

# Feeding Britain

## A strategy for zero hunger in England, Wales, Scotland and Northern Ireland

The report of the All-Party Parliamentary Inquiry  
into Hunger in the United Kingdom

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# Our Inquiry

This Inquiry was set up by the All-Party Parliamentary Group on Hunger and Food Poverty in April 2014.

The Inquiry's terms of reference were:

- 1. To understand the extent and geographical spread of hunger and food poverty in this country**
- 2. To investigate the underlying causes of hunger and food poverty in this country**
- 3. To identify the circumstances behind the rising number of people requiring emergency food assistance in this country**
- 4. To understand the extent, nature and organisation of emergency food assistance schemes in this country**
- 5. To discover the food choices and other forms of support available to clients when using emergency food assistance**
- 6. To investigate the source of emergency food assistance providers' supplies – how much is supplied by consumers and institutions?**
- 7. To consider the effectiveness of emergency food assistance in meeting immediate and long-term needs, and the possibility of these schemes becoming permanent features of the welfare state**
- 8. To examine the effectiveness and sustainability of our food model in providing universal access to healthy, affordable food in this country**
- 9. To consider approaches to improving household food security in this country**
- 10. To make recommendations**

This Inquiry would have found it difficult to function had it not been for the financial support from the Archbishop of Canterbury's Charitable Trust. The money was pledged to the Inquiry immediately when we sought help and the Inquiry is grateful to Justin Welby's swift action and the support he has given throughout our Inquiry.

The Inquiry held a series of regional sessions in Birkenhead, Salisbury, Cornwall and South Shields, as well as FareShare and FoodCycle in London, to gather evidence based on our terms of reference.

We would like to thank Wirral Metropolitan Borough Council, the Salisbury Salvation Army, the Millpool Centre in West Looe, and St Jude's Parish Hall in South Shields for hosting each of our main regional sessions. Additional evidence was gathered during a visit to Community Shop in Goldthorpe, South Yorkshire.

Alongside this we held nine sessions in the House of Commons in which we heard evidence from the Government, churches, voluntary organisations, academics, food redistribution organisations and food assistance providers from London, the South East and South West. A research summit was also held in the House of Commons with the Parliamentary Office of Science and Technology (POST).

In total, throughout the course of this Inquiry, we heard oral evidence from 155 witnesses and received 246 written evidence submissions (including 20 personal submissions from members of the public).

We are incredibly grateful to each individual and organisation who submitted evidence to our Inquiry. A full list of witnesses is enclosed in Annexes A and B of the evidence review which accompanies our report. We have not disclosed the names of private individuals making personal submissions.

We would like to thank Matthew Browne, Andrew Forsey, George James, Laura Mason, Keith Murray-Hetherington and James Mustoe in our Parliamentary offices, all of whom have contributed a huge amount of work to this Inquiry.

We are grateful also to Revd. Jem Thorold and The Ven. Stuart Bain who played key roles in helping to organise our regional sessions.

# Members of the Inquiry

## **The Rt Hon Frank Field MP, Co-Chair**

Frank Field is the Labour MP for Birkenhead. He served as Minister for Welfare Reform between 1997 and 1998 and led an independent review into poverty and life chances in 2010. Frank was Director of the Child Poverty Action Group between 1969 and 1979, and in 1974 he worked as Director of the Low Pay Unit until 1980.

## **The Rt Revd Tim Thornton, the Bishop of Truro, Co-Chair**

Tim Thornton was made Bishop of Truro in 2008. Prior to that he was Bishop of Sherborne for seven years. Tim has been ordained for over 30 years and has served in several dioceses. He was Principal of the North Thames Ministerial Training Course and served as Chaplain to David Hope both in Wakefield and London. He is Trustee of a number of organisations, including the Bishop's Forum, Transformation Cornwall and Volunteer Cornwall. He is Chairman of The Children's Society – a national charity working to help the most deprived children and disadvantaged young people.

## **John Glen MP**

John Glen is the Conservative MP for Salisbury, home of the Trussell Trust. He grew up in rural Wiltshire as the son of a small businessman and was the first person in his family to go to university. Prior to becoming an MP, he worked in management consultancy and as a Director of Research for the Conservative Party. As well as being an MP, he now serves as a Governor at a local secondary school and sat as a Magistrate until 2012. John is Parliamentary Private Secretary to the Secretary of State for Communities and Local Government.

## **Baroness Jenkin of Kennington**

Baroness Jenkin is a Conservative Peer, who was appointed to the House of Lords in 2011 in recognition of her charity work. She is the chairwoman of both the Conservative Friends of International Development and the Sustainable Resource APPG. Baroness Jenkin is a Board Member of Unicef and has worked for the Prince's Trust.

## **Emma Lewell-Buck MP**

Emma Lewell-Buck is the Labour MP for South Shields. Before entering the House of Commons, Emma worked as a child protection social worker. She also served as Councillor for Primrose Ward in South Tyneside, and was the lead member for adult social care. Emma is the first woman, and the first person to have been born within South Shields, to represent her constituency. She is a member of the House of Commons Environment, Food and Rural Affairs Select Committee, and is Parliamentary Private Secretary to the Shadow Secretary of State for Northern Ireland.

## **Sarah Newton MP**

Sarah Newton is the Conservative MP for Truro and Falmouth, a part of Cornwall where she has family roots stretching back for generations. Before entering Parliament in 2010 Sarah was Director of American Express Europe, Age Concern England and the International Longevity Centre - UK. Since entering Parliament Sarah was elected onto the Science and Technology Select Committee and she serves on the Board of the Parliamentary Office of Science and Technology. In 2012, Sarah was appointed Deputy Chairman of the Conservative Party.

# Introduction: A personal perspective on hunger and food poverty

**By The Bishop of Truro, Tim Thornton**

Our main task in **Feeding Britain** is to consider the reasons behind the large rise in the use of food banks, and associated provision of emergency food assistance, over the last few years.

Food banks are a response to a specific need, that is that there are people in this country today who are hungry. We are living at a time of difficult financial circumstances. The Government has to make hard choices with limited resources. In this report we make some specific recommendations to various bodies, groups and individuals, suggesting how they can address the reality of what is going on in our society.

However, we want to begin by making some more general and far reaching observations, and to address as wide an audience as possible. We believe there are more significant issues facing our society which our work has brought into focus. There are issues relating, in particular, to the values we share or don't share as a society – whether we recognise ourselves as part of a larger whole or not.

In 1942, the new Archbishop of Canterbury, William Temple, published a book called 'Christianity and Social Order'. It is a remarkable work that was instrumental in the creation of the welfare state in this country. It is time for another such work to ask fundamental questions in the light of the new context and a very different world. It is a world in which we think we need to argue again that we do, as a society, need to reach out to all, and that we show our values by the way in which we behave and, especially, behave to those most in need.

We believe it is time to look again at the state of our country and to review the fundamental values that led to the creation of our welfare state. We propose in **Feeding Britain** a strategy for renewing the welfare state so it can better reflect and encourage the relationships which contribute to the wellbeing of our citizens, including the poorest. We think such a rationale is needed at a time when, sadly, we appear to be drifting towards more and more atomisation and less and less sharing of common values.

It is very important to set personal responsibility and personal needs alongside the responsibility we share as members of a wider community and the skills and gifts we each have that we can share with one another. Whilst it is essential to accept that we all have rights it is also essential to accept that we all have responsibilities. A sense of being interdependent is a core aspect of being human, yet we live in an age when that fact needs to be articulated afresh and made evident in the way we behave.

We heard stories and gained first-hand experience that led us to the conclusion that the rise in the use of food banks does indicate a deeper problem in our society; the 'glue' that used to be there is no longer there in many instances. It can be described as the commodification process with people seen as commodities, and the transactions between them are regarded simply as the exchanging of products rather than relationships between two human beings.

We have seen marvellous work being carried out by volunteers which should be celebrated. We have witnessed some of the best aspects of human nature, as tens of thousands of people have responded to real need by creating organisations such as food banks.

But, at the same time, we have also seen evidence of some of the worst aspects of human nature, in that there are people – men, women and children – in this country who are going hungry, and yes, there are some people who attempt to abuse any system that is put in place, be that from the state or voluntary bodies.

We have received lots of evidence to show that many of the normal and natural connections between people, in families, extended or otherwise, in neighbourhoods and even more widely than that no longer exist.

We live at a time when many of the givens by way of family life, social networks, friendship groups, and self-help infrastructure are simply not there. This means that the issues people face relating to hunger and food poverty are exacerbated and heightened because there are hardly any of the ways and means that once did exist for people to support each other. We believe that the rise in the use of food banks is a sign of the breakdown of this core value in our society. We see it as evidence that many people are living individualistic and isolated lives, and the natural and vital relationships between people do not exist as once they did. To use shorthand, the glue that once held us together and gave life to our communities has gone.

So it is that right across the country, in towns and villages, in urban and rural places, where there would appear to be little deprivation and in places of high deprivation, people have found ways to try and put in place systems to help those most in need. The phenomenon that has caught the imagination most is food banks.

It has been extraordinary to hear and meet people who are giving sacrificially of their time, talents and energy to serve their fellow human beings. In meeting them, we are reminded of the nature which is at the heart of who we are as people. It became clear throughout our Inquiry that the vast majority of people who spoke to us are people of faith, although some were people of no faith. But for all of these people we met, their morality is expressed in their helping of others. These people do what they do because of a strong value and virtues basis to their own lives. We want to celebrate this and to reflect on our hopes of living in a country where people do share values and virtues centred on a sense of interdependence, underpinned in all we do by recognising the intrinsic worth and value of humanity.

We also want to avoid the easy mistake made by reports such as this which all too easily 'blame' some groups and point the finger at particular institutions. We do want to say some hard things to different groups and there are lessons to be learnt by all. It cannot be right, for example, that in the twenty first century we have so many people who appear to have little or no food and that children and adults are going hungry whilst many others (including some of our large institutions) waste food in scandalously huge amounts.

We want to encourage all in our society to look to our values and virtues and to begin a much larger and deeper conversation about how we live together. This conversation will have consequences for the way we talk about other people. For example, do we blame those who have little or nothing or do we find ways to help them? Do we criticise those who work in our government departments or do we encourage and allow them to work with discretion and to find human ways to communicate and interact with those they serve?

Of course there are problems and, with regard to the situation relating to hunger and food poverty, and the rapid rise in the use of food banks, we make clear recommendations based on what we have heard.

However, our first and most important point is that we want to call all people again to consider how we want to live together as members of this society and how we can encourage one another, whether that be in the private, voluntary or public sector, whether that be from a faith base or not, whether that be from any part of our country, to consider how we can once again put back the glue that did exist and was vital (literally, vital) to our way of life. We make our recommendations in this light.

# The Report of the All-Party Parliamentary Inquiry into Hunger in the United Kingdom

## Concentrating on hunger

We have had a great deal of evidence presented to us on the nature of food poverty and food insecurity. We have received a considerable range of evidence defining what individuals and organisations believe to be the most pressing aspects of these phenomena. Indeed, our call for evidence invited a broad response that demonstrates there is no clear definition of these terms.

After receiving the evidence, and at the conclusion of our public hearings, it became obvious to the Inquiry team that looking at food insecurity, let alone defining what we and others may think to be food poverty, could result in an interesting study as to how each of these terms was being defined by different groups of people and organisations. But this exercise would not match the immediate urgency that we feel over a number of our fellow citizens going hungry. We decided, therefore, to concentrate on the main evil of hunger.

