

APPG Inquiry: Cash or food?
Exploring effective responses to destitution

Reach Community Projects

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- Please indicate in your submission if you or a representative of your organisation would be willing to be to give evidence at the inquiry’s evidence sessions in September and October.

Yes – we would be happy to give evidence.

- Unless we receive a specific request not to, submissions by organisations may be published in full, and submissions by individuals may be published anonymously

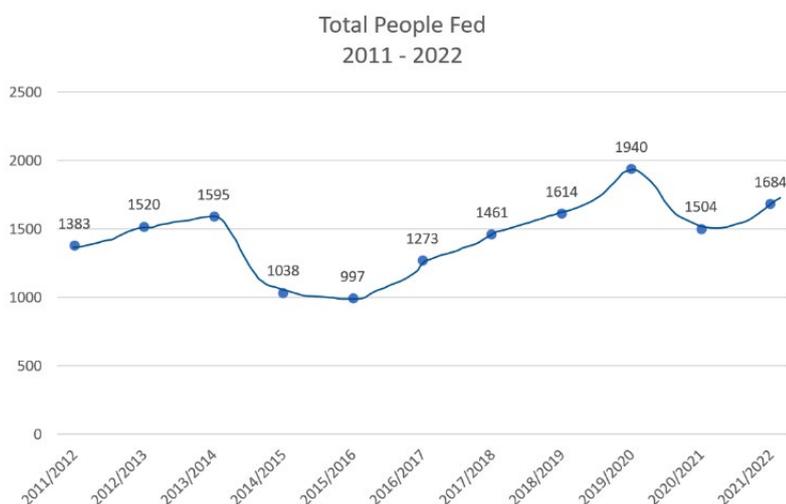
Yes – we are happy for our evidence to be published.

REACH Community Projects (REACH) based in Haverhill, is an organisation that offers debt advice and support for people in financial hardship. We opened Haverhill Foodbank in partnership with the Trussell Trust, in 2008 as we soon found people who were in debt or financial hardship could not afford food.

We have seen overall increases in the demand for food, illustrated in the graph below, we fed 1383 people in 2011/2012 and ten years later, between 2021 and 2022 fed 1684 people. The Trussell Trust, reported that in the same period, financial year of 2021/22, the network collectively handed out 2.1 million food parcels. We believe this is unacceptable.

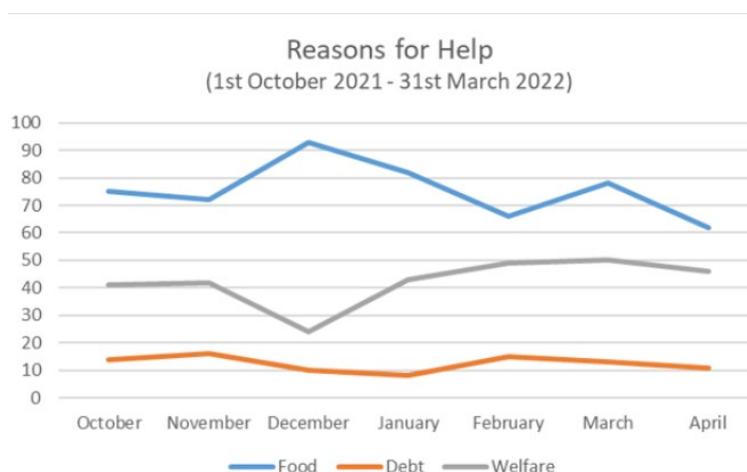
While we acknowledge poverty and the need for emergency food provision is an extremely complex issue and requires significant, government intervention, this report specifically focusses on the ‘cash-first’ approach, with evidence from the years 2019-2022. This approach has proven to be a key method of reducing destitution and the need for such crisis provision.

