health:

I work 16 hours a week. [Would you like more work?] I would love to, yeah, but I can't do it at the moment because I have arthritis.

³⁶ Annual Population Survey, 12 months to June 2019, men and women aged 16-64, accessed via NOMIS

³⁷ Office for National Statistics (2018) **Contracts that do not guarantee a minimum number of hours: April 2018**. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/contracts-that-do-not-guarantee-a-minimum-number-of-hours/april-2018>



Source: Annual Population Survey, via NOMIS

2.3. Pay

The gender pay gap is an additional factor in understanding women's poverty. The median hourly earnings of women employees in 2019 were £2.20 an hour less than men's median earnings. However, the gender pay gap is smaller in terms of both money value and percentage amongst lower-paid workers. Women in the worst-paid 10 per cent of employees in Wales earn 97 per cent of male earnings, a difference of just £0.29.³⁸

The difference between women's and men's pay is much greater looking at gross weekly earnings because women on average work fewer hours per week. The difference between men's and women's weekly pay for the worst-paid 10 per cent is therefore much larger at £126.80 a week.

Comparisons between earnings data and the poverty threshold are not straightforward. Earnings data are gross of tax and national insurance deductions and take no account of income top-ups received from benefits or universal payments such as child benefits. The poverty threshold, on the other hand, is based on net income from all sources including benefits and applies to the whole household. With these caveats, it is nevertheless clear that a typical woman in work simply does not earn enough in her own right to avoid poverty.

The median gross weekly earnings of a single woman working part-time are below the poverty threshold (before housing costs) for a single person and are just over half the sum needed for a lone parent family to avoid poverty. Women working full-time fare slightly better, with median gross weekly earnings being slightly above the poverty threshold (before housing costs) for single parents and couples with children. A woman therefore needs to work full-time to avoid poverty based on her earnings alone, whatever her household status, and if she has children, she needs to not only work full-time but be in the best-paid half of earners.

³⁸ Annual Survey of Hours and Earnings 2019, via NOMIS

In our survey nearly half (46per cent) of respondents said they would like a better paid job. The reasons given were a mix of wanting more money and a better lifestyle, particularly the small number of women who current worked long hours (e.g. in two jobs).

[I would like] to be able to have a family and secure housing and to get out of a debt management plan

A better paid job would mean not having to rely on tax credits.

I would like to be better paid then I could do without the eight hours [on top of a full time job]

Women's appetite for better paid roles was constrained by their circumstances - four out of ten women said accepting a better paid job would depend on maintaining their work-life balance, not least to be able to juggle childcare:

I need flexibility around my caring commitments and a better paid job might not allow that
Flexibility is as important as money while I have young children

Only one in ten survey respondents did not want a better paid job, with almost all saying this was because they liked their current role. In face to face interviews, the question of the impact of higher earnings on benefits (especially for lone parents) was a key concern with most being reluctant to increase their pay or hours of work. One lone parent of an 8-year-old, who works as a carer on the minimum wage, said:

I am a single mother and I want more hours but it wouldn't benefit me to work; if I went full time I would be financially worse off because I would have to pay all my rent, my council tax, I wouldn't get help with NHS charges, dental treatment.

2.4. Conclusions

Work has long been argued to be the best route out of poverty. Despite the increase in in-work poverty having someone in the household who works continues to lower the risk of poverty. However, for women to escape poverty through their own earnings, they need to work full-time and be receive at least median pay. Encouraging women's participation in the labour market, enabling them to work additional hours if they wish and supporting access to better-paid roles are vital parts of the solution to poverty.

However, women face well-recognised and additional barriers in the labour market compared with men. For many women, finding paid work is affected by their caring responsibilities for others. Some do not work at all, and for many others their ability to work and progress is constrained by needing to get a fit and a balance between working and caring.

It is therefore not always feasible for women to increase their incomes simply by increasing their hours of work or by securing a better paid job – so-called 'work activation'. The risk of upsetting a delicate work-life balance by progressing up the career ladder is one that many women are simply not prepared to take. And for women on benefits, there are either perceived or real disincentives to taking on more or better paid work.

Any efforts to solve women's poverty by increasing their participation in and progress at work must therefore recognise and respond to these complex factors. Crucially, these factors are not connected with women's 'employability' or personal characteristics but the barriers in wider society.

3. WOMEN, POVERTY AND THE SOCIAL SECURITY SYSTEM

The social security system provides individuals and households with an income in certain circumstances. People may qualify for assistance by a variety of methods: by contributions, being in a certain age-group, category or living situation, or via a means test. In Wales in 2016, nearly one in six (15.7 per cent) of women of working age received some sort of Department for Work and Pensions social security benefit,³⁹ and many more received benefits administered by HMRC (such as tax credits) or local authorities (such as housing benefit).

It has been argued that women are disadvantaged in the social security system because they do not access higher status (and often higher value) contributions-based benefits.⁴⁰ Reforms to the social security system have significantly reduced the value and duration of contribution-based support, and arguably the main drivers of women's poverty within the benefit system today are the value and design of benefits. Welfare reform has brought major changes to benefits in terms of eligibility and the amount payable, while Universal Credit has radically redesigned support for working age people.

3.1. Welfare reform

There is a wealth of literature showing how welfare reforms introduced since 2010 have disproportionately affected women. The freezing or below-inflation uprating of benefits has dramatically reduced the real-terms value of most benefits. A myriad of other changes has affected specific groups of claimants, with women being adversely affected by almost all of the reforms.⁴¹

It is worth highlighting the scale of the impact of reforms in Wales:

- All low income households have seen their incomes fall as a result of the benefits freeze but parents are worst affected. The average couple with children in the bottom half of the income distribution will be £580 poorer in 2019-20 than if benefits had been increased by inflation. The average low income single parent is estimated to be £710 worse off.⁴²
- 12 per cent of recipients of Housing Benefit (25,890 households) have been deemed to be under-occupying their property, losing an average of £15.83 a week.⁴³
- Around 8,000 households have been affected by the benefit cap since its introduction, with 2,870 households affected in August 2018, with six out of ten losing £50 or less a week and

³⁹ DWP Benefit Data Working Age Client Group, 2016 via NOMIS

⁴⁰ Fran Bennett and Mary Daly (2016) **Poverty through a Gender Lens: Evidence and Policy Review on Gender and Poverty**. Available at: https://www.spi.ox.ac.uk/sites/default/files/Gender_and_poverty_Bennett_and_Daly_final_12_5_14_28_5_1_4.pdf

⁴¹ Women's Budget Group (2018) **Social Security and Women**. Available at: <https://wbg.org.uk/analysis/uk-policy-briefings/2018-wbg-briefing-women-and-social-security/>

⁴² Welsh Government (2019) **Analysis of the impact of the UK Government's welfare reforms on households in Wales** <https://gov.wales/sites/default/files/publications/2019-03/impact-of-welfare-reform-on-households-in-wales.pdf>

⁴³ *ibid*

three out of ten losing £50 to £100 per week. Almost all households which were capped included children and 77 per cent were single-parent families.⁴⁴

- An estimated 35,000 claimants of ESA have been adversely affected by changes to the value of benefits paid to those in the work-related activity group, losing approximately £28 a week.⁴⁵
- Of claimants of Disability Living Allowance reassessed for Personal Independence Payment, 24 per cent had their claim disallowed and a further 20 per cent had the amount received reduced.⁴⁶

The cumulative impact of welfare reform over the past decade is significant. Analysis commissioned by the EHRC estimates that households in Wales will lose on average around £480 a year from benefit, tax and minimum wage reforms announced since 2010. The effects are regressive, with the largest impact being on households with the lowest incomes. Within low income families, the biggest losses are amongst lone parent families, who on average lose £3,720 a year, and families with three or more children who lose on average £4,110 a year.

Other groups disproportionately negatively affected are disabled people, some minority ethnic groups, and women. Those with multiple disadvantages, such as lone parents with disabled children, experience the greatest losses.

The effect of welfare reform on poverty is clear. Cutting the incomes of the least well-off increases the number of people in poverty: the EHRC analysis estimates that 50,000 more children and 30,000 more adults in Wales will be in poverty as a result of changes to the tax and benefit system.

3.2. Universal Credit

Universal Credit is being gradually rolled out and is hailed as the biggest shake-up of social security in a generation. All new claims or changes in circumstances of existing claims are for UC, while the migration of existing claimants is planned to be implemented over the next few years.