Let us therefore begin by stating the blindingly obvious. An individual is in danger of going hungry when they do not have enough money to buy enough food as their body requires. There are people in this very position right now in this country although, for fairly obvious reasons, we cannot put an exact number on them. All we know, from our observations gathered throughout this Inquiry, is that there are too many people in this group. We also know that even if families have enough, just enough money to prevent hunger, this most basic of objectives is made that much more difficult if a family has only a very limited range of food on offer, little or no ability to prepare and cook food, and no facilities to cook that food, or if there are other fundamental crises afflicting their lives.

This simple but devastating fact that hunger stalks this country should confront each of the main political parties with a most basic and fundamental political challenge. With rising national income nobody could have predicted that in 2014 there would be a significant number of hungry people in Britain. But there are. Yet our findings and report are only partially about shaping party manifestoes for 2015. Our findings are equally about a call to voters and above all the voluntary movement to begin thinking through the terrifying idea that hunger is here to stay unless all of us take our responses on to a new and totally different level.

Our evidence review, published alongside the Inquiry's report, and drafted by our Secretary, Andrew Forsey, lists the wider concerns that individuals and organisations have beyond the issue of hunger. But the issue which drove the establishment of the All-Party Parliamentary Group on Hunger and Food Poverty was the existence of hunger in a country that is as rich as is Britain, and we decided similarly to keep our recommendations to moves to ensure a hunger-free United Kingdom.



## A new phenomenon

Something fundamental is happening in advanced Western economies which throws into doubt the effectiveness of a national minimum below which no one is allowed to fall. It is the erosion of an effective national minimum that has led to the existence of hunger and the rise of the food bank movement in its wake.

This report rests on two key assumptions about the living standards of Britain's low-income families.<sup>1</sup>

The first is that for a large part of the post-war period wages and benefit levels increased in real terms so as to produce, for poorer people in particular, a growing margin of income once families had covered their three basic expenditures on food, housing and utilities. It is the long-term trends in the prices of these three essential expenditures that have eaten into and, for a growing number of families, eliminated this buffer or 'surplus' income. It is the loss of this margin that we believe very quickly plunges family budgets into a crisis if their income is cut. We believe it is the loss of this margin of income that had previously allowed families to survive a financial crisis, which has given rise to the food bank movement.

It is important that we also make clear our second assumption that centres on the role food banks play in this growing budgetary crisis for many low-income households. A considerable number of families are finding it difficult to budget for these three main essentials of food, housing and utilities, and to cover the unexpected or irregular costs, such as children's shoes, that inevitably arise. No authority sends anyone to prison for being hungry and, in order to prevent a court directed eviction for rent arrears, or a court order to cut off their utility supplies, many families go without food and therefore see food banks as reintroducing that buffer in their finances which many have lost.

Had our sense of charity or love towards our neighbours found expression in setting up utility banks providing, say, a set amount of free gas and electricity, we have no doubt that there would have been a spread of utility instead of food banks. Some individuals would, of course, respond to this offer by swinging the lead to gain free help, as some undoubtedly do in respect to food banks, but many more would have used this free utility help to manage the growing pressure on their food and housing budgets. It just so happens that since Paddy Henderson in Salisbury responded to a young mother who was hungry by providing food, a widespread concern for those living on incomes at the bottom has been increasingly met by food banks.

There are of course other particular forces at work that also plunge families and individuals into such a crisis that emergency food assistance is the outcome. It is quite clear that many families on very low incomes manage their finances in a way that the members of this Inquiry would find hard to match. But such skillsets are not acquired by osmosis. They have to be learnt and then practiced. The forms by which these skills were transferred from one generation to another has primarily been through families but also schools. Over recent decades too little effort has been put into this intergenerational transfer of vital life skills.

Yet even if families have these budgeting skills they can still be overwhelmed by a sudden monetary crisis. Help from a food bank, it appears, allows these families to re-establish control over their finances and they are then able to work their way out of the crisis. Such instances, we believe, help explain the number of families who only seek one, two, or at most three, bags of food from a food bank. But there are other reasons for the use of and therefore the rise of food banks, other than their more comprehensive provision around the country.

1. We would like others to test whether these assumptions apply equally in other advanced Western economies that also have large numbers of hungry citizens.

Here we include: delays and errors in the processing and payment of benefits, the sometimes heavy-handed issuing of benefit sanctions by Jobcentre Plus, a sudden loss of earnings through reduced hours or unemployment, the absence of free school meals, the accumulation of problem debt or, for some, even a lost purse.

A further group of factors similarly exposes the vulnerability of many poor families. The poor are penalised for their poverty with a raft of disproportionate charges for basic utilities. They pay more for their energy through prepayment meters, are more likely to be charged to withdraw cash from their local machine, and often are unable to take advantage of the best mobile phone contracts – meaning they are likely to be just one bill away from needing to use a food bank.

If this does not seem enough of a burden, for some individuals the traditional sources of support from the family and community may have diminished, leaving them more than isolated and exposed.

There are also structural reasons for the use of food banks and this difference between the seeking of help that offers a hand-up to families who quickly re-establish command of their budgets, and individuals and families who have deeper-seated problems, and who also come to a food bank, we have borne in mind when making our recommendations.

The first of these deeper-seated reasons for the use of food banks is the size of debt with which many families struggle. Debt is often undertaken in order to meet an unexpected bill or replace a broken household appliance. The debts themselves all too often escalate out of control because of the grotesque interest rates that are imposed upon them.

The other force at work is the addictions that many individuals and families have, but which particularly sharply affects the budgeting of low-income families. We refer here to the size of income in some families going on drugs, tobacco and gambling. A family earning £21,000 a year, for example, where both parents smoke 20 cigarettes a day will spend a quarter of their income on tobacco. Even if people buy illicit tobacco they will still spend 15% of their total income on tobacco. Budgeting support is terribly important, but budgetary support alone is often not enough to equip families to kick their addictive habits when addiction is being fed and defended by some very powerful lobbies.

In our high streets, for example, it is hard to walk a matter of yards without passing payday loan shops, pawnbrokers, home credit retailers or bookmakers filled with electronic gambling machines. Supermarkets and other outlets selling alcohol at rock bottom prices are never too far away.

A considerable number of our poorest families and individuals find themselves trapped, thereby, in a vicious circle of addiction fed by debt, at the expense of being able to put food on the table. Between 2006 and 2011, one in five people using Trussell Trust food banks named debt as the main reason for their hunger.

The tackling of these serious addictions is as crucial for the overall health of our society as it is in restoring a sense of dignity and control individuals have over their own lives and their own budgets. We make recommendations here on how food can be used as a way of kick-starting a recovery process for individuals who find themselves in such desperate situations.

## Setting the scene

In documenting the extent of emergency food assistance in this country, and uncovering the root causes behind the growing demand for it, we have been forced back to the most basic of questions facing advanced Western economies. Why is it that in countries that have welfare states offering a minimum income has hunger reappeared? Why is this policy of the national minimum failing? One in seven Americans, for example, now rely on a food bank, and there are 1,000 food banks operating in Germany.

The changes in advanced Western economies that have given rise to food banks are now unfortunately well-established. The first food bank was established in Canada 32 years ago. It had 3,800 food assistance programmes in 2013 – of which 800 were food banks. The French network of emergency food assistance has likewise mushroomed since its first food bank opened in 1984; there are now 2,000 Restos de Couer helping people at risk of going hungry in the winter months. The birth of the food bank network in Britain began in Salisbury, of all places, in 1999.

Whilst there are similar economic trends sweeping across advanced Western economies, we are not aware of a similar inquiry to this one launched by the All-Party Parliamentary Group on Hunger and Food Poverty. The particular economic forces that have been operating in Britain over the past decade show how the rising costs of living have hit Britain's poorest households particularly hard:

- **Britain experienced the highest rate of general inflation.** Over the ten year period, from 2003 to 2013, prices increased by 30.4% in Britain, 28.4% in the United States, 19.8% in France and 19.6% in Germany.
- **Britain experienced the highest food inflation.** In the decade from 2003, food inflation was 47% in Britain, 30.4% in the United States, 22.1% in Germany and 16.7% in France.

- **Britain experienced the highest fuel inflation.** Between 2003 and 2013, the price of electricity, gas and other fuels increased by 153.6% in Britain, 76% in Germany and 58.8% in France.
- **Britain experienced the highest housing inflation.** Between 2003 and 2013, rents increased by 30.4% in Britain, 26.7% in France and 11.6% in Germany.
- **And yet: Britain's wages haven't kept up.** Between 2003 and 2013, wages grew most in Canada (36.5%) followed by the United States (30.2%). Wages in Britain grew by 28% and in France by 26.6%. Wages grew most slowly in Germany at 17.7%.
- **Britain lost the highest proportion of high paying manufacturing jobs.** Between 2003 and 2008, the number of manufacturing jobs as a share of all jobs declined by 2.3 percentage points in Britain; 2.1 points in Canada; 1.8 points in France; 1.2 points in the United States; and 1 point in Germany.
- **Britain has a history of very large numbers of very low paid employees.** The OECD calculates the average income of the bottom 20% of households in Britain at just \$9,530, much lower than the poorest 20% in France (\$12,653), Germany (\$13,381), Belgium (\$12,350), the Netherlands (\$11,274) and Denmark (\$12,183).

The Inquiry believes that, in addition to these general economic movements, there are a number of key drivers behind the rising demand for emergency food assistance that lay in an examination of the trends in household income and expenditure over the past decade.

Throughout the earliest part of the post-war period, the British people lived through a time when the proportion of their income spent on what we have defined as the basic essentials of any household – food, housing and utilities – fell. The proportion of income spent on housing rose steadily from 1953, but the continual proportionate fall in the other bills resulted, overall, in this budget of basic necessities falling proportionately overall:

- The proportion of household income spent on utility bills decreased from 5.2% in 1953 to 3% in 2003.
- The proportion of household income spent on food and non-alcoholic drink decreased from 33.3% in 1953 to 16% in 2003.
- And while the proportion of household income spent on housing increased from 8.8% in 1953 to 17% in 2003, the overall combined proportion of household incomes spent on housing, fuel and food declined from 47.3% in 1953 to 36% in 2003.

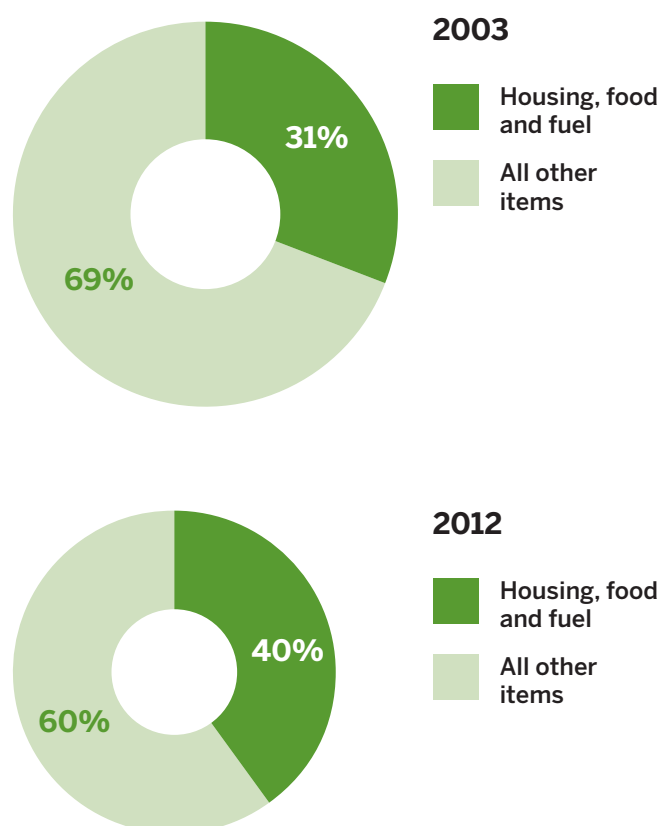
However, from 2004 to 2011, for the first time in post-war Britain, the overall combined proportion of household incomes spent on housing, utility bills and food increased:

- The proportion of household income spent on utility bills began increasing in 2003 from 3% rising to 5% in 2011.
- The proportion of household income spent on food and non-alcoholic drink also in 2003 increased from 16% to 17% in 2011 (this includes a decrease by 1 percentage point to 15% in 2005 before increasing again in 2006).
- The proportion of household income spent on housing increased from 17% in 2003 to 18% in 2011.