What is most significant to us is that in the pandemic year of 2020/2021, we fed fewer people than we did in 2018/2019. This was in the same year where we saw increased government intervention to support people through an unprecedented global Coronavirus pandemic. Measures included Furlough, and the £20 Universal Credit (UC) weekly uplift, which both ended in October 2021 and £15 free school meals vouchers (FSM) which Suffolk County Council are still giving to children during school holidays.



Graph 1: Total People fed between 2011-2022

In the graph below we see data about Reasons for help: 1st October 2021 – 31st March 2022 we have seen a substantial increase in 'Welfare' cases. This includes support with utilities, housing, accessing grants. This is in addition to consistent levels of food cases, which underlines that this crisis is about lack of money **not** lack of food.



Graph 2: Reasons for help 1st October 2021 – 31st March 2022

1. What is the most effective, appropriate and dignified forms of crisis support?

We believe that offering clients supermarket vouchers, in addition to or instead of a food box is appropriate and effective. This gives clients dignity and empowers them to make their own choices while we support them in their time of crisis.

In order to build trusted relationships with our clients and better understand their circumstances, where possible, we will see clients in their own home or a mutual 'safe space'.

2. What forms of crisis support do people facing destitution prefer to access and why?

It is clear from some evidence that people would much prefer vouchers/ cash-based support. Where we saw the introduction of furlough, the £20 UC weekly uplift in March 2020 (both ending in October 2021) and £15 FSM vouchers (which are continuing through Suffolk County Council), we saw our numbers decrease. People used the money for food rather than coming to us for a food box.

Furthermore, other initiatives may have contributed. In 2019, Suffolk County Council was part of a pilot for the Department of Education's Holidays Activities which aimed at providing access to free summer holiday activities for children eligible for FSM. The activity sessions also provided a free school lunch to tackle food poverty issues and reached 1686 children. Suffolk County Council successfully bided to run this programme again in 2020, before the government announced in 2021 this programmed would be funded in every area for the next 3 years.

Suffolk County Council reported participation increased in 2021 and the figures are below (these are for the whole of Suffolk).¹

Easter 2021 – 1,392 children and young people accessed activities and 5,011 meals were provided

¹ Source https://www.healthysuffolk.org.uk/uploads/2022-05-09_Tackling_Poverty_Strategy_-_Website.pdf
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Summer 2021 – 5,349 children and young people accessed activities and 32,094 meals were provided

Christmas 2021 – 3,006 children and young people accessed activities and 7,734 meals were provided.

3. In what way should crisis support be tailored to meet the needs of people from different demographics?

In order to respond to this question, we have highlighted our client profiles and are focussing on our two largest; profile 1 and profile 2.

| Profile | Details | Approx. Percentage of total clients |
|-----------|--|-------------------------------------|
| Profile 1 | Single people – receiving UC Mainly men but includes women | 29% |
| Profile 2 | A young, single mum living in a 1- or 2-bedroom house/ flat | 31% |
| Profile 3 | A family of 4-5, dad is working on minimum wage +, and mum has a part time job | 17% |
| Profile 4 | A couple in social housing/ with a mortgage | 10% |
| Profile 5 | A single person who can no longer work due to ill health | 13% |

Table 1: Client profile and percentage of total client base

Our largest profile is single mothers, the support should be tailored towards shopping vouchers and cash-first approach. We explore this in detail in our section of 'lessons learned during the pandemic about cash-based support'. Our data has shown we saw in the drop in the number of children being fed during school holidays (see graph 6), this is because Suffolk County Council gives £15 FSM vouchers per child, per household in addition to the holiday programmes, as mentioned above. We would like to see this kind of cash-based support extended during school term time.

Furthermore, our second largest profile is single people receiving Universal Credit, who benefitted from the £20 UC uplift during the pandemic. Again, we explore this in detail in our section of 'lessons learned during the pandemic about cash-based support', we fed less people in 2020/21 (1504) than 2019/20 (1940). This is an extraordinary decrease during an unprecedented global Coronavirus Pandemic as a result of the uplift, which would give people an additional £80 a month. This showed, when given money, people spent it on food and essentials rather than coming to REACH for a food parcel. People were trusted to do so during this time, so why not now?