There are deep concerns about the design of UC from both a gender and poverty perspective. First, the benefit is based on the model of a two-person household comprising a primary wage-earner and a primary carer. This is reflected in the payment of the benefit to one person in the household rather than splitting payments between adults. While split payments can be requested in some limited circumstances, for example if there is domestic violence in a household, there is a risk that a woman doing so would be even more vulnerable. The dependency of one adult – very likely the woman – on another adult for all resources increases the risk of poverty for women within the household.

The primary worker – primary carer model is also reflected in the lack of a work allowance for a second earner. This is a powerful disincentive for a second person in a household to take up employment. As the primary carer is very likely to be female, the design of UC risks increasing her dependency on other household members and hence the risk of poverty.

⁴⁴ *ibid*

⁴⁵ *ibid*

⁴⁶ Department for Work and Pensions (2018) PIP official statistics: DLA to PIP Reassessment Outcomes Table 1F, published on 11th December 2018

Second, UC does not make adequate provision for children. A combination of the benefit cap and the limit on claims for dependent children to two hit larger families limit the amount of benefit that can be claimed by larger families. In addition, UC does not cover the full cost of childcare for working parents, and any contributions are made in arrears even though childcare usually has to be paid for upfront. Lone parents under the age of 25 receive a lower rate of benefit than older mothers, despite facing the same costs. All these features of UC mean that the amount of benefit received by a family may be less than it needs to provide for its children. It is well known that mothers put their children's needs first and disregard their own. The systematic disregard of children's needs under UC is likely to see an increase in women's material deprivation as well as that of their children.

Third, the arrangements for paying UC do not reflect how people on low incomes manage their finances. UC involves a wait of at least five weeks before payment is received, when many families making a claim have no savings to fall back on. Advance loans can be made but need to be repaid in a relatively short period. When UC is paid, it is monthly in arrears. However many low income households are used to managing their money on a weekly or fortnightly basis. Universal Credit can also be cut if earnings are not paid calendar monthly: earnings received fortnightly or four-weekly, can trigger non-payment of UC in some months. As women typically manage resources in very low income households, UC's payment arrangements are likely to increase stress and pressure.

Despite these challenges, not everyone will be worse off under Universal Credit. The Joseph Rowntree Foundation estimates that in the UK around 5 million people will be better off and about 3 million will be worse off. The effect is that some 300,000 people in working households will be lifted out of poverty, but that some 200,000 people in workless households will be pushed into poverty. Amongst out of work households that lose out, it is lone parents and single adults who are hardest hit.⁴⁷

Only a small number of survey respondents received Universal Credit but most women receiving benefits were aware of that it would be introduced. Many were very fearful of the changes, in particular the five-week wait for a first payment.

I am dreading it, just the stories I have heard about the money stopping for so many weeks. I use my wages to pay my bills and then I live on my tax credits every week. People say that they have been worse off. I haven't checked - I am too scared. Friends have said that they have gone six or seven weeks with nothing.

I'm not looking forward to it because then I will no longer get housing. We looked into it and worked out that if I go onto Universal Credit I will be homeless because I can't afford my house. It's affected by the cap so at the moment they pay the landlord so much of my rent and I pay the rest, but they won't even pay my landlord so then I've got to take all my money to pay it ...

The question of monthly budgeting generated a mixed response. Some women preferred monthly payments because that is how they managed their money anyway:

I prefer a monthly payment, it makes it easier to pay bills (direct debits etc.)

I am used to a monthly budget. I get paid monthly.

⁴⁷ Helen Barnard (2019) **Briefing: where next for Universal Credit and tackling poverty?** Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/where-next-universal-credit-and-tackling-poverty>

But 40 per cent of respondents in the survey said they thought managing monthly would be difficult, as did the few who currently receive Universal Credit. They were used to weekly budgeting as that was how they were paid from any employment they did and how they received tax credits.

I get my tax credits weekly and prefer to manage my money that way.

It's just a struggle. Going from having your money every week to every month, it is a struggle.

To manage when you only have your income for a whole month is going to be difficult because I rely on weekly money to get groceries, petrol for work and things like that ... there are school trips and they only give you a week's notice so you have to have money for that

Some women felt that month was a long time to last, and they were particularly concerned about managing if there were any emergencies especially without any savings. One interviewee described how a friend had had to take her child to hospital after a nasty fall, and that the bus and taxi fares had left her with nothing to live on for the rest of the month. As another respondent put it:

Too much month left at the end of the payment!

There was a strong preference for payments to be paid to the person who managed a household's money, which in most circumstances was the women themselves or jointly. Not one respondent in our survey would opt for Universal Credit to be paid to a partner. Being in control of Universal Credit, either individually or with a partner, was seen as vital to ensure that bills are paid and the woman has some income.

I'm going through a difficult break up - as I provide financially for the household I would have no freedom or control to be independent [if payments weren't made to me]

All our money goes into a joint account so doesn't matter, I just make sure bills are paid

It is worth noting that many women we listened to who received more than one benefit used the different benefits to cover different expenses. For example, housing benefit or housing allowance is used to pay the rent, wages are used to pay bills, and then tax credits are used for day-to-day living expenses such as food and bus fares. Combining benefits into a single payment changes their budgeting and arguably makes managing more difficult.

3.3. Passported benefits

Receiving some means-tested benefits such as income-based Job Seeker's Allowance, income-based Employment and Support Allowance, Income Support or Universal Credit provided the household has earnings of less than £7,400, means people may be eligible to receive another benefit such as free school meals or help with the cost of school uniforms. Children whose parents are in work and receive Working Tax Credit or any other benefit are not eligible for this help.

Some women mentioned the impact of not being eligible for free school meals, instead having to pay for school dinners, at approximately £3 per child per day, or take a packed lunch.

I am not entitled to free school meals [so] my son has gone to sandwiches now. ... They are £3 a day and he was wasting most of the food anyway.

I rely on the tax credits for daily stuff like dinner money because they don't get free meals ... They have £3 a day and I buy packs of water so they take their own drinks ...

Similarly, some women said that they found the costs of school uniform difficult to cover:

*I need additional hours [of work] to earn extra money for school uniform and Christmas.
[What would help me would be] a monetary grant for school uniform*

3.4. Problems with benefit payments

A minority of women reported having had difficulties with a claim, including being deemed ineligible for Personal Independence Payment, overpayments of Working Tax Credit and Pension Credit, and sanctions made in error.

My Income Support was sanctioned and I had to wait 3 weeks for it to be restored

[I had a backdated pay rise] - it was about £170. All I got in Housing Benefit for the whole month over the Christmas period was a £1. My housing benefit used to be £110 a fortnight but they dropped it to a £1 ... It was a nightmare, I had to borrow money off my mother and my father just to cover the rent.

I have had an alleged overpayment of tax credits - I'm currently disputing this with HMRC. It's left me with less money than I need to live on each week. I have also had awful problems with delays to receiving housing benefit when I became homeless in the past. The stress from both these problems really impacted on my mental health and made coping with being a lone parent much harder. The housing benefit problem forced me into debt and I am still dealing with that 3 years later. I ended up on antidepressants and am still trying to come off those medications now.

3.5. State pension

A small number of women participating in our study were affected by changes to their state pension age. These women had expected to retire at 60 and now had to wait six more years before they were eligible. They were particularly hard hit if they had older partners who needed a lot of care, meaning that they depended on means-tested benefits at an age when they had expected to receive their own pension. Others had to stay in work longer than they had expected to.

When I started work women did not have the same access to pensions as men. Consequently we were not treated equally or fairly over our working lives.

I miss the pension age so it means I have to stay in work.

3.6. Conclusions

The social security system is an essential support for women and their families. However a series of reforms to the social security system, culminating in the roll-out of Universal Credit, has radically reduced the value of benefits, eligibility to claim and the arrangements for payment.

The impact of these changes on women is substantial. Not only do the statistics show that women have borne the brunt of the financial impact, but women themselves are fearful of their effects. The design of Universal Credit was a particular concern, with the five week wait for payment followed by monthly payments dominating women's worries. A minority of women had experienced problems

with benefit payments, leaving them without money for essentials. This included women who had expected to receive their state pension before their 66th birthday.

An unexpected finding was the importance of locally-administered benefits such as free school meals and the impact on households when low-income families were not eligible for help.

4. WOMEN AND CHILDCARE

Childcare is essential for women who want to participate in the labour market, yet there are long-standing concerns about its availability and affordability. This is despite the introduction of several new types of state-provided childcare.