The overall combined proportion of household incomes spent on food, housing, and utilities increased from 36% in 2003 to 40% in 2011. This is bad enough for all families, but the impact of these trends was most severe on the poorest households.

The overall combined proportion of household incomes spent on food, housing and utilities increased for households in the bottom income decile from 31% in 2003 to 40% in 2012 – the largest increase across the entire income spectrum. Meanwhile, the median weekly equivalised disposable income decreased for these households from £180 in 2002/03 to £177 in 2012/13. A growing share of a shrinking pie was therefore absorbed by these essential items of expenditure.

**Figure 1: Combined proportion of household income devoted to housing, food and fuel by households in the bottom income decile**

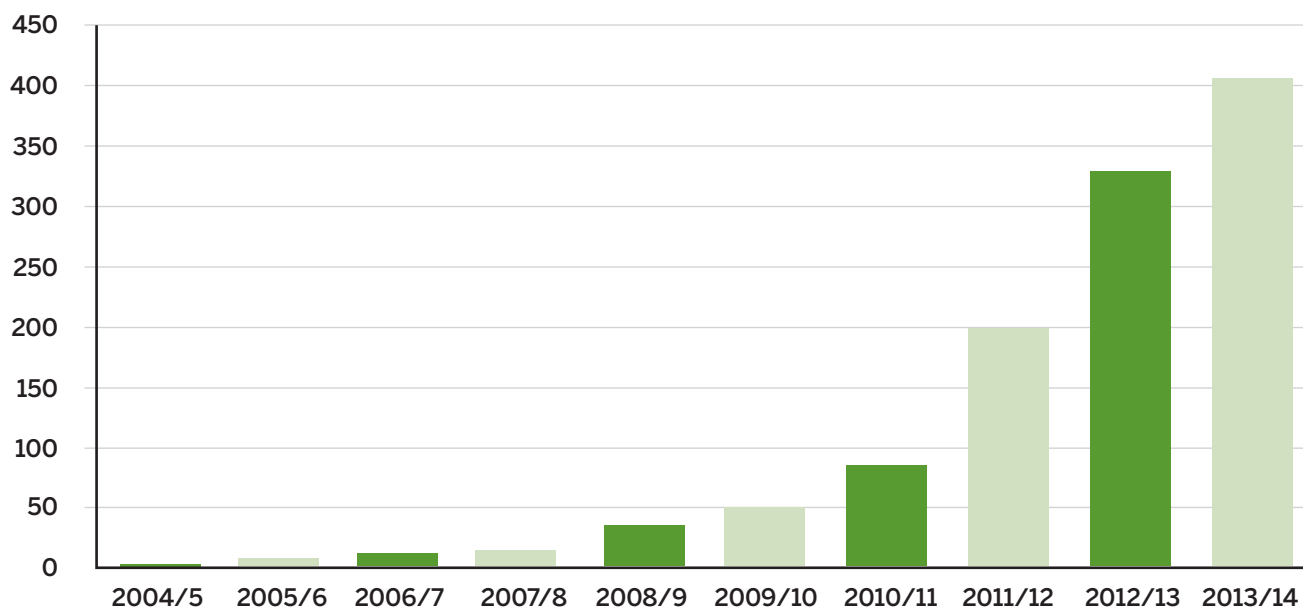


From the evidence we gathered during our research summit with the Parliamentary Office for Science and Technology, it became clear there is still a real gap in the research on hunger. We hope that the collective effort now being undertaken by food banks themselves, as well as researchers, to improve the collection of data on the numbers of food banks and people relying on their services will help to inform the ongoing debate on hunger in this country.

We found also in our research summit and in the written evidence we received, that it is difficult to quantify the number of food banks in this country, because there are many organisations and independent groups running local food banks, on top of the national networks.

Our Inquiry found, nonetheless, that there are now 420 Trussell Trust food banks operating in Britain. We heard in numerous submissions that there may be at least as many food banks operating independently.

**Figure 2: The growth of the Trussell Trust network**



## A way forward

The cry for a national minimum began in this country, as so much else, with the campaign launched by Sidney and Beatrice Webb a century ago. This ideal, in terms of money income, it was thought, was achieved by the Attlee Government's post-1945 programme and made more generous by the Macmillan Government's decision to ensure that the poor on benefit would share in the country's rising prosperity.

We are now in a different ballgame. Because of the differential impact inflation has had on the poorest, and which we have just detailed, the money income of the national minimum is ceasing to protect what appears to be a growing number of people from hunger.

But, while food banks are operating as an income buffer zone to families experiencing sudden drops in their income, there is a second group of our fellow citizens who rely on their local food assistance provider who it is important to distinguish for it has helped shape our recommendations. This second group consists largely of individuals with often highly complex needs that extend beyond their immediate hunger, such as mental illness, homelessness or addiction problems, and who require long-term assistance and support if they are not sometimes to be hungry. Many were reliant on food assistance before the most recent recession and many are likely to remain so in the years ahead.

In attempting to broker a settlement between the Minority and Majority Reports of the Poor Law Commission in 1909, Charles Booth sought to develop a vision for the mixed economy of welfare by bridging the gap between the public and voluntary sectors. While the gap has never been successfully bridged we believe our proposals begin to do so by detailing how the great powers in the land – the food industry, employer organisations, government and the voluntary sector – must meet and then counter the pressure economic developments in advanced Western economies now place on families at the bottom of our income pile.

Our report is, therefore, addressed to all our fellow citizens in whatever position they find themselves to act in a new concerted way to eliminate hunger on these shores.

## How should we achieve this goal

Although practically every respondent to this Inquiry has asserted that the food bank movement should not form a new version of a residual or 'Poor Law' kind of welfare state, it became clear from our evidence that food banks are here to stay – for more than the immediate future – whatever people assert. Jack Monroe summed up in one of our evidence sessions the political and moral dilemmas which are at the heart of our debate. She commented:

*Food banks are going to be here to stay for quite some time. I'm completely split over it. On the one hand food banks are evidence of a community that's come together to provide for its neighbours. It's very often one of the only ports of call for very desperate people who need food in their cupboards. If someone's reaching out to give them just a little, of course they're going to take it ... food banks are quite often the only help that some people will get, or a gateway to more help. I would be petrified if tomorrow all food banks were closed down. On the other hand I think the need for food banks in our country is a disgrace.*

Like Ms Monroe we believe the cry to abolish food banks now is an understandable but nevertheless grandstanding response to what is a hugely challenging ethical and political issue. We know that such a cry is based on the affront people feel for their fellow citizens who have to use food banks as a crucial safety net. But the turning around of those deep-seated economic forces that have so disadvantaged most, but particularly poorer families, isn't going to be achieved in the short term. Hence the shelf life of food banks has, unfortunately, some time to run. But if food banks are not to emerge into a 'new Poor Law' we need to plan for a different model that plays a crucial role in both tiding people over this financial emergency while ensuring others have the help to overcome deep-seated and longstanding personal crises. Here we are at one with those food bank volunteers who gave evidence to us.

Within this context, and in seeking to devise a strategy that will effectively counter hunger in twenty first century Britain, three key themes emerged from our Inquiry which helped guide our conclusions and recommendations for organisations in the public, private and voluntary sectors.

Firstly, many people who run and volunteer in food banks and soup kitchens spoke of the urgent need to minimise demand for their emergency provision, in particular from working families for whom the level of the National Minimum Wage did not cover the costs of the major items in their budget. They expressed a similar anger for those users who had registered for benefit but then waited unimaginable lengths of time for their entitlement to come through. Many food bank volunteers, as a compassionate response to what they were seeing, wanted to stem the tide of users so they could focus instead on using food as a gateway to provide intensive care and support to individuals who urgently need befriending and whose lives are often most challenging.

Second, and therefore not surprisingly, we encountered strong support for the evolution of a 'food bank plus' model that could more effectively tackle both the causes and symptoms of hunger by providing advice, skills and advocacy services, as well as food and human friendship, under one roof. It became clear to us that food assistance providers possess an innate ability to reach and help individuals with longstanding problems who are generally viewed by other organisations as being 'hard to reach'. We have witnessed how food can be a gateway to resolve these other, deeper seated problems.

Thirdly, our anger knows no bounds that hundreds of thousands of tonnes of perfectly edible food which is euphemistically termed 'surplus', is destroyed at a substantial cost, when it, alone, could eliminate hunger in our society.

So now let us turn and explain how we see these objectives being attained

## Our strategy: A Zero Hunger Britain

This Inquiry believes we should be a 'Zero Hunger Britain' in which everybody in this country has the resources, abilities and facilities to purchase, prepare and cook fresh, healthy and affordable food, no matter where they live.

Thirty plus years ago, perhaps even fifteen, voters would have greeted such a goal with incredulity. Surely all these conditions were met and nobody in Britain could be hungry unless they wished to be. That this would no longer be the response tells us how the lot of the least privileged in our society has fared over the last three decades. Yet over that thirty year period the nation's wealth has more than doubled from £723 billion in 1983 to £1,533 billion in 2013. During this period we were assured by the claims of the trickle-down theory that growing prosperity would spread wealth automatically to include the poorest, or, more graphically, that the swirl made by the big steamers coming into port would bring in with them smaller crafts and even driftwood. This theory delivered in practice if we look over the period since 1850. But, more recently, rising national income no longer appears to be benefitting those at the bottom of our society.

How a society protects the poorest from what appears to be a fundamental change in the way economies of the Western world are operating – which results in cuts in their living standards faster than that of other groups – calls for developing a political agenda which can only be delivered over decades. Here we present what we believe should become some of the first moves to achieve that objective of protecting our poorest citizens in the uncharted economic waters in which we are compelled to swim.

We propose a route map which will take us in the direction of ensuring low-income households can afford and have access to decent food, and in doing so, to reverse the rising demand for emergency food assistance in this country. This would help ensure that food assistance providers are able focus their resources on supporting individuals who require more intensive, long-term help that the voluntary sector is best placed to provide.

Let us now introduce our main recommendations which are supported in the evidence review accompanying this report, where our Secretary analyses the submissions that we received and the oral sessions to which we were party.



## Feeding Britain

We begin our proposals by saluting the voluntary organisations and their volunteers that have shown such initiative, imagination, organisational ability and sheer guts in gathering together the resources from a whole range of different sources to feed those people amongst us who are hungry. Attempting to respond immediately to lift free of hunger our fellow citizens, we see as an equivalent to a social Dunkirk. This extraordinary achievement has been done without the assistance of central government. If the Prime Minister wants to meet his Big Society it is here.

But while Dunkirk saved the nation from imminent defeat, it didn't itself provide victory. It did, however, keep open the way to victory. So, too, we believe, with food banks. This magnificent movement lifts free large numbers of our fellow citizens from hunger, and in doing so has provided us with the basis on which a successful strategy can be built to deal both with the symptoms and the long-term causes of hunger in our society.