4. What are the advantages and disadvantages of the provision and supply of emergency food parcels at foodbanks?

| Advantages | Disadvantages |
|--|--|
| A misconception of foodbanks is that they are 'last resort' for some people. This is not the case, foodbanks provide an opportunity to support people, not only with emergency food provision but by other means. This can be through signposting clients to any | There are often many complex factors which lead people into financial hardship and needing emergency food provision. Foodbanks cannot solve the underlying cause of poverty, financial hardship alone and it is not their responsibility to do so. |

| | |
|--|--|
| support they may need including, mental health services, bereavement services or debt/ financial support – something we offer at Reach through our trained advisors. | The Government need to take accountability for the core reasons leading people to access emergency food provision and acknowledge what needs to be done. |
| Foodbanks through their work highlight the reasons why people need to access emergency food provision – this can inform future government policy | |
| Foodbanks provide <i>immediate</i> support for people in crisis, food takes one less worry away. | The presence of foodbanks can potentially misrepresent the issue. Its not about lack of food its about lack of money for food. Arguably foodbanks can be seen as a sticking plaster for the wider, complex issue. |

5. In a society where foodbanks are no longer needed to provide emergency food what are the values and attributes of foodbanks would you want to be held onto by communities?

We would like to see the following values and attributes held, not only by the community, but by local decision makers, authority and the national government.

- Identifying inequalities and addressing them through advocacy and campaigning
- Empathy and understanding for peoples circumstances
- An impartial listening ear
- Willingness to help and support our neighbours
- Continuing income maximisation work and expand budgetting support, not just for clients but for the wider community

These values are underpinned by the belief that **everyone should be equal.**

6. What are the comparative advantages and disadvantages of providing other forms of crisis support to foodbanks? e.g., social supermarkets/ food pantries/ cash grants

| Advantages | Disadvantages |
|---|---|
| Social supermarkets and food pantries are great community initiatives to help with the <i>immediate</i> relief of financial hardship and more recently with the cost-of-living crisis | These forms of crisis support, do not solve the underlying reasons why people need emergency food provision, do not have enough 'cash' and are in financial hardship. These community ideas are fantastic but are just a sticking plasters over the real reasons. |
| These types of crisis support provide sign-posting opportunities for people to help them and prevent future crisis. | Takes responsibility out of governments hands. They are there to support and serve the community and reinvest taxes etc. back into communities to support people. The community cannot be responsible for this type of provision. There must be some central accountability for the causes of financial hardship and poverty. |
| | In addition, social supermarkets may have limited knowledge of and lack of expertise when dealing with complex life circumstances that lead people to |

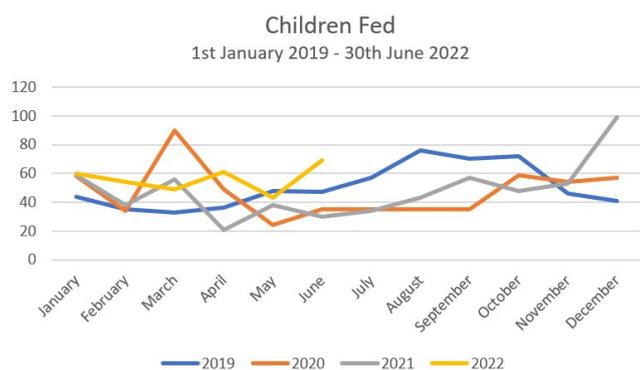
| | |
|---|---|
| | using this type of provision. Therefore, long-term solution to crisis may be limited. |
| Social supermarkets can be seen as a means to help people 'learn how to budget' and increase their confidence in managing money. | This still does not solve the wider issue of why people need emergency food provision. As mentioned earlier it is not about a lack of food it is about a lack of money. |
| Cash grants – give people dignity and independence managing their own money. People were trusted with the £20 per week uplift during the pandemic and spent their money on food – as we saw our numbers drop. | This may not be suitable provision for all clients, namely those who may be suffering drug addiction or alcoholism. |