4.1. Availability of Childcare

Childcare in Wales is a complex patchwork of provision, which depends on the age of the child, where parents live and their work status (Table 2).

For pre-school children there are significant gaps in the patchwork including: no free provision for 0-1 year olds at all; no free provision for 2-year-olds outside Flying Start areas; only 10 hours a week provision for 3-4 year olds whose parents who are not working or who work fewer than 16 hours a week; no free provision for parents working more than 30 hours a week (or more than 20 hours a week if they do not wish to take up the 'foundation phase' element e.g. because it is in a different setting to the childcare element).

Childcare for school-age children is no better: free provision at breakfast clubs depends on schools opting to participate, and there is no free provision after school. In the school holidays, there is very limited free provision in school holidays, which is dependent on schools both meeting eligibility criteria and opting to participate.

As found elsewhere, the majority of women in our survey relied on family members, especially their mother, partner or older child, for childcare. Those using other forms of care, often in conjunction with their families, accessed a mix of provision in which breakfast and after-school clubs were the most common. Most women relied on several different providers and had to juggle the different options.

Now we have got her into school after school and breakfast club (which took 2 years) it is ok - it was hard to find a childminder before that.

[It's OK] only because I have support from my partner and mother who are all able to help out

Women with a disabled child faced challenges finding suitable childcare. One survey respondent told us:

My son has additional learning needs. His school has an after school club which he attended for years but they can no longer accommodate his needs which means my husband has had to reduce his hours to do school collection

Women also pointed out that most childcare did not cover the non-standard hours of work required in many lower-paid roles.

I've tried [looking for a job]. I've looked around a lot. But they've got unsocial hours and cos I've got the baby there's nobody to have the baby in the night times

Times do not fit with work.

Table 2 Summary of Childcare provision

Age of child	Free Provision	Availability	Parents' work status
0-9 months	None	Private care only	Statutory maternity leave
10 – 23 months	None	Private care only	Any
Two year olds	12.5 hours a week for 39 weeks a year	Flying Start areas	Any
Three and four year olds	10 hours a week foundation phase education (12.5 hours in Flying Start areas) for 39 weeks a year.	Any	Any
Three and four year olds	20 hours per week childcare for 48 weeks a year. Can be combined with foundation phase education, but provision may not be in same setting.	All local authorities from April 2019 but may not be fully implemented in each authority. A place is not guaranteed.	Income of £111 p.w. from working an average of 16 hours at minimum wage. Eligibility of parents seeking work or in training under review.
Primary school age	Free breakfast before the start of the school day in term time.	Participating schools	Any
Primary and secondary school age	SHEP programme - 12 days care over summer holidays	Participating schools with above average proportion of children receiving free school meals. ⁴⁸	Any

4.2. Affordability of Childcare

Many parents rely on family and friends for their childcare, but for those who are able to find and pay for formal childcare face high costs relative to their earnings. In 2019, the average weekly cost of a place for babies and toddlers up to two years old is £202.09 at a childminders and £222.34 in a nursery.⁴⁹ For school age-children, the average weekly cost of after-school provision is £48.77 at an after-school club and £63.14 at a child-minder.

Households on low incomes may be eligible for help with childcare costs – those receiving Working Tax Credit can receive up to 70 per cent of the costs of childcare up to a maximum of £175 per week for one child and £300 for two or more children, while those receiving Universal Credit can receive up to 85 per cent of the costs up to the same maximum contribution. It is worth noting that even

⁴⁸ Welsh Local Government Association (undated) **Food and Fun: The school holiday enrichment programme** <https://www.wlga.wales/food-and-fun-school-holiday-enrichment-programme>

⁴⁹ Lester Coleman and Joshua Cottell (2019) **Childcare Survey**. Coram Family and Childcare. Available at: https://www.familyandchildcaretrust.org/sites/default/files/Resource%20Library/Childcare%20Survey%202019_Coram%20Family%20and%20Childcare.pdf

with this help, parents need to contribute any fees in excess of the maximum as well as contributing their share of the costs.

Childcare can take a very significant proportion of women workers' earnings. A full-time place for a child up to the age of two takes more than half of the take-home pay of a typical female full-time worker, while the cost of an after-school club for two school-age children takes around a quarter of her pay.⁵⁰ This is a substantial chunk, leaving little over for all other living costs. For women earning less than median wages, the cost of childcare is impossible. Even with a contribution from Universal Credit, a parent with one child under two in a nursery at average fees would have to contribute more than £80 a week from an already-low income.

For the women we interviewed with children under two-years-old, working and paying for a creche place was simply not something they had considered.

I'm a full time Mum to my daughter. She's 20 months old ... when she's in full time school, that's when I'll look for a job

I did put him in childcare ... but the cost compared to my daily earnings, it wasn't worth it

Amongst women with slightly older pre-school children, the Welsh Government's free childcare offer was mentioned by some because it was now available and free.

[It's affordable] thanks to the 30 hours free childcare scheme

Some women did not work enough hours to be able to access the offer, while the provision of 30 hours of care was not necessarily a good fit for women working shorter hours. In addition, some women who worked variable hours and who had variable incomes did not necessarily meet the criteria for their child to participate.

On reaching school-age, some school breakfasts clubs are free but those not participating in the Welsh Government scheme or which offer childcare make a charge as do after-school clubs. Some higher-paid women found these affordable:

After school and breakfast club is very reasonable

I purposely work flexibly so I can make use of school breakfast and after school clubs which are all free.

Lower-income women had a rather different view about what was affordable, especially if they had more than one child.

If childcare was free or heavily subsidised it would make a huge difference - I'd have £1000s a year more in disposable income.

£10 per child for after school club [cost me] £30 ... when I was earning £50 a day.

After school club for both children costs us around £80 a week

One respondent pointed out that the after-school club she uses is not registered as a childcare provider and she is therefore unable to claim help with the costs from Working Tax Credit.

⁵⁰ Annual Survey of Hours and Earnings show median weekly earnings for full-time females in 2018 were £474 gross. With tax and national insurance deductions equals £390 a week.

School holidays were a particular challenge for working mothers, both in terms of availability and affordability.

The thing that stops me from working is that I don't have any close family that can help mind my children (aged 13 and 8) so when half term comes and summer holidays, I'm stuck for anyone to have my children. It is quite awkward. I would love nothing more than to have a job but when half term comes, who am I going to have to look after them?

In the holidays there are places he could go but they are £30 per day and I think that if you are not claiming childcare through the year you cannot claim it for short amounts of time ... My employer has told me that she would never hire a single parent again.

I take home £400 a week, my rent, travel [and] household bills are £300 a week, childcare in the summer holidays cost me £150 a week. I had to pay the excess on my credit card.

4.3. Conclusions

Childcare has long been recognised as being a major constraint on women's participation in paid work and in learning and training. This remains the case despite the introduction of the Welsh Government's childcare offer.

Our findings confirm that up to the age of three the costs of childcare are prohibitive for all but women with above average earnings. The result is that women in low-paid occupations do not work unless they have family able to provide care. Even for women on higher incomes, the squeeze on finances can cause some hardship.

For children from three to five years of age, the childcare offer is valued by women working for around 30 hours a week, but with four out of ten women working part-time it is not always a good fit and it is simply not available for women on the lowest of incomes.

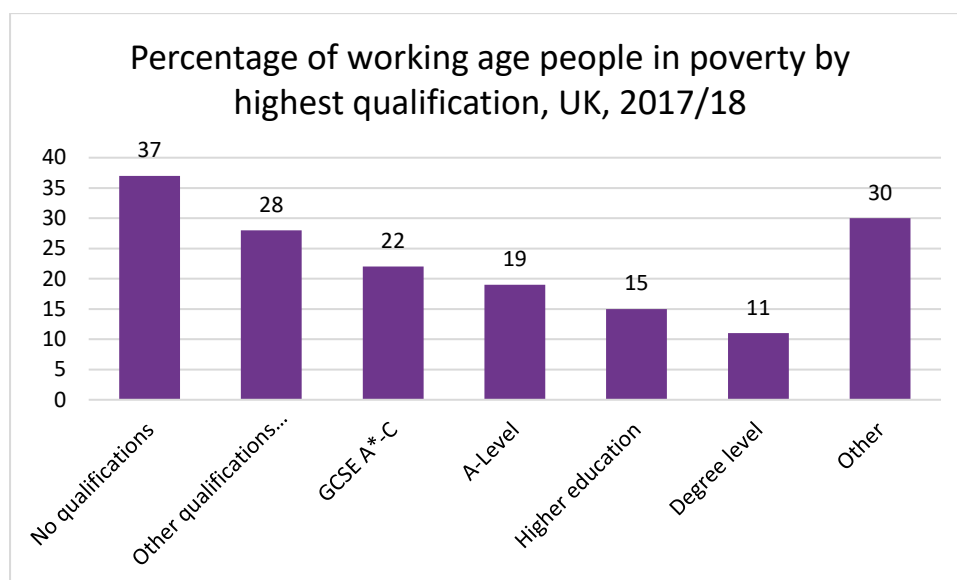
Once a child is in full-time school, the combination of lack of availability and sometimes high costs of before and after school care continue to shape women's working lives. The lack of holiday provision and its cost where it does exist can be an additional and very significant financial and practical burden.