We believe that it is necessary to rethink and then reshape the voluntary sector's programme of feeding hungry Britain so that it also has the space to think through how the most vulnerable of our society, for which hunger is only one of the crises they face, are best helped. This movement has proven its worth many times over. We have had ample evidence that the food bank movement itself is up to this challenge. Nobody we met sees their work in the food bank movement as a long-term success. It is a necessity, we were told, but one which pained volunteers in meeting that necessity. They did not wish in the longer term to be simply offering food, however necessary that is now. They wanted to see their movement evolve to deal with both the symptoms as well as the causes of hunger.

No one can be in any doubt as to the value, scope and importance of the Trussell Trust food bank network. Nor the extent or importance of the independent food bank network which has already shown itself able to move beyond its original scope by developing services that fit the needs of some of our vulnerable, most exposed fellow citizens. We have also been impressed at some organisations' attempts to save fresh, edible food by recycling these supplies to the hungry. Harvesting fully these surpluses we believe is central to building a successful campaign in abolishing hunger in Britain. But we are concerned that without greater overall guidance and drive, dealing with the causes of hunger will continue to take a back seat. Hence our first recommendation.

- 1 We suggest the creation of a new national network called 'Feeding Britain', whose membership would be composed of the food bank movement and other providers of food assistance, the voluntary organisations redistributing fresh surplus food, the food industry, and representatives from each of the eight government departments whose policy affects the number of people at risk of hunger.**
- 2 As an initial step, we recommend that the Government provides support to facilitate the establishment of twelve pilot projects – one in each region of the United Kingdom – to draw together private, voluntary and public expertise to eliminate hunger. The facilitation of twelve pilot projects and the creation of a Board of Trustees to drive this programme will require a modest amount of money. These pilots will help test how best to achieve the Inquiry's aims of a hunger-free United Kingdom. We believe that this objective is most likely to be achieved by adopting our following recommendations.**

3 We believe that, as the system is built up, Feeding Britain will need to develop a network of towns, cities, counties and regions that match food needs and resources in each town, city, county and region, with the ultimate aim of eliminating hunger. While Feeding Britain has the overall goal of a hunger-free United Kingdom, this goal can only be achieved if its strategy is based up from the local town to city and then to region. We believe that, as it develops, it is crucial that this body develops a life of its own that is independent of government and with the ability to rise above other sectorial interests.

4 Horizontal cooperation is also required. We believe that Feeding Britain should be tasked with raising the level of knowledge and on the nature and sources of good food, and how best these supplies can be made ready for eating. Here, Feeding Britain must have the responsibility for fostering collaboration between food banks and other voluntary providers, Local Authorities, schools, food retailers and manufacturers, so as to build food policy around the often complex needs of individuals facing the long-term risk of hunger. Central, however, to this overall success is the local point of contact, whatever it is called. This might be 'Food Bank Plus', or something else. It is at this local level that we have experienced the most crucial aspect of a vibrant voluntary movement; the free giving of care and affection to fellow citizens who find themselves in the most difficult and demanding circumstances. If there was a medal for exercising human compassion we would seek that it be awarded collectively to the volunteers of the food bank movement.

5 We believe that there is a key role in town and city joining together in a regional approach and we would see these local networks having six main functions:

- Encourage the redistribution of fresh surplus food to food assistance providers and voluntary organisations working with people in food poverty, by matching supply with demand, so as to reduce dependence on donated food.

- Co-ordinate food waste prevention by working through the supply chains of food retailers and manufacturers, and, for example, harvesting and donating farm crops rejected by retailers because of their appearance.
- Encourage local action to meet local needs by using local knowledge and partnerships.
- Function as centres of knowledge and excellence by implementing best practice food models and training local food entrepreneurs.
- Foster the co-location of services in a reformed One Stop Shop/Food Bank Plus model, in which food assistance providers become an integral part of local hubs that help people out of hunger by addressing some of its root causes such as problem debt, addictions, access to benefits, and difficulty coping on a low income. In doing so, it will need to instigate cooperation between Trussell Trust food banks, independent food assistance providers, and other voluntary organisations.
- Pilot and implement schemes to maximise the take-up of free school meals and tackle school holiday hunger.

6 We believe our work and the recommendations that come from this report should be used as the basis of Feeding Britain's developing agenda.

7 The All-Party Parliamentary Group on Hunger and Food Poverty will call a meeting of all the interested parties to establish the pilot projects.

We believe the establishment of Feeding Britain, alongside a higher National Minimum Wage and a fairer and more reliable benefits system, can help to rebuild our national minimum to ensure we live in a 'Zero Hunger Britain' – and thus bring together the two parts of Beveridge that harness the virtues of public and voluntary action.<sup>2</sup>

2. Two of the landmark texts published by William Beveridge are *Social Insurance and Allied Services* (1942), which sets out a comprehensive plan for social security in this country, and *Voluntary Action: A Report on Methods of Social Advance* (1948), which makes the case for new forms of co-operation between the state and voluntary organisations.

## Tackling immediate hunger

The growth of Trussell Trust food banks has been one of the most remarkable developments in the voluntary sector in recent years to meet the immediate needs of people who are hungry. Equally remarkable and impressive, and perhaps equally important in terms of numbers, has been the less noticed growth of an independent food bank movement and their freedom to respond quickly to providing a service that more easily fits around the needs of food bank users.

While food banks are run by volunteers of good will, and while some of these volunteers are highly ethical individuals who would not wish to be seen as Christians, most volunteers from what we can tell are drawn from local Christian churches. It has been an immensely important experience for the Inquiry team to meet this group of people, but also to observe that in a country where the church is seen as being in long-term decline, it is the churches through their membership who have brought forward this most extraordinary voluntary welfare development.

Trussell Trust food banks and some of their independent counterparts are designed to address short-term hunger and help people out of crisis. They have become the new shock absorbers in the lives of large numbers of poor and vulnerable citizens. The most widespread source and, in our view, one of the greatest strengths of the support available to people relying on emergency food assistance is the warmth, companionship and friendliness of staff and volunteers. We encountered this from every food bank we visited during this Inquiry.

But for some people the shocks come so thick and fast that emergency food assistance alone will not, and cannot, provide a long-term solution.

The debate on hunger has moved on since the first food bank opened in Salisbury. The Inquiry was itself active in suggesting to the Trussell Trust that we were looking to them to develop a Food Bank Mark II and that we were pleased when the Trussell Trust, during our visit to Salisbury, told the Inquiry it now realised that these three bags should be just the start of a more intensive series of steps to help people out of food poverty. We welcome this development that the Trust described to us and their six fold action plan to help families achieve greater independence. These are:

1. Planning a healthy diet (the Eat Well Spend Less Plate)
2. Food hygiene, preparation and safety
3. Planning a healthy menu for the week and preparing a shopping list
4. Planning the financial aspects of shopping and introduction to the concept of credit
5. Supermarket psychology (ie not being fooled by Buy One Get One Free offers and items on the ends of aisles)
6. Open session driven by participants, where they decide what they'd like to cook and to help prepare such meals

We also very much support the Trussell Trust's recent pilot of cooking courses and co-location of welfare benefits, debt advice and other services in its food banks. We saw the success of this during our visit to Salisbury, and in our evidence from Tower Hamlets.

- 8 We recommend that these pilots be extended across the Trussell Trust network so as to tackle some of the more deep-seated causes of hunger, beyond the immediate crisis, and be adopted, wherever possible, by the network of independent food banks.**

Our objective is to reduce demand for food bank provision, as we believe the current trends and supplies of food could quite easily become unsustainable. But food banks and other providers have shown they can use food as a gateway to help solve more deep-seated problems facing people in persistent food poverty. We do not believe food banks should take the place of statutory welfare provision in this country, but our evidence suggests there is a strong desire for longer-term interaction between food banks and vulnerable households, and an eagerness for these relationships to become embedded within local communities so they can help people overcome the deep-seated causes of hunger. One of the fundamental reasons why we support the continuation of food banks in one form or another is that they have a proven ability to use food to reach 'the hardest to reach' groups and engage them in a longer term process of overcoming hunger and in so doing offer them a fellowship that bureaucracy cannot.

In the same vein, we would also encourage the development of the social supermarket model currently being pioneered in South Yorkshire. Social supermarkets allow people on low incomes to register and shop for heavily discounted food which has been gathered from manufacturers' surplus produce. Once registered, they also receive a 'hand up' through help with debt problems, budgeting support and the skills required for work. The option of buying food at a greatly reduced price can help free up monies to cover other household essentials.

- 9 We recommend that Feeding Britain should be tasked with identifying areas of the country in which social supermarkets could feasibly make a real and positive difference to people's living standards, and where feasible, to help the Local Authorities in these areas roll out this model.**

## Emergency food assistance providers' sources of food

Food banks and food assistance providers generally source their food from a combination of personal, commercial and church donations, as well as through partnerships with organisations, such as FareShare, that redistribute edible surplus food from supermarkets' supply chains.

The Inquiry detected some concern amongst food banks and food assistance providers about an overreliance on donations; both in terms of the quality and variety of food supplied and the reliability of future supply. Hastings Food Bank, for example, told us that they were giving out more food than was donated and they were unsurprisingly finding it 'difficult to sustain' these operations. Other groups made similar comments and submissions to us.

So our attention was naturally directed towards the surplus or wasted food that is destroyed on an industrial scale in our country. It is in harvesting from this source that we believe the next big breakthrough will be made in eliminating hunger in this country.

On the national scene, Tesco has pioneered methods of surplus redistribution and support for the Trussell Trust network through its National Food Collection. We applaud them for this, and for the national collection they carried out in July which provided over five million meals.

Likewise, Asda led the way in its agreement with FareShare to redistribute usable surplus food to organisations helping people who are hungry. Their donation of surplus stock to FareShare increases the amount they are able to redistribute by 41%. We are aware also of Sainsbury's partnership with FareShare, and local arrangements set up by Waitrose and Aldi.

There were some excellent examples of locally negotiated agreements to counter waste and feed the hungry. The pioneering Oxford Food Bank, which is exclusively devoted to saving food waste, persuaded their local Waitrose to help and, once the staff there knew the scale of hunger in Oxford, they became great advocates for minimising waste from their store.

A large number of food assistance providers told us that barriers around cost and storage prevented them from asking for donations of fresh food. We see a next key role for the food bank network and the third sector in boosting access to fresh fruit and vegetables, initially as part of its National Food Collection with major food retailers.

**10 We recommend that supermarkets begin experimenting in other ways to meet the need for fresh food. Tesco, for example, a pioneer in this field of combating hunger, adds 30% to any food given by its shoppers to food banks. The Inquiry would like to see Tesco experiment with using some of this subsidy to include the recycling of fresh food.**

**11 We also recommend that other supermarkets follow this example through their collection arrangements with food banks, and reward the entrepreneurial skills of staff by allowing their stores a degree of flexibility so that they can imaginatively meet local needs.**

We believe the potential fragility in the current model of donated food for the purposes of emergency food assistance emphasises the need both to reduce demand for their services and to put in place systems to ensure a more reliable and varied source of food for individuals who are hungry through, for example, the redistribution of usable surplus food from supermarkets and their supply chains. A plan of action along these lines should be part of food banks' responsibility. Pursuing this area of advance we believe should become a first objective of **Feeding Britain**.

## Waste and surplus redistribution

We heard from independent food banks and other providers that if they were able to access fresh food at a reduced cost, or for free, they would be able to focus greater effort and more resources on supporting people with complex needs who require more intensive support. Local organisations serving hot meals to homeless individuals, for example, would be able to invest in support workers if less of their expenditure was devoted to securing fresh food, as was explained to us in Truro.

We have been struck by the way independent providers can utilise food assistance as a tool to engage with some of the most vulnerable people in our communities, as a first step towards rebuilding their lives.