7. What lessons can be learnt from the pandemic about the role of cash-based support?

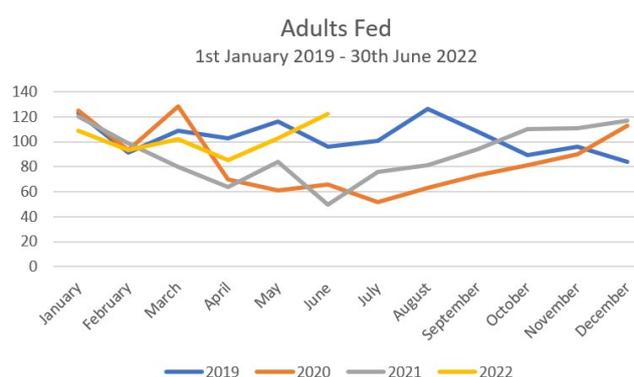
The lesson we can learn about cash-based support is that it works and it is an effective response to destitution.

Firstly, we will begin with the £20 per week uplift to UC, the government introduced in March 2020. Although the need for emergency food parcels didn't disappear altogether, the uplift significantly helped families. The first graph, shows the amount of children fed between 2019 and 30th June 2022 after an initial spike in emergency food parcels in the March of 2020, as the country went into our first lockdown, the numbers significantly fell after the uplift was introduced. This is reflected in the adjacent graph which shows the amount of adults fed between 2019 and 30th June 2022 (focussing on the March 2020 period).

It is clear from the graphs that the amount of people being fed in 2020 was below 2019 level, as a result of the additional intervention from the government. It is also important to recognise that furlough which was introduced to counteract of job losses and subsequently loss of earnings, prevented people from destitution and needing to access emergency food provision.



Graph 3: Children fed 1st Jan 2019- 30th June 2022



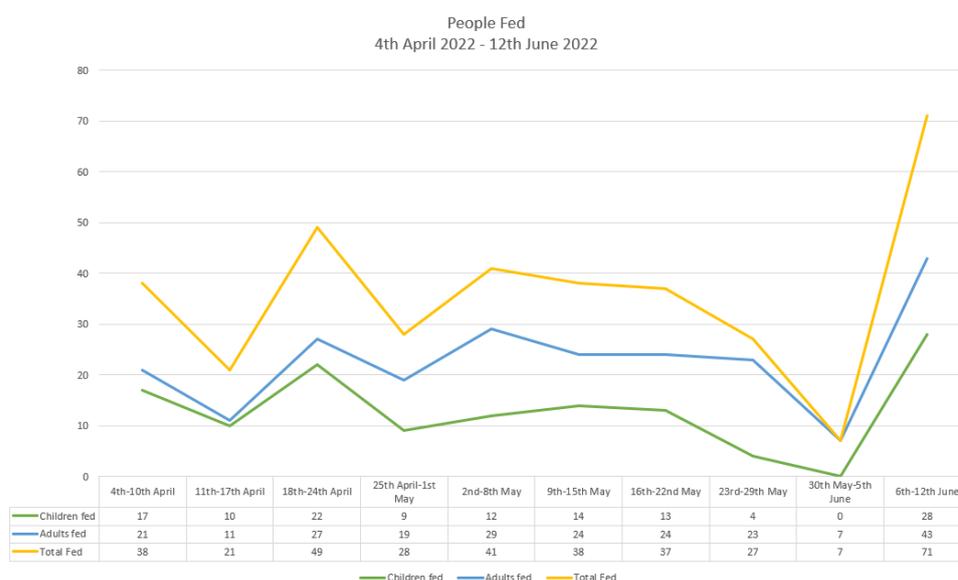
Graph 4: Adults fed 1st Jan 2019 – 30th June 2022

This government intervention, although short term, showed that this type of support made a huge difference to peoples lives and those on the lowest incomes.