5. WOMEN, POVERTY AND ESSENTIAL SERVICES

Many individuals and families benefit from a wide range of public services which are free at the point of delivery. If these services had to be paid for, women and men would be considerably worse off. An analysis commissioned by the Equality and Human Rights Commission⁵¹ estimated that the value of essential services – education, health, social care, housing and transport – was just over £5,150 per person in Wales in 2015/16. Women who do not have access to these services and who cannot afford to make their own arrangements are at a significant disadvantage.

5.1. Education

There is a close link between not having qualifications and living in poverty. The Joseph Rowntree Foundation's analysis of UK poverty statistics shows that someone with A levels has half the risk of living poverty than someone with no qualifications. Having a degree reduces the risk three and a half-fold compared with having no qualifications.



Source: Joseph Rowntree Foundation **Working-age poverty among people with different qualification levels** <https://www.jrf.org.uk/data/working-age-poverty-among-people-different-qualification-levels>

Women generally have slightly higher levels of qualifications than men. At age 15, six out of ten girls attain five GCEs at grades A*-C including English or Welsh and Maths compared with five out of ten boys.⁵² The difference continues into adulthood with women of working age being more likely than men to hold higher level qualifications (40.8 per cent of women aged 18-64 have qualifications at

⁵¹ Howard Reed and Jonathan Portes (2018) **The cumulative impact on living standards of public spending changes**. Equality and Human Rights Commission. Available at: <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-on-living-standards-of-public-spending-changes.pdf>

⁵² Stats Wales (2018) **Examination achievements of pupils in Year 11/aged 15 by gender** <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Examinations-and-Assessments/Key-Stage-4/examinationachievementsofpupilsaged15-by-gender>

NVQ level 4 or above compared with 34.8 per cent of men⁵³) and being less likely than men to have lower-level qualifications (11.6 per cent have qualifications below NVQ level 2 compared with 13.8 per cent of men).

Nevertheless, substantial numbers of women as well as men have few or no qualifications: nearly 6,000 girls leave school each year without five GCSEs at A*-C and some 178,500 women aged 16-64 have no qualifications or qualifications at NVQ level 1.

For women as well as men there are very limited opportunities to learn as adults. Part time further education provision has fallen by 70 per cent in recent years,⁵⁴ with local authority community learning also being hard-hit. Women have been especially affected by cuts in adult community learning: the decrease in the number of women learners has been more than three times as great as that of men learners (down 14,140 compared with 4,660 for men between academic year 2012/13 and 2017/18).⁵⁵ There has been some increase in apprenticeships at the same time, however it is worth noting that most apprenticeships are full-time whereas almost all adult community learning was part time.

In our discussions with women we found very few who were considering further learning, not least because of the lack of opportunities and the challenges they already faced juggling home and work responsibilities. There was simply no provision that might offer a chance to gain qualifications and enter or progress in a new career.

This is not to say that they were not interested: some women had benefited from learning opportunities in their local community centre, with three interviewees participating in part-time learning provided there, including subjects such as play therapy, food and nutrition and first aid.

It's my dream to work with little children and babies. I love little children. I go to college now with the OAPs so I can pass what I'm doing ... I've passed my first aid, manual handling, health and safety. If I don't get that I'll get something else.

I'm doing a food and nutrition course and a cooking course here, which I think is level 2 accredited. [So is that with a view to getting a job?] Hopefully yeah - I volunteer here on a Wednesday, so I'm trying to get a foot in and I help at the school, so it all helps doesn't it, getting these things under your belt.

We also interviewed several women who were learning informally by volunteering in their local community shop.

Me getting a job ... would make a huge difference. ... Before I had my son, I did cleaning, I worked in a care home. I don't think I could go back to doing the care home now ... but a cleaning job, something like that. But here [volunteering], you know, I'm gaining lots of confidence here with skills and things so hopefully that can all help.

Being here gives me confidence. Cos I suffer with stress but it's calmed down a lot, and right now coming here I've got new friends, I'm happy.

⁵³ Stats Wales **Highest qualification levels of working age adults by gender, age and qualification** <https://statswales.gov.wales/v/HCEB>

⁵⁴ Welsh Government (2018) **Adult learning in Wales** <https://gov.wales/sites/default/files/consultations/2018-06/delivery-and-funding-of-community-based-adult-learning-consultation-document.pdf>

⁵⁵ StatsWales **Unique learners in local authority community learning by age group and gender** <https://statswales.gov.wales/v/HCE0>

For many women, the pathways into work or into higher paid roles were unclear. Women who had participated in learning were not necessarily able to apply it to their job searches – for example the woman who had participated in child-related subjects had been applying for work in a call centre. Some women also commented on the lack of support and advice for women seeking to return to work. As one said:

There is no specific help for mother returners offered by Careers Wales or the Jobcentre [here]. There is no support for mothers who want to return to flexible work to fit around childcare responsibilities.

The lack of provision of adult learning and the apparent shortage of advice and support for women wanting to return to work help to trap women in their domestic roles and in low paid work. If a woman does not manage to secure five good GCSEs at age 15, for whatever reason, there are precious few opportunities for her to escape poverty through learning when she is older.

5.2. Health and social care

Health and social care also play a role in women's poverty. Women are more likely than men to experience poor health themselves: a higher proportion report that their health is bad or very bad, a higher proportion have long-term conditions and a higher proportion report that their daily activities are limited by poor health.⁵⁶ Women are also more likely than men to report being treated for a mental health condition.

In our interviews we heard the sometimes severe impact that mental health conditions had on women's ability to work. One woman had been self-employed but she had had to stop working because of severe anxiety – she now receives Employment and Support Allowance and her partner pays for many bills.

I've suffered with mental health issues, when I get ill I've noticed that I've not had as much income - I used to be self-employed and when I was working the onus on me was to make money.

Women are also more likely to provide unpaid care to another adult than men, with women on average providing more hours of care than men. Caring also tends to affect men and women at different times. Women are much more likely to care in middle age with one in four women aged 50-64 having caring responsibilities, compared to 1 in 6 men of that age.⁵⁷

Women's caring roles have a huge impact on their ability to hold down paid work. Carers of both genders are more likely to work part time than people who are not carers and are also more likely to have to stop work altogether.⁵⁸ Carers UK reports that carers experience significant drops in income as a result of reduced working hours – 1 in 3 (30 per cent) had seen a drop of £20,000 a year in their household income as a result of taking on caring responsibilities. If they do work, carers tend to hold low-skilled and administrative and service-orientated occupations which are typically low paid.

Women we interviewed experienced difficulties combining paid work with caring.

⁵⁶ Welsh Government (2019) **National Survey for Wales 2017-18: Adult general health and illness Statistical Bulletin 10/2019** <https://gov.wales/sites/default/files/statistics-and-research/2019-03/national-survey-for-wales-2017-18-adult-general-health-and-illness-658.pdf>

⁵⁷ Carers UK (2019) **Facts about Carers.** https://www.carersuk.org/images/Facts_about_Carers_2019.pdf

⁵⁸ *ibid*

Being a full time carer I already provide over fifty hours of care per week. I care for multiple people including an adult daughter with profound and multiple needs ... The care and support I receive for my daughter is not always stable meaning that if the support becomes unavailable then it falls on me to be responsible for her care which means that I am tied to her.