It is therefore critical that redistribution is prioritised above other schemes to dispose of surplus food. The Waste and Resources Action Programme (WRAP) has set an ambitious target to reduce food waste by 1.1 million tonnes by 2015 through its voluntary Courtauld Commitment. Redistribution is a natural way to achieve this goal, and we urge those organisations who are signatories to these voluntary commitments to consider how they can support food assistance providers.

The Inquiry has been told of the Fund for European Aid to the Most Deprived, designed to support food assistance activities by re-allocating EU Structural Funds. Third Party Organisations have expressed concern at the Government's decision to withdraw the smallest possible amount to bolster its welfare-to-work programmes.

- 12** The Inquiry is asking the Government to consider whether a part of its entitlement from European structural funds to address poverty and deprivation might be better spent through the Fund for European Aid to the Most Deprived. We believe Feeding Britain should be financed from this source. We recommend that the Government reallocates some of its EU Structural Funds, to match fund with private charitable funds as well as local public health grants, and to allocate this to organisations that promote the equitable distribution of surplus food, and to finance other developments we suggest in Feeding Britain.

- 13** We believe it is indefensible that huge numbers of people are going hungry in a country which wastes such vast quantities of food that is fit for consumption. Whilst we acknowledge that a certain amount of food waste is unavoidable, and that not all surplus food can be redistributed, we urge the Waste and Resources Action Programme (WRAP) to set food retailers and manufacturers a target of doubling the proportion of surplus food they redistribute to food assistance providers and other voluntary organisations and to agree this target, and the timescale over which it will be achieved, with Feeding Britain. This would still only amount to using a mere 4% of usable food, yet if organisations that promote the equitable distribution of surplus food were given the resources to double their output, this very important target would save the voluntary sector £160 million over the next Parliament. We believe a long-term objective should be to minimise the amount of surplus food in this country, while ensuring that of this falling surplus progressively more is used by the third sector.

- 14** We also support the calls made by the House of Lords European Union Committee for the Government to introduce financial incentives in Britain so as to divert more fit-for-consumption surplus food from landfill and Anaerobic Digestion to voluntary organisations serving meals to people.

- 15** We recommend that the food industry as a whole should set itself a target, built up from its constituent parts, of reducing the amount of food disposed of in landfill, and turned into compost or energy, by 100,000 tonnes each year by the end of the next Parliament. The body we suggest to drive this, as well as all other aspects of our reforms will be Feeding Britain.

## The role of Local Authorities and local models for the future

The Inquiry was inspired by the evidence it received from the staff and volunteers at the Matthew Tree Project in Bristol; particularly by the love and care they offer each of the users of their service, of catering for their immediate needs for food while at the same time helping them surmount the often severe personal difficulties in which some find themselves. The Matthew Tree Project builds these services around the people it serves. It gets to the heart of people's problems and comes up with a long-term plan to get them back to where they need to be.

Instead of just handing out food parcels, which is, of course, an important activity, the Project lays its food out on shelves so people can pick out what they want within a set nutritional limit. The Project has built on its existing food assistance model by reaching an agreement with Bristol City Council to buy up plots of land in parts of the city that might be deemed 'food deserts', in order to grow and sell food to local residents. This scheme will be used also to offer employment and training to unemployed individuals relying on its existing food assistance scheme.

The Inquiry believes that Local Authorities have a great deal of knowledge of their areas, and that the evidence shows us local partnerships work far more effectively than centrally determined ones – this ethos is at the core of **Feeding Britain**. The Community First programme has handed £23 million of Government funding to 600 volunteer panels, and the 'Our Place' programme is giving 120 communities greater control of their neighbourhood services.

We were particularly interested to learn that one such project in Leicester, managed by Saffron Lane Neighbourhood Council, is developing a new 12-acre community food growing project that specifically aims to demonstrate the benefits of healthy, home grown food to local residents. We would be keen to see such examples promoted as best practice, so that other communities can replicate them.

**16 We believe that by encouraging the production and retail of locally grown food, Local Authorities can play a key role in addressing the lack of access to affordable food in deprived areas. Success in establishing local networks will require Local Authorities amongst other things having the willingness to work with local food organisations to free up land for food production, retail and storage, as and when resources are available.**

**17 As part of renegotiating the Barnett Formula, we recommend that the Government considers reintroducing a needs element to the funding settlement for Local Authorities, so as to enable them, amongst other things, to carry out the reforms outlined in this report.**

We now turn to the role that we see other bodies needing to play in eliminating hunger in Britain. We believe that **Feeding Britain** should have the responsibility of holding each of these bodies to account and having the duty of reporting regularly to Parliament on how each of these bodies is carrying out its new responsibilities.

## Gas, electricity and water

The Inquiry is concerned that people on low incomes have been hit disproportionately hard for many years by the increasing costs of living, and that this has resulted in an erosion of the value of their income. In addition, they face in many cases a premium on the basic goods and services they buy. Too many people living in low-income households often face the choice of putting money in the gas meter or food on the table: particularly those who are trapped on prepayment tariffs.

Whilst legislation introduced in the Energy Act 2013 to ensure consumers are on the cheapest tariff that meets their preferences is a laudable first step, the Inquiry remains concerned about the numbers of households who remain on prepayment meters – who are often offered just one tariff option.

Those who pay for their gas and electricity through prepayment meters often face the highest energy costs as they are unable to access the best deals and tariffs available to direct debit customers. We heard also that some prepayment meters are installed on a mandatory basis by energy suppliers when households have fallen behind on their bills, and extra charges are levied when households wish to wean themselves off a prepayment meter. Standing charges levied by energy suppliers may also have a disproportionate effect on households relying on prepayment meters, as charges can accumulate into a sizeable amount of debt over the summer months while the heating is not in use. Immediate steps can and should be taken to stop the poor paying more for basic essentials.

- 18 We recommend that the Government grants itself new legislative powers to instruct Ofgem to work with energy suppliers to establish a national minimum standard for fair energy prices for all prepayment energy customers.**

- 19 Similarly, we recommend that Ofgem should take an immediate step towards this objective by encouraging energy suppliers to bring their practice up to the best. They should fix their prepayment energy tariffs for two years, based on EDF Energy's recent introduction of a fixed price prepayment tariff for all new and existing customers. As part of this offer, households should be given the power to switch suppliers in 24 hours with no termination fee, an offer EDF Energy has made.**

- 20 We recommend that Ofgem reviews the impact the introduction of standing charges has had on energy bills for poorer households – particularly those relying on prepayment meters. We believe Ofgem should consider carefully the unintended consequences of standing charges, such as the accumulation of debt on prepayment meters.**

The Warm Home Discount was introduced in April 2011 and requires the major energy suppliers to provide £140 towards energy bills for some households on low incomes. Poor pensioners automatically get this amount deducted from their energy bills. A broader group of working-age households may qualify for discretionary support. However, they must first apply. In these cases, even if they are eligible, the energy supplier is not obliged to provide the discount in every case, since the amount of support available is limited. Some energy companies currently exclude poorer working households from their broader group of households eligible for assistance.

We support the continuation of the Warm Home Discount scheme and believe it could be reformed at nil cost to make an even greater difference to low-income households' budgets, and perhaps free up more resources with which to buy food. Against a backdrop where it seems costs for energy companies are plummeting but profits are nevertheless rising, we believe there is scope, and indeed a moral obligation, for the energy companies to do more to help the poorest. As an immediate step:



**21 The Inquiry recommends that Ofgem set out how energy suppliers should go beyond meeting the minimum legislative criteria for the Warm Home Discount. We believe the Broader Group criteria should be extended automatically to cover all low-income working families. This would provide welcome support to an additional 1.7 million families in poverty.**

The Inquiry became aware of the inconsistent implementation of the Warm Home Discount, with some households excluded by their energy supplier even though they would be eligible with another.

**22 We recommend that the Secretary of State for Energy and Climate Change considers implementing a standard set of rules for all energy suppliers involved with the delivery of the scheme, so a greater number of families in poverty are able to benefit.**

The Inquiry has been made aware that eight out of twenty six water companies have now introduced social tariffs for vulnerable customers, and that the water industry is now beginning to create a voluntary database to make it easier for landlords to provide information about their tenants to water companies.

We applaud the industry's efforts to begin to do more to help its most vulnerable customers, and encourage those companies who have not yet introduced social tariffs to consider the benefits of doing so. We also warmly welcome Ofwat's 2014 Price Review, which is set to reduce water bills across England and Wales by 5% before inflation.

But the Inquiry is concerned that some poorer families living in smaller homes may be paying more for their water than they were before, because they have been placed on a metered tariff. The Inquiry understands that meters are more cost effective for people living in smaller households but in larger properties, but that unmeasured bills based on property values may be cheaper for families living in smaller properties.

**23 We recommend that Ofwat audit each water supplier's customer base to find how many low-income households would be better off on an unmeasured tariff, and direct that they should be transferred or have their bills capped at this level.**

## Debt and high-cost credit

The escalation of personal and household debt is both a cause and a symptom of households' declining available income. People are, in some circumstances, taking out a loan or obtaining household goods through a home rental scheme, in order to cover an initial crisis. In doing so, this initial crisis all too often becomes a spiral.

Many people in this situation, the Inquiry was told, will have already called on family and friends to lend a hand during tough times, and this same network of support may no longer be available once the next crisis arrives.

The Inquiry endorses the findings of the Financial Conduct Authority's investigation into continuous payment authority (CPA) schemes, which found some firms were automatically deducting arbitrary amounts of money from individuals' accounts as a debt collection method which meant that some borrowers therefore had difficulties paying for essentials such as food and heating. We were told of large initial sums being taken out of a person's bank account unbeknown to them, and that these deductions could be larger than the sum borrowed. High-cost short-term lenders are now limited to two unsuccessful attempts to use a CPA to take a repayment and cannot use a CPA to take a part-payment. However, the borrower will be able to 'reset' the CPA following two unsuccessful attempts to deduct money, meaning it can begin the process all over again.

- 24 We therefore recommend to the Financial Conduct Authority that it monitors closely the effectiveness of these new measures, report annually to Feeding Britain on its findings, consider how best to modify the sums that a lender can immediately withdraw from a borrower's bank account, and to take further action, if necessary, to ensure vulnerable households are not left exposed to high-cost short-term lenders.**

The Inquiry heard also that some payday loan brokers pass on the bank details of people looking to take out a payday loan to a large number of other brokers and lenders, who may seek to extract fees, even if they have not supplied a loan.

- 25 We recommend that the Financial Conduct Authority should require as soon as possible payday loan brokers to amend their privacy policies so as to protect poorer households from being exploited in this way.**

The Inquiry welcomes the Government's decision to cap the overall costs of high-cost credit – and the introduction of the Financial Conduct Authority's new rules on payday lending, including using powers to ban inappropriate adverts, capping daily interest rates, requiring lenders to lend only where the customer can afford the loan and ensuring lenders cannot extend loans more than twice.

- 26 We recommend that the Financial Conduct Authority monitors closely over the next twelve months the level and fairness of interest rates, as well as the use of its powers to restrict payday lending, and report its findings to Feeding Britain before considering whether a lower maximum interest rate in some circumstances might be necessary to protect vulnerable, low-income households.**

One of the possible ways to help steer low-income households away from problem debt is the credit union approach. Credit unions are in a position to offer a financial lifeline to families with poor credit ratings, and to give them greater control over their lives. They provide convenient access to credit and finance, without the sky-high interest rates charged by high cost credit providers and reintroduce some families to the skills of better managing their income. We welcome their development as a means of preventing large numbers of poorer households from being exploited by loan sharks, or cut off altogether from finance.