Secondly, we analyse some data about the effectiveness of £15 FSM vouchers, given out by Suffolk County Council during school holidays. The data below is from 4th April 2022 to 12th June 2022, and

shows information on how many children, adults and the total amount fed during this period. Data shows that these vouchers are effective at reducing the amount of people needing crisis food provision. In the summer half-term, we fed **0 children and only 7 adults**. What is worth noting is that, these vouchers are not only effective at feeding children, but are also beneficial to the wider family to, as a result of the significant reduction in adults being fed during the same period. Justine, Community Outreach Advisor says: “There were many families that I was working with throughout the early stages of the pandemic who received FSM vouchers. Most of the families that I was helping at that time fed the whole family with their vouchers. It meant that families could choose the food they wanted and gave them dignity!”

While there were two bank holidays, we don’t believe these affected our figures as we would expect to see an increase of clients, who needed food, coming to us on the Monday-Wednesday before the bank holiday weekend.



Graph 5: People fed 4th April 2022 – 12th June 2022

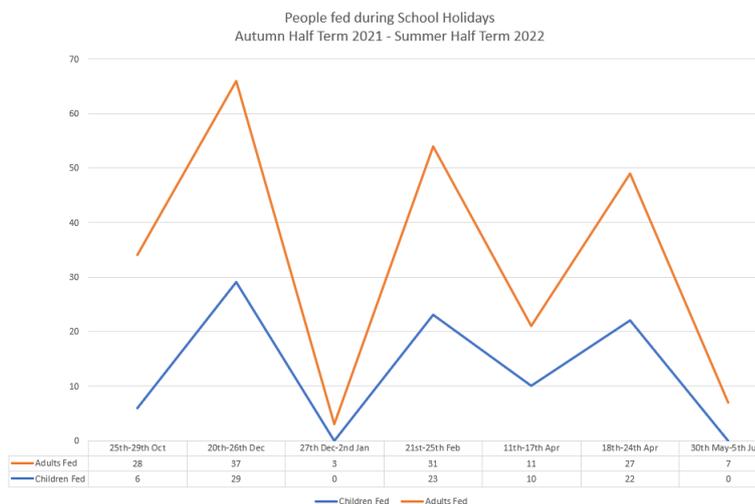
We also saw a decrease in the amount of people being fed during the first week of the Easter Holidays. *What is important to recognise is that yes, this provision has shown indication to work, however, it cannot be the only provision that reduces the need for emergency food.*

It also important to acknowledge the effectiveness of both the £20 UC weekly uplift (between March 2020 and October 2021) and the £15 FSM vouchers (which have continued). We spoke to a young single mum of 4 in August about how things were for her. Before lockdown, we would generally see her once every 6-8 weeks as she struggles with the benefit cap. By August, we had not seen her since the last week of March (just after lockdown). As she said, the school vouchers and the £20 per week Universal Credit uplift had made such a big difference, and in fact had bought all her children the school uniform required but was now beginning to struggle. Which highlights the beneficial impact this provision has.

In the graph below we have data from school holidays starting in Autumn half term 2021 – the recent Summer half term of 2022.

There are increases and decreases in the amount of children and adults being fed. This highlights that the this crisis is not about just a lack of food but lack of money. We saw high figures during the first week of the Christmas holidays, which can be explained by additional financial pressures during

this time, namely Christmas. The figures for children fed remain lower, as a result of the additional measures, including £15 FSM vouchers. The figures for adults remained higher, this can be explained, by referencing Table 1: Client profile and percentage of total client base [above] this table shows our second largest client profile are single individuals receiving UC. Such individuals do not benefit from additional cash-first support including the £15 FSM vouchers and lost the £20 UC weekly uplift in October 2021.