The rules surrounding Carer's Allowance were an added barrier to women carers working:

I am only allowed to work and earn a certain amount as I am a carer for my Father ... I have already had to cut my working hours due the minimum wage increase, The carers threshold has not increased with the minimum wage

5.3. Transport

Another significant key resource shaping women's poverty is transport. Getting about is essential not only to get to work or educational settings but is also important to get to shops and services such as banks or doctor's surgeries. Overall, women are slightly less likely than men to hold a valid driving licence (63 per cent do so compared with 83 per cent of men) and are also slightly less likely than men to own their own vehicle.⁵⁹ People on low incomes are very much less likely to have access to a car: nearly half (48 per cent) of people in the least well-off fifth of the population do not have a car compared with 14 per cent of people in the richest 20 per cent of UK society.⁶⁰

Women on low incomes are therefore dependent on public transport to get about, and in particular depend on buses. Although the data are now relatively old, a Welsh Government survey found that 82 per cent of male respondents use a car or van to travel to work compared with only 76 per cent of female respondents.⁶¹ For every age group, women were more likely to use the bus than males (25 per cent, compared with 18 per cent).

Evidence suggests that bus services have contracted in recent years, and that the cost of public transport has increased dramatically. The distance covered by bus services in Wales has fallen by 19 per cent in the years 2007/08 to 2017/18, with a similar reduction in passenger numbers over the same period. At the same time there has been a 43 per cent increase in bus fares, increases which have a particularly large impact on women's relatively low earnings.⁶² For example, a return train fare from the Heads of the Valleys to Cardiff costs £8.40 – more than an hour's gross pay for nearly four out of ten women part-time workers. Schemes introduced to reduce travel costs such as

⁵⁹ Welsh Government (2017) **Welsh Transport Strategy**

<https://gov.wales/sites/default/files/publications/2017-09/wales-transport-strategy.pdf>

⁶⁰ Lucy Knight (2016) **Working Women's Journeys An Overview of the Relationship between Commuting and Gender**. Chwarae Teg Available at: <https://www.cteg.org.uk/wp-content/uploads/2016/09/working-womens-journeys-full-report-en.pdf>

⁶¹ Welsh Government (2008) Living in Wales survey. <https://gov.wales/sites/default/files/statistics-and-research/2018-12/091130livingwales2008en.pdf>

⁶² Department for Transport BUS0405: **Local bus fares index by metropolitan area status and country: Great Britain** https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810280/bus0405.ods

weekly or monthly season tickets are of little benefit to workers who do not use services five days a week, such part-time workers the vast majority of whom are women.⁶³

Women's greater reliance on bus services mean that they are adversely affected by these changes. In too many instances women are simply unable to travel as they wish, while if they do so they pay a disproportionately high price relative to their incomes.

Several women in our survey and interviews described how being unable to drive prevented them accessing work opportunities. One previously self-employed woman who was currently out of work said:

Being able to work and being able to drive would change things for me 'cos it means I might be able to do my business. ... I have to go further afield and going on the bus I wouldn't be able to, because I couldn't carry all the equipment that I use in my work on the bus

[I'd like] a proper job for me rather than just bits of cleaning jobs. Due to lack of transport and my husband needing our car for [his] work means me finding work is virtually impossible, so just do what I can – cleaning, dog walking, whatever.

Women from BAME communities were very reliant on their partners or husbands for transport, not only to and from work but to do shopping and take their children to and from school. One woman who does not drive said:

When my husband isn't at home I have to suffer because I have to take the kids to school and I don't drive ... He goes to do the grocery shops and when he goes [away] for a couple of weeks I have to do all that ... the pressure is on me

Another BAME interview who also could not drive simply did not travel if her husband wasn't able to take her:

I wouldn't be able to get a bus; I would be too scared

Women who were able to drive sometimes found that the costs of running a car took a substantial proportion of their earnings:

If public transport in the valleys was actually affordable and reliable I could potentially save a lot by not running a car, but as it is I have to have one in order to get to and from work.

Some women said that they had been faced with being unable to put petrol in the car or pay for public transport when money was short. When that happened:

I've walked five miles a day because I couldn't afford a bus.

5.4. Conclusions

Women's experiences of poverty are very strikingly shaped by their access – or lack of access – to other essential services. Cuts to part time education, adult social care and to bus services combine to limit the range of opportunities available to women who want to change their circumstances, in effect trapping them in poverty. Women on low incomes simply do not have the resources to be

⁶³ Lucy Knight (2016) op. cit.

able to pay for taxis or private care providers, back-up services that women on higher incomes and men often take for granted.

6. HOUSEHOLD ARRANGEMENTS

Household structure and the distribution of resources within the household are an important – and usually overlooked – cause of poverty. Almost all measures of poverty assume that resources are distributed equally within a household. Yet there is a wealth of evidence that suggests that women do not necessarily receive an equal share of resources, whether that is income, food or the family car. All too often women are denied their due or else put themselves last.

6.1. Couple status

Couples have much lower risks of poverty than single people, whether or not children are present, because they benefit from ‘economies of scale’ as well as often having more than one income. When a couple relationship ends, for example as a result of bereavement or divorce, a household can be tipped into poverty. An analysis of income data for Wales for the period 2000-2008⁶⁴ showed that nearly half (43 per cent) of couples who separated and became lone parent families moved into poverty, and that separation brought by far the biggest risk of poverty.

Conversely, single people who become a couple benefit from shared costs and combined incomes. The same data showed that more than half (56 per cent) of lone parents who became a couple moved out of poverty, as did 63 per cent of single adults without children who became a couple. Becoming a couple was second only to increases in earnings or pension income in enabling people to move out of poverty. It is important to note that because changes in couple status are a relatively uncommon they account for a small proportion of all people moving in or out of poverty.

The ‘couple effect’ was very evident amongst the women we interviewed. In our survey, women who lived with a partner were more than twice as likely to say that ‘We have enough money for all the essential bills and enough left over for some luxuries and savings’ than women who lived without a partner. On the other hand, women who lived without a partner were more than three times as likely to say they sometimes or constantly struggle to pay for essential bills, and rarely or never have luxuries.

These differences were also apparent in the difficulty women faced in affording to buy different items. Women without a partner were three times as likely as women with a partner to say it was very or fairly difficult to pay their rent or mortgage, and were twice as likely to say that it was fairly or very difficult to afford to pay for heating, council tax, food and toiletries. More than a third of women living without a partner said that they struggled to pay for these basics, with nearly half struggling to afford heating and food. Both groups of women said that transport costs, such as bus fare or running a car, could be very or fairly difficult to afford, as was buying clothes, but women who lived without a partner were much more likely to do so.

Perhaps surprisingly, we identified some women who changed their living arrangements either to reduce costs or to maximise income. This could involve women living separately from their partner to retain their benefit income. But we also found some examples of women sharing with other family members e.g. their mother to reduce costs.

⁶⁴ New Policy Institute (2014) **The Dynamics of Low Income** <https://gov.wales/sites/default/files/statistics-and-research/2019-07/140409-dynamics-low-income-en.pdf>

Sharing bills which I am about to do. My mother is 92 and we are going to move in together which will save us both money. Not ideal but necessary.

... I was on my own for a while and then I decided to sell the house. My daughter and her children said they would like to move in, so they did and now she has bought the house so at least I don't have to worry about the mortgage because that was a big concern at the time

6.2. Children

Having children in a household doubles the likelihood of living in poverty. For the UK as a whole, 45 per cent of single parents have incomes below the poverty threshold compared with 23 per cent of single people without children. Similarly, 23 per cent of couples with children live on poverty-level incomes compared with 12 per cent of couples without children.

The impact of having children on households was very clear in our survey and interviews. Not only did children bring extra costs in terms of food, clothing and heating but they also brought costs for toys, hobbies and socialising. Parents described the costs of football kit, rugby subs and 'funky haircuts':

... because of their age it is them wanting things, like [daughter] wanting to go to town with her friends. It's not like a fiver! You are talking £20 and my son, who is coming up to 16, he wants to be out more and everything costs to keep up with the trends ...

Schools were an additional source of pressure: one interviewee described requests from schools to buy costly equipment such as iPads and laminated worksheets while several mentioned the costs of school trips.

There was a universal view amongst women we interviewed that their children had priority in any spending decisions. Putting children first often meant that women go without. We heard about women skipping meals or only having a snack so their children could have a cooked meal. We heard about women not replacing basic clothing or managing without toiletries so that children had what they needed.

In my household my kids will always come first. Me and my partner will just go without. It's always been like that – the dogs and the kids first. It's been like that and it always will be.

Obviously these [the kids] come first and they're our priority you know. ... I'll see myself walking round in holey shoes for these to have a pair of shoes.

I often go without so that my children have enough ... I would feed my children first

I make sure the children have school uniform and essentials, but I personally go without.