At present, though, for every credit union across Britain (375) there are almost four payday loan shops (1,427). For some people, this may mean it is more feasible to access high-cost credit than it is to approach a credit union. We believe everybody should have access to a credit union.

The Government's £38 million investment in the development of credit unions last year was a very positive move. The Inquiry welcomes the Government's recognition of the important role played by credit unions and we encourage it to go even further in its support if this proves necessary.

Yet we are concerned that, at present, inconsistent signals are being given by the Department for Work and Pensions about whether all credit union account holders will be eligible to receive Universal Credit payments. At the moment it appears that Universal Credit payments will only be made if the member has an individual account and not if they are part of what is called a collective account.

- 27 We therefore recommend that all credit union accounts be made eligible for the receipt of Universal Credit, so as to allow for and encourage their use among low-income households.**

## Access to mobiles and the internet

Throughout the course of our Inquiry we learnt just how vital it is for low-income households to own a mobile phone and have access to the internet. For the poor, mobile phones are not simply fashion accessories but a vital tool to negotiate their way around an increasingly concentric IT society. But we found many vulnerable, and often hungry, people were without a mobile phone or easy and free access to the internet who, as a result, were unable to access the support they needed to get their lives on track.

People claiming out-of-work benefits are now expected to conduct a large amount of their job search activity online or over the telephone. However, Ofcom has found that among those who experience difficulties paying for their communication services, payment issues are most likely to relate to mobile phones (75%). Half of this group have opted for 'pay as you go' as a method of managing their outgoings, so as to avoid being 'caught out' and falling into debt (or further debt).<sup>3</sup> Ofcom acknowledges that these individuals may face a premium by using 'pay as you go', as it could mean higher usage cost compared to a contract, as well as exclusion from cheaper contract deals and lower direct debit bills.

In addition, Ofcom found there was limited awareness among low-income households of cheaper available deals, and only 26% of individuals on Income Support were aware of social tariffs available to help them access a landline.

Ofcom is currently reviewing how better to target relevant information on special offers and deals to low-income households.

**28** We recommend that Ofcom better targets relevant information to new claimants of social security benefits as part of a reformed Claimant Commitment, so as to increase the effectiveness of a claimant's search for work, and that it reports progress on this front within the next six months. Further proposals along these lines are listed later in our recommendations on reforming the Claimant Commitment.

3. Ofcom, *Affordability of essential communications services*, July 2014

The Inquiry received evidence from several witnesses who had been charged up to 41p per minute to make calls to their energy supplier, for example, regarding a missed payment, or the Department for Work and Pensions to sort a problem with their benefit claim. We became similarly aware of higher-rate telephone lines used by a range of other organisations, including high-street banks. Calls to these numbers often involve extended periods of time on hold, and for many of our poorest citizens, the cost of making these calls is an additional expense which they can ill afford.

We therefore welcome the directive issued by the Cabinet Office to all government departments instructing them to switch from 0845 numbers to cheaper alternatives. We welcome likewise the progress made by energy companies in switching to freephone numbers, and the Financial Conduct Authority's decision in spring 2014 to investigate and discuss with banks, insurance and credit card companies the steps they needed to take to phase out their use of higher-rate numbers.

However, there are further immediate steps that can and should be taken. Some high-street banks still advise their customers to call higher-rate numbers, and we discovered that one energy supplier publicises a higher-rate emergency number for its customers whose prepayment meters have run out. We are also concerned that some public bodies continue to rely on higher-rate telephone numbers.

**29** We therefore recommend that Ofwat, Ofgem and Ofcom oblige all utility companies to transfer immediately all public telephone numbers from higher to standard regional or free rates.

**30** We recommend also that the Financial Conduct Authority report within six months the progress it has made in abolishing the use of higher-rate telephone numbers in the financial services sector.

**31** We recommend that the Cabinet Office reviews the progress made by public bodies in phasing out the use of higher-rate telephone numbers, and require any remaining adjustments, where necessary, to be made within six months.

## Resilience – cooking, parenting and budgeting

The Inquiry believes individuals and families are most at risk of experiencing hunger when the practical and financial resources are not there to prevent or, if this fails, to deal with a crisis when it strikes.

As well as lacking resources, a proportion of families also lack the resilience to cope with life on a low income. They may have difficulties budgeting for a week's worth of shopping, for example, as whatever income there might be is devoted to other, non-essential items of expenditure or to paying off debt. Some households may also find it difficult to prepare or cook decent meals from scratch, making them much more likely to rely on ready meals or takeaways.

Whilst we have heard how many families manage to buy and cook food on a shoestring budget for extended periods of time, we have seen also that a number of individuals and families are unable to do so. We therefore very much welcome the Government's decision to reintroduce the mandatory teaching of cooking skills into the National Curriculum for maintained schools. Academies and free schools should be encouraged to embed these skills into their learning programmes, so that all young people leave school with a basic set of cooking skills.

**32 We recommend that the teaching of budgeting and parenting skills should be embedded on a statutory basis in the National Curriculum as the cornerstone of a reformed Personal, Social and Health Education (PSHE) module.**

But evidence presented to the Inquiry confronted us with the unpleasant truth that some children, we do not know how many, are hungry when they reach school because of the chaotic conditions in their homes. A large proportion of primary schools that submitted evidence to the Inquiry said they had witnessed children arriving at school hungry because their parents could not, or would not, wake up to make them breakfast, or bring them to the school breakfast club. We heard also that some families did not have enough money to afford decent food as their income was devoted almost entirely to having to pay off debts from catalogues, credit companies and payday lenders.

We have had a great deal of evidence showing how imaginatively schools try to protect these vulnerable children from the consequences of the chaos that reigns at home. We applaud these efforts, would wish them to continue, and indeed be expanded to cover all children who arrive at school hungry. The aim should be for this response to be extended.

But we should not leave the duty resting with schools. Parents have duties, and these duties are not abated by the chaos resulting from their lifestyle.

We have heard how some families may require more intensive help to ensure they have sufficient budgeting skills and are able to be successful parents.

**33 We recommend that schools should wherever possible refer such chaotic families to their local Troubled Families project whose success can be measured in the number of families they have 'turned round' to being functioning in a normal way.<sup>4</sup>**

4. The Troubled Families programme is a cross-cutting programme managed by the Department for Communities and Local Government, aiming to provide a joined-up approach to helping families which previously received a large number of interventions from different parts of the state. Broadly, the purpose of the programme is to improve the effectiveness of work with those families and, thereby, to reduce the demands that they make upon public sector resources.

The Inquiry received evidence suggesting that the opportunity for adults to undertake food skills training would be one way of boosting the resilience of people relying on food banks, and other forms of food assistance. Programmes such as Change4Life, which is targeted at low-income families, and Love Food Hate Waste which aim to change behaviour are laudable, and it is important these programmes are effectively targeted at families who lack the appropriate skills.

The Government's Healthy Start scheme supports half a million women who are pregnant or who have children aged four and under by providing vouchers for fresh milk, fruit and vegetables. These vouchers provide a valuable opportunity to educate new parents about the health benefits of fresh, nutritious food.

**34** We believe the Government and the voluntary sector should consider whether there is an opportunity to provide information about available food skills training alongside Healthy Start vouchers.

**35** We recommend such support be made available by members of Feeding Britain to all individuals relying for any length of time on emergency food assistance.

Some food banks expressed concerns to the Inquiry that some of their clients do not, or cannot, cook the contents of their food parcels at home because they lack basic cooking equipment and facilities. We heard how some landlords may offer tenants only a microwave or one ring on a cooker while calling these facilities a kitchen for rent purposes.

**36** We recommend that Local Authorities begin collecting information on whether landlords in receipt of Housing Benefit are providing basic cooking facilities for their tenants, with a view to making Housing Benefit receipt conditional on these facilities being provided, and to report their findings to Feeding Britain.

## Hunger in schools

Some schools report that up to a quarter of their pupils arrive hungry each morning. Evidence from most of these schools suggests that whilst low parental income is an important factor, children often go hungry because of a lack of routine and organisation at home.

The evidence also raises several issues around free school meals. We have found that up to 38% of poor children in some parts of Britain are not receiving free school meals – even though they are entitled to them.

We heard also that some Local Authorities, such as Liverpool, Durham and Sunderland, automatically register all eligible families for free school meals without the need to fill in an application form. We welcome the introduction by the Department for Education of a free school meals eligibility checking system (ECS). The ECS enables Local Authorities to check very quickly and determine whether a parent can claim free school meals by linking benefits information from the Department for Work and Pensions, Her Majesty's Revenue and Customs and the Home Office.

- 37 We urge each Local Authority to use this tool to register automatically children of eligible parents for free school meals and for Feeding Britain to report on progress.**

According to the House of Commons Library, 1.5 million poor children are automatically disqualified from receiving free school meals because their parents are in work. Therefore, whilst we welcome the introduction in September 2014 of free school meals for all 1.5 million pupils in the infant years, the Inquiry believes that, in future, provision should be better targeted at those children most in need.

- 38 We recommend that the Department for Education prioritises poor children from working families in any future expansion of the free school meals programme.**

We have heard how some parents dread the coming of the school holidays, and particularly the summer holiday, when their children cannot gain free school meals. A number of food banks have identified spikes in demand during these school holidays. We believe it would cost in the region of £130 million to continue the daily provision of free school meals for eligible pupils in primary schools during school holidays.

- 39 We recommend that the Government begins costing the extension of free school meal provision during school holidays.**

## Our recommendations to the political parties

Government policy relating to the level and causes of demand for food banks, and the broader provision of food assistance, is currently spread across eight departments: the Department for Work and Pensions (DWP) for social security benefits, Her Majesty's Revenue and Customs (HMRC) for tax credits, the Department for Business, Innovation and Skills (BIS) for labour market and wages policy, the Department for Environment, Food and Rural Affairs (DEFRA) for food policy, the Department of Health for malnutrition, the Department of Energy and Climate Change (DECC) for energy costs, the Department for Education for school meals and the Cabinet Office for voluntary provision.

- 40** We recommend the establishment of a single Office for Living Standards within the Treasury to monitor pressures on low-income households' budgets and for the Cabinet Office to co-ordinate effective responses from government. It should be tasked with reporting regularly to Parliament, and to Feeding Britain, on its monitoring of the implementation of the recommendations set out in this report. The Treasury should then commit to an annual Parliamentary debate on the level of progress made in this field.



## Low pay

Our Inquiry has found that too many people earning the National Minimum Wage are relying on help from food banks. We estimate that up to one quarter of people relying on food banks are in low paid work – with Hastings Food Bank reporting over half of its clients being in work. Half of those using the West Northumberland Food Bank last year were, likewise, in low paid work, as were more than one third of Ely Food Bank’s clients. Clearly something troubling is happening at the bottom of our labour market, as it is in many advanced Western economies. Too many of the submissions we received, in written form, from food bank workers and clients themselves testify that the National Minimum Wage is too low to provide a failsafe system against hunger, even with the substantial subsidies taxpayers make to those wage levels through tax credits.

The real hourly value of the National Minimum Wage fell by 27p in the five years to 2013, meaning the real weekly earnings of a full-time employee working for the National Minimum Wage declined from £255 in 2008 to £242 in 2013, and for a part-time employee from £118 in 2008 to £112 in 2013.

We welcome the Government’s decision to increase the National Minimum Wage to £6.50 per hour, as well as its decision to regulate the exploitative use of zero-hours contracts. Equally, we welcome the measures that have been put in place to lift the three million lowest earners out of income tax, and to cut income tax by two thirds for someone earning the National Minimum Wage. However, we believe there is much more to do. We aspire to see household incomes at the bottom that are better able to absorb shocks without even greater support from taxpayers; a national strategy to tackle low pay is therefore essential.