Graph 6: People fed during School Holidays: Autumn Half Term 2021 - Summer Half Term 2022

What we are seeing year on year, is people being pulled into poverty and needing foodbanks, who would prefer not to. Given the choice, like people did during the pandemic, people would much rather have the dignity and choice to buy their own food.

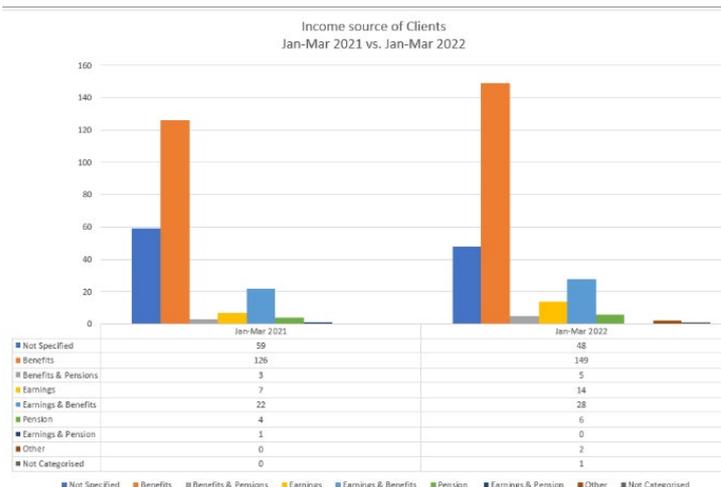
8. From your experience and/or observation what is the one policy change you would prioritise to end the need for foodbanks?

For such a complex issue it is extremely hard to choose one policy change.

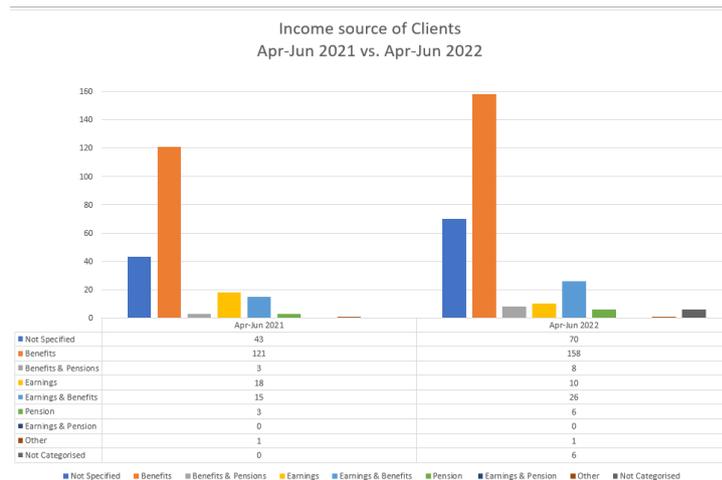
We believe a cash-first approach is an extremely effective response to crisis need and destitution which resulted in a decrease in the number of people needing emergency food provision.

We *equally* believe that UC and benefit payments **must** be uprated in line with inflation. The majority of our client’s income source is UC/ benefits. This underlines, that social welfare does not prevent people from experiencing poverty, destitution and financial hardship.

The graphs below illustrate that in Jan-Mar 2021, 126 clients stated their source of income as benefits compared to 149 in the same period this year – Jan-March 2022. In April-Jun 2021 there were 121 clients who stated their income as benefits receiving help. In the same period this year, the number is 158 clients which is a considerable increase.