... me and my husband probably cut back on food for ourselves, so long as the kids are fed. Me and my husband, we'll have beans on toast and they'll have a proper meal.

It is ironic that some the greatest pressures on low-income families come not from advertising or popular culture but from schools, e.g. the cost of school uniforms, equipment for schools, school trips and as described earlier, school dinners.

6.3. Second earners

Second earners in a couple are typically women, and they play a vital role in avoiding poverty. Using UK data, the risk of poverty for a couple with one person working full-time and one person not

working is 28 per cent. For those with a full-time worker and a part-time worker the risk of poverty falls to just 8 per cent - almost the same as if both work full-time. For children, it is reported that one third of those in families in in-work poverty lived in one-earner couples.⁶⁵

Not only does a second earner's income help lift a household above the poverty threshold, it also provides the earner herself with an independent income. This is vital not only in the short-term, but also for protecting against poverty in the longer term should the second earner become the primary or sole earner in a household. Being in work also maintains the second earner's attachment to the labour market, keeping skills and experience up to date.

In our survey, amongst women who lived with a partner 62 per cent said their income was extremely important to the household's finances and 26 per cent said it was very important. Some women were the main breadwinner in their household, and many more were vital contributors.

[I am the] main breadwinner - my partner took a career break to look after kids and his income is still very low after returning to (self-) employment. He also works short hours around the kids' school day.

I contribute 50 per cent to household bills, even though my partner earns more than me. Equality is important. Though we could split this differently according to proportions, it would not suit me well to be contributing less financially.

We are still paying a mortgage and without my wage we would not survive.

6.4. Sharing resources

Studies over many years have shown that some women have limited access to household funds, with recent data confirming that this remains the case.⁶⁶ One study estimated that 30 per cent of households that were assumed to pool their resources did not fully do so.⁶⁷ The same study found that even in households where resources were pooled, there were some women and men who said they could not take decisions about their own expenditure.

At best, unequal access to funds can result in women foregoing their own material needs in favour of others, and especially their children.⁶⁸ At worst, the unequal distribution of resources may involve one partner controlling the other partner's ability to acquire, use or maintain economic resources.⁶⁹ A recent UK survey found that one in five British adults have experienced financial abuse in a current or past relationship, with 60 per cent of incidents being reported by women. Disabled people are also at a higher risk of financial abuse than non-disabled people.⁷⁰

Financial abuse is often accompanied by other forms of abuse: eight out of ten victims of financial abuse reported other forms of abuse in their relationship.⁷¹ Victims of domestic violence often

⁶⁵ Quoted in Fran Bennett (2018) **Rethinking low pay and in-work poverty** <https://wbg.org.uk/blog/rethinking-low-pay-and-in-work-poverty/>

⁶⁶ Women's Budget Group (2018) **The Female Face of Poverty Examining the cause and consequences of economic deprivation for women** **Female face of poverty.** <https://wbg.org.uk/analysis/the-female-face-of-poverty/>

⁶⁷ Eurostat (2013) **Income pooling and equal sharing within the household** Available at: <https://ec.europa.eu/eurostat/documents/3888793/5857781/KS-RA-13-013-EN.PDF>

⁶⁸ Fran Bennett and Mary Daley (2016) op. cit.

⁶⁹ Adams, A.E., Sullivan, C.M., Bybee, D. & Greeson, M. (2008) **Development of the Scale of Economic Abuse.** *Violence Against Women.* 14(5):563-588.

⁷⁰ Nicola Sharp-Jeffs (undated) **Money Matters** <https://www.refuge.org.uk/files/Money-Matters.pdf>

⁷¹ *ibid*

report that they have also experienced financial control by a partner or former partner.⁷² A survey of women using domestic abuse services found that just under three-quarters (74 per cent) of said that the abuser had controlled their access to economic resources. Control of finances can mean that women do not have access to essentials, with one study finding that 72 per cent of women experiencing financial abuse went without clothes or other basics. More than four out of ten women used their children's savings or birthday money for items such as food or to pay bills.⁷³

Financial abuse can also occur when the perpetrator uses all joint resources or does not contribute to joint bills. More than half of women (53.4 per cent) in one survey said that their partner had used money meant for basic essentials to spend on drink, drugs or gambling.⁷⁴ In some instances, women are forced by their partners to take out credit or assume financial liabilities for the perpetrator, or have their property or income stolen or damaged. Nearly three-quarters (73 per cent) of Citizen's Advice advisors have encountered victims taking out credit on behalf of the perpetrator, and four out of ten (42 per cent) of advisers have encountered perpetrators transferring financial liability for debts to the victim.⁷⁵

Even after ending the abusive relationship, some women are affected by disputes over access to bank accounts, liabilities for debts, a poor credit record and limited experience of managing household budgets.⁷⁶

We found women reported many different financial arrangements. Some women had their own incomes which they kept completely separate from their partner's money, some women pooled their money with their partner, and a few had little or no money of their own so were almost completely dependent on their partners.

Overall, around half of women with partners in our survey said that they had their own money that was completely separate to their partners' money. Women on higher incomes were very much more likely to say this than women on low incomes, and it was by far the most common arrangement amongst higher-income households. In some low-income households, many women had control of all household funds not least because they felt they were better managers.

I manage the money for both of us, it goes into my bank account. I've always managed the money 'cos he used to drink before so I took control of the money. I'm the boss ha ha! ... It would be nice if he took over 'cos I've got all the headaches haven't I?

In others, each member of a couple paid for different things.

⁷² Women's Aid (2014) **Half of domestic violence victims experience financial abuse**, Press Release 1st May. <http://www.womensaid.org.uk/domestic-violence-press-information.asp?itemid=3266&itemTitle=Half+of+domestic+violence+victims+experience+financial+abuse§ion=0001000100150001§ionTitle=Press+releases>

⁷³ Marilyn Howard and Amy Skipp (2015) **Unequal, trapped & controlled - Women's experience of financial abuse and potential implications for Universal Credit** <https://www.tuc.org.uk/sites/default/files/UnequalTrappedControlled.pdf>

⁷⁴ Ibid.

⁷⁵ Citizen's Advice Bureau (2014) **Controlling Money, Controlling Lives – Financial Abuse in Britain p.8** <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/justice-policy-research/domestic-abuse-policy-research/controlling-money-controlling-lives/>

⁷⁶ Marilyn Howard and Amy Skipp (2015) op. cit.

We kind of just pay separate things. He pays the big things I pay the small things and do the food shopping and TV licence and things like that and if the kids need anything like clothing or footwear. We work it quite well actually.

I buy the food, pay the water, gas, electric, get the girls stuff. Then when he gets paid he pays the council tax and ... rent and he'll say "right do we need shopping this week?" We work around so if one has spent their money, the other's money follows us through.

My husband will do gas and electric. ... Now with the baby I do the food shop and things for the baby ... We have separate accounts and my money will go into mine and his goes into his but he will top mine up when I run out.

Around a third of respondents said that they shared resources, with the proportion being the same in all income bands.

We do share the money. We are both quite good at just thinking about each other. I suppose I was always quite good at making sure I paid for half of everything even though a lot of those costs were his [when his children lived with us]. And then I suppose he's looked after me when I didn't have any money when I was made redundant and stuff, so I suppose we've both been quite good at thinking like a couple.

All our money goes into joint account ... I just make sure bills are paid

A few women were almost completely dependent on their partners, mainly because this was the cultural norm in their community, because they were on maternity leave or because they were not working due to illness. They were mostly content with the arrangement.

my husband has always given what I needed, so I don't have that strain of not having any money and not being able to spend anything ... you need that understanding between your partner

The money I get is child benefit and child tax credit so I don't have my own money really. If I need something though my partner will give me the money

[A job would give me] more power ... I could just do something rather than ask him and justify it ... I don't want to be a burden on him, I want to help him and have my own money ...

The vast majority of women responding to the survey thought that the arrangements for managing money in their household were fair, with no major differences between income groups. When asked whether they agreed with various statements about their partners and money, most women responding said that they usually agreed with their partner over money and a positive view on their arrangements. A small number of women rated their arrangements as unfair, with a very few saying that their partner usually put themselves first when spending, had withheld money from them and had taken money without consent.

We interviewed one woman who had been left with substantial debts on the death of her partner, of which she had been unaware, and another who felt that her partner did not do his fair share.

He's not on the same wavelength as I am. He thinks more of himself ... whereas I think of myself, her [20 month old daughter] plus him ... We both should be on the same page and working together but it's not like that. Basically my money is just for me and her [daughter]. I just deal with me and her. He does himself.