**41 We encourage the Government to continue to pursue policies which seek to raise the National Minimum Wage, increase take-up of the Living Wage, and to reduce the total amount of tax taken from low-paid workers.<sup>5</sup>**

**42 We recommend that the Low Pay Commission be empowered to set reference minimum wage rates in each sector of the economy, leaving in place the National Minimum Wage, and for these powers to be used immediately to encourage higher minimum wages in sectors of the economy that can most easily afford them, such as finance and banking. These higher minimum wages should be set at the level of a Living Wage, and should apply to all directly employed, outsourced and agency staff performing functions within these sectors.**

**43 The Low Pay Commission should also be granted additional powers to work with those sectors of the economy in which the immediate implementation of a Living Wage would lead to the highest threat of unemployment, such as social care and retail, in order to draw up interim packages – including product discounts and incremental pay increases – so as to provide a ‘Roadmap to the Living Wage’ for each of these sectors.**

**44 We also believe that in these sectors the Department for Business, Innovation and Skills should work with sector interests on a strategy to raise productivity and thereby enable the higher minimum wage, or Living Wage, to be implemented without a loss of jobs.**

**45 Alongside this, we recommend the Government leads by example through its pay and procurement policies so as to ensure all of its directly employed, outsourced and agency staff are paid at least a Living Wage.**

**46 Likewise we recommend that Local Authorities, beyond and including paying their own employees a Living Wage, should use their procurement strategies to encourage local businesses to themselves become Living Wage employers.**

5. The National Minimum Wage is currently £6.50 per hour for adults, £5.13 for 18-20 year olds, £3.79 for under-18s and £2.73 for apprentices. The Living Wage is a voluntary rate which currently stands at £7.85 per hour nationally and £9.15 per hour in London. The Living Wage is calculated by the Centre for Research in Social Policy, Loughborough University, whilst in the capital the rate is set by the Greater London Authority and is based on a combination of a basic living costs approach.

## Benefits administration

Benefit-related problems was the single biggest reason given for food bank referrals by almost every food bank that presented evidence to us. The Inquiry is concerned that there are avoidable problems occurring in the administration of social security benefits, which have a particularly detrimental impact on poor and vulnerable claimants. We heard that one such problem arose as a result of Jobcentre Plus staff having to rely on two different computer systems, each on different screens, in order to calculate and process a claim, if more than one benefit was involved. This was likely to delay the processing of a benefit claim.

- 47** We recommend that the Department for Work and Pensions investigates the IT systems used in Jobcentre Plus and make necessary improvements to ensure all claims can be processed through one system which can be accessed on a single screen, so Jobcentre Plus staff are able to calculate and process entitlements within five working days.

We heard also that personal documents, including birth certificates and medical records, sent as part of an application for benefit had gone missing within the Department for Work and Pensions.

- 48** We recommend that the Department for Work and Pensions provides an email address to which personal documents can be scanned and sent, and if this is currently viewed as impossible, the Department should commission further work to overcome the barriers.

The Inquiry has gathered a broad idea of the benefit-related issues that have triggered, for some people, a prolonged period of hunger. There is an urgent need, though, to facilitate more in-depth analysis in future.

- 49** We therefore recommend that emergency food assistance providers amend their referral categories to differentiate more clearly between the various benefit-related problems they encounter; this should include delays in the processing of a new or existing claim, sanctions, changes in entitlement, loss of benefit during a Mandatory Reconsideration Period, being made to transfer from one benefit to another, and payments made to cover debt owed on previous overpayments or Crisis Loans.

The Inquiry was made aware of charges of up to £50 being levied by GPs on individuals requiring access to medical records to make an appeal against a decision that had affected their Employment and Support Allowance claim.

We welcome the Secretary of State for Health's announcement that all medical records will be accessible for free online by April 2015.

- 50** We recommend that the Secretary of State for Health make it a part of a GPs role to provide evidence in relation to benefit claims, and make it unlawful for the National Health Service to charge for medical documents in connection with benefit claims.

## Benefit delays

The Inquiry believes that benefit delays have been a key reason as to why individuals have turned to food banks over the past ten years. We heard extensive evidence suggesting that lengthy delays in the administration, and subsequent receipt, of benefit payments is causing severe hardship for new claimants.

We found that the Department for Work and Pensions does not currently collect information on the length of time taken for benefit payments to be made. The Department's current performance measurement is the Actual Average Clearance Time (AACT), which is the average number of days taken between an application being made and the date a claimant is notified of a decision on their claim. Whilst the Department aims for this process to be concluded within sixteen days we heard that, for some claimants, even this length of time is too long to survive without money. We are not aware of the Department holding any records showing when the first payment is made.

**51 We believe the Government must urgently reform the benefits system so it is able to deliver payments quickly within five working days. We fully understand this will take time to achieve. But the Department for Work and Pensions must begin this process of reform by ensuring it has the data to measure the time between a claim being made and the claimant receiving their first payment.**

Given the size of our benefits system, there are bound to be mistakes and delays which leave claimants without any income for several days – although even one day is a pretty long time if you have no money for food. Even in the best run benefits system, there will always be a need for emergency assistance in helping to prevent hunger and the other consequences of being without money. Such help is that much more urgent when delays in payment run into many weeks and even months.

There is a clear moral case to address the shortcomings that exist in our welfare system. Our evidence shows that the current system is cumbersome, complicated and fails to respond effectively to the daily changes in people's lives. Changes are urgently needed to create a benefits system that is truly fit for purpose in the twenty first century.

## Hardship Payments and Short Term Benefit Advances

The Inquiry heard evidence of claimants being left for an extended period of time with no income because they were unaware of the discretionary support that might be available to them.

Discretionary support is not automatically paid to claimants whose benefits have been delayed, stopped or sanctioned. Claimants have to be aware that payments are available, how to apply for them and what the eligibility criteria are. For claimants who have been sanctioned, there is no entitlement to discretionary support until the fifteenth day of the sanction period, unless the claimant is classed as being vulnerable.<sup>6</sup>

We also received evidence suggesting that Jobcentre Plus staff are failing to inform claimants experiencing delays of their right to apply for a Short Term Benefit Advance or Hardship Payment to fill the gap in their income.<sup>7</sup>

The Department for Work and Pensions has issued guidance stating that a 'hardship interview' – which people applying for Hardship Payments need to attend – should take place within 24 hours of the request for hardship payments being made. We welcome this development. Furthermore, it states that where a decision is made that a person satisfies the hardship conditions, action should be taken quickly to ensure payment arrangements are made. It expects payments to be made within three days, although there are no formal targets in place to measure performance against this expectation.

The Inquiry is concerned about the real possibility of people needing to rely on emergency food assistance because they are not claiming the discretionary support to which they could be entitled.

**52** We therefore recommend that the Department for Work and Pensions should simplify the application process for Hardship Payments and Short Term Benefit Advances. Information on this emergency support, along with other emergency measures such as Discretionary Housing Payments, should be clearly publicised within Jobcentre Plus offices, and introduced into Jobcentre Plus advisers' standard scripts for benefit claims. The Department should review its existing trigger mechanism that prompts staff to discuss support, and consider whether it could be improved – including by engaging in a dialogue with the All-Party Parliamentary Group on Hunger and Food Poverty and voluntary sector representatives.

**53** We urge the Department for Work and Pensions to examine the possibility of allowing advice workers to request automatically Short Term Benefit Advances electronically for their clients.

**54** We recommend that the Department for Work and Pensions should automatically consider paying Short Term Benefit Advance if a benefit claim has not been paid within five working days.

**55** We recommend that the Department for Work and Pensions monitors closely the impact of changes designed to speed up Hardship Payments, and if necessary, consider further action to ensure a decision on Hardship Payments is made at the same point as a sanction decision.

6. Pregnant women; people responsible for a child or a young person; claimants who qualify for a Disability Premium; certain claimants with long term medical conditions; certain claimants who provide care for disabled people; certain claimants aged 16 or 17; and certain claimants under the age of 21.

7. A Short Term Benefit Advance is an interim payment which may be available to people who have made a new claim for a benefit but will be in financial need until they receive their first payment. Claimants may also be entitled if they have had a change in circumstances that will increase the amount of benefit they are entitled to, or if it is not possible for their benefit to be paid on time. A Hardship Payment is a reduced amount of Jobseeker's Allowance which may be available to people who have been refused Jobseeker's Allowance, or whose benefit has been stopped. Claimants may also be entitled to a Hardship Payment if they are waiting for Jobcentre Plus to decide whether they qualify for benefit.

## Tax credits

We saw also that a sudden loss of tax credits and other benefits resulting from a change in household circumstances has led to periods of at least one month, and often two months or more, with a heavily depleted household income. This often has been the case when families have immediately lost all of their tax credits when they reported that a partner is moving in to live with them in the same household.

Here is an example illustrating how honesty doesn't always pay in respect to our welfare state. Indeed, we heard examples where it had punished. When one considers the long-term erosion of low-income families' financial buffer, people who find themselves in this situation of having their tax credits cut off are unlikely to have much in the way of savings to fall back on, and are therefore at risk of going hungry.

The Inquiry heard that the Government intends to introduce an advance payment for Universal Credit claimants registering a change of circumstances if they cannot wait until the end of their assessment period for these changes to be made. This payment will consist of up to 50% of their monthly entitlement. Prior to the full rollout of Universal Credit:

- 56 We recommend that Her Majesty's Revenue and Customs and the Department for Work and Pensions both introduce and proceed with the continuous payment of a minimum tariff whilst a change of household circumstances is processed for tax credits and benefits, with adjustments being made later if necessary. As well as helping families avoid falling over a cliff edge in their household income, this would ensure that passports to other forms of support such as Housing Benefit and Council Tax reduction would continue.**

## Mandatory Reconsideration

We encountered similar difficulties facing people who were being transferred from Employment Support Allowance to Jobseeker's Allowance, when the Department for Work and Pensions is most active in applying a Mandatory Reconsideration Period.<sup>8</sup> This period can last weeks, and often months.

**57** We urge the Department for Work and Pensions to consider introducing a time limit for the Mandatory Reconsideration Period, as well as continuing the payment of Employment Support Allowance, at the lower assessment rate if necessary, for the duration of claimants' Mandatory Reconsideration Period to avoid a sudden loss of income for claimants.

8. Mandatory Reconsideration periods apply when a claimant wishes to dispute a decision on their benefit claim. They are the first step prior to an appeal. The Inquiry found them to be particularly prevalent in the case of Work Capability Assessments for Employment and Support Allowance claimants. The Department for Work and Pensions has no time limit to complete mandatory reconsiderations, and claimants must seek alternative support during this period. Employment and Support Allowance claimants, for example, must apply for Jobseeker's Allowance or discretionary payments.

## Benefit sanctions

Whilst the Inquiry endorses the need for conditionality in the welfare state, and supports the application of sanctions in the benefits system where these are appropriate, we had evidence submitted to us questioning how fairly they are being applied in some cases.

We do, however, believe it is still important to note that sanctions do not always represent the sole reason claimants turn to food banks.

Benefit delays can affect anyone. We heard evidence that the sometimes inconsistent application of sanctions appears to affect particularly vulnerable groups, such as those who may find it difficult to leave their house, open or read their mail, or respond to phone calls. A sanction can leave single claimants with no money at all for weeks, or even months.

Some sanctioned claimants do not kick up a fuss because they may, for example, have been working on the side whilst claiming and see the sanction as part of the business plan of fraudulently claiming benefit. But we received much evidence suggesting that some claimants have not understood fully the terms of their Claimant Commitment or Jobseeker's Agreement.<sup>9</sup> One claimant who we spoke to in Salisbury told us he was sanctioned for writing information on the wrong line of the form he needed to complete as part of his Work Programme requirement.