Graph 7: Income source Jan-Mar 2021 vs Jan-Mar 2022



Graph 8: Income source Apr-Jun 2021 vs Apr-June 2022

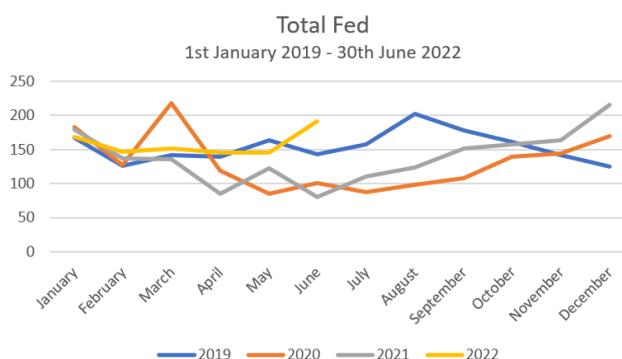
What we have found concerning is the increases of our clients who state their income source is earnings (in work). In Jan-Mar 2021 there were 7 clients who stated their income source as earnings, compared to 14 in Jan-Mar 2022 this is **double**. Between April-June 2021 there were 18 clients receiving support and in the same period this year, this figure is 10. While this figure has not increased in this quarter, we have seen considerable increases in clients whose income source is earnings & benefits (part-time work and benefits) both in Jan-Mar 2022 and Apr-June 2022 compared to the respective quarters in 2021. This shows that work is no longer preventing people from poverty, destitution and financial hardship.

Overall, we have provided good evidence which supports that cash, **not** food, is as an effective response to destitution, and have summarised our key points below:

1. The cash-first approach is an effective response to destitution – but this must be extended.

We have provided evidence on how the £20 weekly UC uplift impacted families on benefits between March 2020- October 2021 and kept levels below those of 2019/20. This was in the same year where we saw increased government intervention to support people through an unprecedented global Coronavirus pandemic. We have also provided evidence that Suffolk County Councils £15 FSM vouchers which are given out to children during school holidays, have also reduced numbers to 0 children being fed and only seven adults, during the summer half term highlighting the wider affect these vouchers have.

This support must be extended, and such measures like the £20 UC weekly uplift must be reintroduced as month-by-month data from January 2019-June 2022 is showing a worrying *overall* increase in the amount of people being fed (see graph below).



Graph 9: Total fed 2019-2022

2. We must see UC/ benefits uprated in line with inflation, and wages must be increased

As highlighted in graph 6 and 7, above. The levels of people who state their income source as benefits coming to REACH, not only for food, but for debt/ money advice has been consistently high and is still increasing. This is evidence, that social welfare does not prevent people from experiencing poverty, destitution and financial hardship.

Moreover, we must also see an improvement in the administration of Universal Credit, the 5 week wait **must** be removed alongside unaffordable advanced payments which lock people into further debt.

3. We must also see an increased support for people in work.

Graphs 7 and 8 above, show that we are seeing an increasing amount of people, who are in full and part-time employment, coming to REACH. This is concerning as work can no longer be considered enough to prevent people from financial hardship and poverty.

Such clients are unlikely to have seen their wages increase with inflation, which is currently 9.1%² and do not qualify for cash-first provision mentioned in this report. For example, FSM during term time and £15 FSM vouchers during school holidays, are subject to an eligibility criteria and people must be earning below £7,400 per year to receive benefits.³ This figure is dangerously low.

Furthermore, would also miss on other financial support schools in our area also offer, including free school uniform and free school meals for students of sixth form age, both are subject to the families being in receipt of UC/ benefits.

² Source - <https://www.npr.org/2022/06/22/1106659122/uk-inflation-rate-hits-a-new-40-year-high-of-9-1#:~:text=U.K.%20inflation%20rate%20hits%20a%20new%2040%2Dyear%20high%20of%209.1%25&text=Matt%20Dunham%2FAP-,An%20entrance%20to%20Waterloo%20underground%20station%20stands%20shuttered%20closed%20for,Tuesday%2C%20June%202021%2C%202022.>

³ Source - <https://www.gov.uk/apply-free-school-meals> & <https://www.suffolk.gov.uk/children-families-and-learning/schools/school-meals-uniforms-and-trips/apply-for-free-school-meals/>