6.5. Budgeting

We heard about many women's very careful budgeting. Many managed their expenditure down to the last penny in order to live within their means – women were pleased if they had £1 left at the end of the week, and similarly they would cut expenditure by £1 if they had to, for example by withdrawing their child from after-school club. 'A pound is a pound' they said.

If the women we listened to could not afford something, they simply did without. They described the constant juggling act to get by.

I tick by because of my budgeting skills and canny shopping ... but it's no fun and some amount of effort.

We are always just floating, just floating you know, trying to keep above water

Many of the women who responded to the survey and who we interviewed said that they were cutting back, whether it was on holidays or haircuts or downshifting to lower-cost 'value' foods. This is not surprising given that wages have decreased in real terms, meaning that people in all income brackets are worse off than ten years ago. However, there is an important distinction to be made between women who were cutting back on holidays and make-up or who were naturally frugal and women who went without basics because of lack of funds.

One of the first items of expenditure to be foregone by women on low-incomes is 'treats'. While some noted they had not been able to afford a foreign holiday, for others cutting back meant missing out on a trip to the cinema, a day at Barry Island or favourite foods.

We don't really have that many treats because we can't afford it – I can't remember the last time we had a treat day.

I stopped buying a few treats - we liked to keep the food bill down. Our budget can't change as wages haven't gone up but all other bills have gone up and so has cost of food - gotta cut costs where we can

Yeah we can't buy nothing. We can't have a holiday, we can't have daytrips, not since he been on pension credit we can't, no luxuries. With Christmas now I won't buy Christmas food, we just can't do it.

Women frequently reported cutting back on clothing and toiletries. Some women said that they rarely bought clothes and if they did they bought from charity shops out of necessity. A number said that they used only the most basic toiletries and went without haircuts.

On the rare occasions I update my wardrobe, I buy from charity shops. My daughter has relied on free sanitary products from school.

I never buy new clothes, and my coat and shoes aren't waterproof. I prioritise my daughter's wardrobe over my own. I don't always have money to buy [toiletries] and ... sometimes I struggle to afford washing powder too.

I rarely buy clothes and when I do they are from charity shops

When money is tighter still, we found women cutting back on heating.

The electric I go through! I don't know where it goes. £45 a week electric I put in. ... I'm scared to put the gas on 'cos I puts £20 on cos I've got a gas cooker and that, but I've got to

make it spread out sort of thing. Only if it's cold I puts it on. I tell them [her children] to put their dressing gowns on or blankets on ... Obviously with the lights I've got to put them on.

My gas and electric goes up 'cos of [where my house is]. The wind just whips around and the walls are cold, so gas and electric is quite a bit – I've already put in £30 [this week] so that's already a big chunk off [my weekly money]

I don't have heating on until I'm cold when wearing 3 layers, wool socks and slippers etc. Everything is on a shoestring

And when money is shorter still, we found women cut back on food. We heard about a range of strategies including meal planning, buying food from value ranges, eating low cost items such as pulses rather than meat, buying frozen rather than fresh food to avoid waste, eating sandwiches in place of a cooked meal, filling up on carbohydrates, going to a friend's or relative's home for a meal, or simply going without. An inadequate diet has long-term health effects for women and children, contributing to many long-term and sometimes fatal diseases.

So my husband always gets a cooked meal as he is registered disabled. I often skip meals or just have sandwiches.

We are not vegetarian, but we rarely eat meat. I can't usually afford enough meat for 3 of us, so I go without meat to give the children a balanced diet. I have also missed meals entirely, to make sure the children have enough food.

We had one meal a day.

... [when] you've got nothing to live off ... it's potatoes, bread and potatoes, bread and potatoes

Women's careful budgeting could be knocked off course by unexpected circumstances. We heard about all kinds of events, from emergencies such as children needing hospital treatment or requiring special items, to unanticipated home or car repairs, to devastating life events.

The day to day living costs are okay, it's when other things crop up. My fridge broke the other day - I didn't have that money to buy it so I had to get credit for one from a friend

I have a non-functional bathroom but don't have the money for a plumber to repair it.

[my daughter] has medicated cream and if she doesn't tell me she is running out then I will have to go and buy it because I cannot wait for the prescription and it is £7.50

One interviewee described how her mother and sister had passed away within seven months of each other and the strain of affording their funerals.

They both died with nothing ... I had to apply to the social for a funeral grant and it took a long time for them to tell me we had the money. ... People don't tell you when someone dies what could happen and what the costs are. I had to find £2,300 for a simple, simple funeral and the person from the funeral place, they would be on the phone saying "have you got the £500?"

6.6. Credit and saving

A few women were paying off former debts and found the outgoings a considerable burden. When money was short most looked to borrow from family or friends rather than formal lenders.

Well I borrow. I borrow money off my mother ... I suppose I just try to manage as best as I can really

I've borrowed off my parents for basic food shopping, [my son's] subs for rugby, that is an extra, and things like school trips they will go in half with me for things ... I wouldn't [manage without them].

Some women on very low incomes managed to save small amounts:

If there's anything left at the end of the week – a pound or two – that'll go in my money box. If a crisis come up, bang, that's my money box gone on that crisis and it's back to square one.

Some months I have £10 left. Other months I have £30 - £40 left. Each month is different ...

6.7. Conclusions

Household arrangements are a key element in understanding women's poverty. Households manage their money in a wide variety of different ways, with most women saying they were happy with the arrangements even if they had limited money or decision-making power themselves. While they may have perceived the arrangements to be fair, some women were nevertheless dependent on the goodwill of their partners to have access to funds.

Women adopted many and varied strategies to manage as best they could within their means. They cut back and they went without, with a substantial minority going without the basics of heating, food and basic clothing. Many budgeted down to the last penny in order to manage.

It was striking how even the smallest, unexpected event could knock a careful budget off course. Anything from the cost of a school trip to visits to hospital to a new fridge to funeral expenses could result in major hardship.

7. TOWARDS SOLUTIONS

Women's poverty is shaped by the complex interaction of their participation in the labour market, their receipt of social security benefits, access to childcare and transport and the distribution of resources within their household. What is very clear from listening to women is that a substantial number struggle to meet their most basic needs, whether for food, heating, clothing or toiletries. They were trapped because they simply did not have enough income to meet the high costs of childcare, food, fuel and housing, and were sometimes juggling multiple caring responsibilities as well as well as seeing public services on which they relied shrink.

Not only is there a lasting impact on women's health and well-being from the worry of managing or from a poor diet, there are long-term implications for their standard of living in later life and the future well-being of their children. By failing to solve the problems today, the Welsh Government is creating problems in the future.

This section outlines some changes that we believe could begin to solve poverty amongst women, sometimes questioning conventional wisdom.

7.1. An effective, cross-government strategy

The Welsh Government needs a strong commitment to take effective action to solve poverty. It has long been concerned about poverty and most recently has committed to 'act in the here-and-now to do our very best for every child in poverty in Wales'.⁷⁷ Sadly there is as yet no effective, cross-government strategy to do so.

An effective anti-poverty strategy must aim tackle to the root causes of poverty amongst children as well as women and men. And it must do so at sufficient scale, making a noticeable and measurable difference to the lives of people on low incomes.

There is much debate about whether the Welsh Government has the necessary powers to solve poverty. While it is the case that the Welsh Government does not determine statutory minimum wages or benefit rates, it does have powers over many other factors that contribute to poverty, from social rents to eligibility for free school meals. It can seek to transform the economy, change devolved elements of the social security system, improve childcare and open up key public services so that they work together to lift substantial numbers of people out of poverty.

Crucially, the Welsh Government's approach to solving poverty must recognise that not all people trapped in poverty are the same. They have different characteristics, different circumstances and face different barriers that hold them back. A one-size-fits-all approach will not work. One of key differences that an anti-poverty strategy should recognise is gender. The rest of this section sets out our recommendations for action.

7.2. More women in work

It is worth reiterating the importance of paid work to poverty among women. Being in employment, even if part-time, significantly reduces the likelihood of being in poverty. For households with incomes below the poverty threshold, those in which someone is working are much less likely to

⁷⁷ Mark Drakeford (2018) **2018 Labour Leadership Manifesto**

experience deep poverty (i.e. with an income less than 50 per cent of the median) than those where nobody is working.

Being in paid work has an additional protective effect for women. Paid work means that a woman has her own income, no matter how modest. She also has a means of supporting herself if a relationship breaks down. Amongst low income households where every pound counts, even a modest additional income can enable a woman to take decisions about how resources are used and afford food, heating and transport. Having paid work is also important in later life, keeping women in touch with the labour market, accruing National Insurance contributions and, ideally, building up a private pension.

Women need three types of intervention if work is to help to lift them out of poverty: help to enter and progress at work, better pay and flexible work.

Help to enter and progress in work

Helping people into work or improving employability have long been important in both Welsh Government and UK Government policies, although provision by the latter has reduced substantially in recent years, not least as employment rates have risen. Many of the women we interviewed who were not working were some distance from the labour market and would probably need practical support to enter work. Similarly, many of the women who were working were doing so part-time in relatively low-paid jobs and would probably need practical support to progress.

Finding work, increasing hours or seeking better paid jobs were not necessarily straightforward for women. Most managed their daily lives by finely balancing their care and work responsibilities, with even apparently minor changes such as starting work half an hour earlier having the potential to upset their arrangements. A change of employer could also bring a loss of flexibility. The interface with the benefits system is complex, with losses to benefits occasionally more than offsetting increased earnings. A desire to avoid triggering a move onto Universal Credit by changing circumstances was an additional concern expressed by a minority.

Programmes to support women on low incomes into employment and to progress at work therefore have a key role to play in solving women's poverty. However, it is vital that they are sympathetic to the needs and circumstances of women on low incomes, recognising that the barriers many women face to finding and progressing at work lie in wider society and not with women themselves.

Better pay

Our analysis showed that the earnings of the least-well-paid half of women employees are unlikely to be sufficient alone to avoid poverty. Women themselves were also more interested in securing better paid work than they were in increasing their hours.

For lower-paid women, what matters more is increasing their hourly rate of pay. If all women were paid the Real Living Wage, 172,000 women across Wales would be better off. A boost to the statutory or voluntary minimum rates would increase their earnings by substantially more than simply closing the gender pay gap, which is relatively small for low-paid employees.

Concerted action to boost take up of the Real Living Wage, especially in low-paid sectors, and in tandem to increase trade union representation and recognition in these sectors would potentially have a significant impact on women's poverty.

Flexible employment

Flexibility enables many women to balance their working and caring responsibilities and also enables women to manage a disability or health condition. Arrangements that are common in offices, such as flexible working hours and working from home, are much more difficult to introduce in occupations such as caring, cleaning or retail which rely on customer contact.

While this was not an issue we explored in depth, increasing employee options in respect of hours and location of work will help some women to balance work and caring.

7.3. Reforming social security

Social security is vital to supporting women on low incomes. While social security benefits are not devolved, dealing with many of the consequences of welfare reform does fall to the Welsh Government and local authorities. We found many challenges in the social security system: in particular there is an urgent need to address problems caused by the wait for payment, payments made monthly in arrears, payments made to one person and the impact of the work taper.

We recommend that the Welsh Government should urgently seek the ability to vary Universal Credit's payment arrangements. This should include giving claimants choice about the frequency of payment and who it is paid to, as in Scotland. The Welsh Government should also seek powers to provide additional payments, for example to children in low-income families (as in Scotland), to women returning to work or to support lone parents.

The Welsh Government should also argue strongly for the waiting period to be dramatically reduced. It should use the Discretionary Assistance Fund to support families during the waiting period and should extend the provision of free school meals to children whose parent or parents are in the waiting period, and schools and other public bodies should provide parents with an additional grace period for any payments due during this time.

There is also much more that the Welsh Government and local authorities can do to support women on low incomes via its own schemes. It is surprising that a government committed to tackling poverty has often adopted arrangements for devolved benefit schemes that mirror those introduced in England, and which cause considerable hardship.

The Bevan Foundation is developing proposals for practical changes across the range of programmes. Obvious improvements include extending eligibility of free school meals and help with school uniform and other costs to the children of low-income working parents. Similarly increasing take up of means-tested reliefs such as council tax reduction and discretionary housing payment would ease pressure on families. The Welsh Government should review the Discretionary Assistance Fund to ensure it is providing adequate support to families in an emergency and ensure that low income households can access it in a timely way.

Finally, devolved and local schemes should not replicate the problems in Universal Credit. They should offer choice about who in a household receives the benefit, should avoid payment in arrears and if relevant should offer flexibility in payment frequency.

7.4. A new childcare offer

There are major gaps in care provision for children despite the Welsh Government's childcare offer. The lack of affordable childcare remains one of the biggest determinants of women's participation in paid work and arguably largely underpins the poverty experienced by mothers of under-16 year olds.

There should be a radical reform of childcare provision based on a national consensus about children's welfare, equality of opportunity for women and respect for family life. This new childcare offer would be high-quality, be affordable for parents on low incomes and be flexible to reflect children's and mother's circumstances. Crucially it must be seamless, offering parents and children the assurance that care is available, reliable and joined-up.

At the core of our proposal is a radical, new childcare offer of free, good quality, part-time care (approximately 15 or 16 hours a week) for all children aged 0 - 4, for 48 weeks of the year. For school age children we propose free before-school and after-school care, plus part-time holiday care for 48 weeks of the year. It would be available for all parents irrespective of their work status, with additional hours available on a sliding scale of fees for parents who want them. This offer would eradicate the current irrational changes in provision as a child gets older or changes school. It would also ensure that provision is universally available instead of being dependent on the views of head teacher or governing body. It would offer flexibility that fits better working parents' circumstances, and it would be affordable for parents in all income groups.

We recognise that this is a radical change that could take some time and resources to develop and implement. In the short-term there are changes that could be made to address the immediate pressures on women on low incomes. These changes are relatively affordable compared with the costs of the 30-hour free childcare offer and should be rolled out quickly:

- providing free early learning and care for all 3-4 year olds on a part-time (16 hours) basis;
- increasing the provision of childcare during school holidays;
- guaranteeing an after-school place for all children needing one;
- ensuring all provision is registered so parents on low income can claim help with costs.

7.5. Access to essential services

We found that women are heavily reliant on many public services that have been hit hard by cuts to public spending. The implications of decisions to cut adult learning, health and social care services or bus services for women are rarely highlighted in equality impact assessments of these decisions. Even if assessments are undertaken they do not secure additional funds to enable services to be retained.

This is all the more ironic as considerable resources are allocated to supporting education and transport services amongst relatively well-off groups of people. Help with higher education costs or a rapid train service is of limited benefit to women on low incomes without 5 GCSEs or who do not have an evening or Sunday bus service.

We recognise the severe constraints on public spending but adult education, decent social care and a core public transport system together help loosen the grip of poverty on women and their families. We therefore call for:

- investment in community-based learning for adults, with clear pathways into further learning and employment.
- consideration of the transport needs of women and their families in the development of public transport services and infrastructure.

7.6. Support women's financial independence

There is a myriad of different ways in which households manage their money, from couples having completely separate finances to resources being pooled to women having no money of their own. Almost all women we interviewed were reasonably content with their household's financial arrangements, even those who were completely dependent on their partner.

Women should be free to make informed decisions about whatever financial arrangements work best for them. However, women who do not have their own bank account, debit card or any understanding of personal finances are at risk of abuse or being left destitute if their circumstances change.

The role of the state in how households arrange their finances is limited and contentious. There are nevertheless actions that can be taken to protect women from the risk of financial abuse. This includes providing short courses on personal finance in the community and for women participating in learning, volunteering and employment programmes; making payments of child-related public funds such as help with the costs of school uniform by default to the mother (mirroring child benefit and maternity allowance) and opening a basic bank account for anyone without an account who receives public funds such as Educational Maintenance Allowance or support from the Discretionary Assistance Fund.

7.7. Conclusions

Far too many women across Wales are trapped in poverty. The issue is not whether women are faring better or worse than men, but that their experiences - and hence the solutions - are not necessarily the same as those of men. Indeed, the solutions for different women also vary, with lone mothers requiring different kinds of support to Black, Asian and Minority Ethnic women, who in turn need different support to women living with long-term health conditions.

What is clear is that concerted and co-ordinated action is needed by Welsh Government, local government, the private and third sectors to end the suffocating effects of poverty. This action needs to address, in the round, the root causes of low income by improving access to decent work, enhancing social security, taking a step change in the provision of childcare and other essential services, and ensuring women can make informed choices about their household finances.

These key actions need to be joined together by a coherent and comprehensive strategy, at scale, to make a difference.