We heard evidence regarding some claimants who had been given almost impossible requirements to fulfil. A claimant said he was referred to a food bank in Nottingham, for example, after his Jobcentre Plus adviser had asked him to apply for two specific jobs as part of his job search. The companies were to send the job application forms directly to him. However, both forms arrived after the closing date had passed for those jobs, and he was then sanctioned and left exposed to hunger.

There was additional evidence showing how claimants had been unreasonably sanctioned through no fault of their own. We were told that a man in Birmingham who had recently been made redundant received a six-week sanction for failing to attend an appointment with his Jobcentre Plus adviser due to a last minute change to his daughter's urgent hospital appointment. Despite contacting Jobcentre Plus the following day to rearrange the appointment and advise them of the reason for his failure to attend, the sanction was applied because he was deemed not to have had a 'sufficiently good reason'. We were provided with evidence of similar cases.

It is impossible to determine precisely how representative these cases are and how widespread the problem is. Nevertheless, we believe that the communication between Jobcentre Plus advisers and claimants in setting out responsibilities and rights could be improved. We do not seek to pass judgment about the decisions that have been made; but to make constructive suggestions about where the evidence suggests to us some improvements can be made. The Inquiry believes the mechanism by which Jobcentre Plus captures and relays information does not always fit with the understanding and skills possessed by people in very difficult positions.

We strongly welcome the Government's decision to accept in full the recommendations made by Matthew Oakley's independent review into sanctions for claimants failing to take part in back to work schemes. The review advocated measures to improve communication with claimants on what is expected of them, reasons as to why a sanction has been applied, the reconsiderations and appeals process and how they can claim Hardship Payments where appropriate.<sup>10</sup> We believe these measures will go a long way towards improving the modes of communication between claimants and Jobcentre Plus, and reduce to a minimum any confusion arising from the process. Yet the terms of reference set for the Oakley review covered only a certain proportion of Jobseeker's Allowance claimants.

9. A Jobseeker's Agreement sets out the conditions claimants must meet whilst looking for work, in order to claim benefit. A Claimant Commitment is an updated version of the Jobseeker's Agreement. It aims to set out more clearly the duties claimants must fulfil, such as signing on at their Jobcentre Plus office at least once every two weeks.

10. Matthew Oakley, *Independent review of the operation of sanctions validated by the Jobseekers Act 2013* (HM Stationery Office, July 2014)

**58** We accordingly call on the Government to extend these measures to cover all Jobseeker's Allowance claimants, as we have identified similar problems arising across the board, with sanctions sometimes resulting from a poor understanding of the system, rather than a wilful disregard of the requirements placed on claimants.

**59** We recommend that the Government make clear in guidance that a sanction decision is only lawful if letters are sent, and can be proven to have been received, to the claimant explaining the reason that a sanction is being imposed (including dates, what the failure was, and why there isn't good cause), the period the sanction will apply for, and whether Hardship Payments may be granted, and if not, why not.

**60** We recommend that, in cases where sanctions are applied, the Department for Work and Pensions should require that claimants be immediately informed of their right to appeal the decision, and provided with the necessary documentation to do so.

There has been a harmful disconnect in some cases between Jobcentre Plus procedures and the needs of claimants, in which claimants feel they are subjected to a 'one strike and you're out' policy. We were told through our evidence of a degree of inconsistency and, at times, unnecessary rigidity in the application of sanctions. Examples of such evidence are presented in the evidence review accompanying this report. More than three million sanctions were applied in the five years to September 2013. We found that even if someone has applied for enough jobs to fulfil their requirements, for example, they may be sanctioned for having filled in the forms incorrectly. This is particularly unfair on claimants who are barely literate.

Reforms can and therefore should be made to the current system to make it more effective and more consistent. Whilst continuing to demand the necessary responsibilities from claimants, we propose here a series of reforms that would give them a better chance of being able to fulfil these responsibilities and thereby avoid incurring damaging financial penalties.

The Department for Work and Pensions claims its decision makers are given relative discretion when deciding on whether an offence warrants a sanction. But we have heard a substantial amount of evidence that suggests revised guidance is required to enable decision makers to investigate the reasons given by claimants as to why an offence may have been committed. If, for example, it is claimed an appointment has been missed due to a family bereavement, hospital appointment or work experience placement, or that the claimant was running late to an appointment due to problems with bus routes, the decision maker should by default be advised to contact the relevant crematorium, hospital, employer or bus operator to verify this claim before a sanction is issued.

**61** We recommend that Jobcentre Plus staff should be able to exercise their own discretion as to whether a requirement was missed through error or circumstances beyond the claimant's control, and should be able to recommend that sanctions are not implemented on these occasions.

**62** We believe claimants should be given a 'Yellow Card' warning with the chance to provide an explanation for a first offence, and perhaps being given additional requirements to be met, before a sanction is applied.



Evidence given to the Inquiry illustrated how one error can then be compounded with further losses of income. A single error can itself end up being the recruiting sergeant for money lenders. Here an unfair application of the sanction then interacts with passported benefits, such as Housing Benefit. If an individual's Jobseeker's Allowance has been stopped the Local Authority may stop payment of Housing Benefit or Council Tax reduction to reassess the person's entitlement.

**63** We recommend that once a sanction has been applied, Jobcentre Plus should promptly advise the claimant to contact their Local Authority, or make contact themselves, to tell their opposite number of the reduction of income of a claimant and their right to continue to claim other benefits. In this way there should be no disruption to Housing Benefit Payments and/or Council Tax support.

## The Claimant Commitment

The Claimant Commitment, formerly the Jobseeker's Agreement, is designed to set out the duties a claimant must fulfil in return for their benefit payments. We fully support the ideas behind this commitment but we believe now is an appropriate time to move to a clearer contract-based welfare state.

At the centre of a clearer contract-based approach to welfare, the Inquiry is anxious that the duties and rights for claimants should be balanced by the duties and rights of Jobcentre Plus. We are concerned that the sole emphasis on claimant responsibility, and subsequent neglect of the claimant's rights once they have fulfilled their duties, may put some claimants at greater risk of being sanctioned as they are likely to struggle to fulfil their obligations without support from Jobcentre Plus.

The Jobcentre Plus Flexible Support Fund can be used to help people move closer to or into work. We welcome the support made available under the Flexible Support Fund to cover claimants' travel expenses for job interviews and some appointments at Jobcentre Plus; but we believe two key areas need to be addressed in order to maximise these existing sources of support for claimants.

First, we have been told that claimants are often unaware that this discretionary support is available to them. Likewise we are concerned that some claimants may be unaware of their right to sign on by post if they live a long way from their nearest Jobcentre Plus office, or if they have mobility restrictions. In rural and deprived urban areas, in particular, there are barriers such as travel costs and limited bus services that may serve to limit a claimant's ability to look for work and attend interviews and appointments.

**64** We therefore recommend that the welfare contract be a genuine two-way contract between claimants and Jobcentre Plus, outlining a claimant's duties as well as their rights. In making this a properly balanced exercise the new contract should make clear what sources of additional support claimants are entitled to, as a way of enhancing their chances of finding work. It should be made clearer, for example, that help is available to cover travel expenses for job interviews or that it is possible in some circumstances to sign on by post or in a local library if claimants have difficulty in getting to their nearest Jobcentre Plus office.

**65** We recommend that, alongside this contract, a claimant should be provided with a leaflet produced by the voluntary sector or their Local Authority, listing the charges that the mobile phone companies have, hopefully, agreed and the claimant's rights against rip-off utility schemes.

Second, we are concerned that whilst claimants may be able to have their travel expenses reimbursed if they are given an appointment for an interview on a day other than the day they normally 'sign on', or if they have to attend a different office on their normal signing-on day and they incur additional costs, the Flexible Support Fund is not designed to cover claimants' travel expenses for routine fortnightly reporting interviews at Jobcentre Plus. The Inquiry heard in its regional evidence sessions, and particularly in Cornwall, that claimants often struggle to cover these costs, and might give up buying food in order to do so. Even for those claimants who do take up their entitlement to reimbursement of travel costs through the Flexible Support Fund, these payments are made largely in arrears – a rather delayed consolation to claimants who have had to cover the bus fare out of their food budget.

**66** The Inquiry recommends that the Department for Work and Pensions should consider as part of the new welfare contract making upfront payments from the Flexible Support Fund to cover eligible claimants' travel expenses, rather than in arrears, as we believe this could ease considerably the hardship faced by claimants looking for work.

**67** We recommend the Department for Work and Pensions estimates how much additional expenditure would be incurred if the Flexible Support Fund were to be extended to cover the costs of travelling to routine fortnightly interviews at Jobcentre Plus, where claimants live more than a mile from their Jobcentre Plus office or have mobility problems and do not claim mobility allowances.

**68** We recommend that regional Jobcentre Plus offices be given the opportunity to attempt to negotiate discounted or free return journeys on public transport to Jobcentre Plus, from day one of a Jobseeker's Allowance claim, and that Ministers look at making this concession part of any new negotiations on large taxpayer subsidies to bus and train operators.

**69** As an immediate step, we recommend that the Department for Work and Pensions should assess whether some claimants, particularly those in rural areas, or with caring responsibilities, could be given the right to sign on and report regularly on job search activity without always having to travel to a Jobcentre Plus office. Our evidence suggested that some claimants face a round trip of 26 miles to their nearest office. Given the majority of Universal Credit claims will be handled online, we believe there is a case to explore whether some additional access points and Jobcentre Plus services could be co-located at venues such as Sure Start Children's Centres or One Stop Shops, to help claimants 'sign on' without incurring additional travel costs by having to travel to Jobcentre Plus.

The Inquiry is concerned that whilst claimants may have been given more responsibility to look for work – a welcome move in itself – the Department for Work and Pensions has simultaneously reduced or even removed their capability to do so. We found a prominent example of this in the Department's 'online-first' system for claimants looking for work.

The Inquiry received evidence suggesting that some claimants, particularly those with the most substantial barriers to work, are struggling with the 'online-first' job search requirement. We have heard also about the inadequate training received by claimants enrolled on the online skills courses made available to those facing such difficulties. We heard that such courses may only consist of one session with limited, if any, one-to-one guidance. As a result, claimants are unable to pick up the required skills and subsequently face the prospect of being sanctioned for failing to apply for enough jobs online.

The Inquiry is aware that some Local Authorities or colleges may offer such courses, or that these services may be contracted out to specialist providers. However, we are not aware of any quality assurance procedures to monitor the effectiveness of the help given to claimants on these courses.

**70** We recommend that the Department for Work and Pensions reviews the quality, repetition and appropriateness of its training courses, so that these courses are of value to claimants and help them into work.

**71** We recommend that the Department for Work and Pensions considers the feasibility of courses being provided within Jobcentre Plus offices to develop claimants' IT skills while they look for work, with volunteers taking a lead in transferring these skills.

We received evidence suggesting that access to job search facilities is now more restricted within Jobcentre Plus, despite claimants being encouraged to register with the online Universal Jobmatch system and to use this, along with a telephone, as their main job search method. We heard likewise that claimants wishing to speak to Jobcentre Plus about their benefit claim had been made to dial higher-rate telephone numbers.

The Department for Work and Pensions has removed 781 job search points and 1,406 telephones from Jobcentre Plus offices since 2008, but 2,411 computers have been installed since 2011. The Department predicts that 8,307 computers will be available in Jobcentre Plus offices by April 2015.<sup>11</sup>

**72** We recommend that the Department for Work and Pensions reconsiders its decision to remove such a vast number of telephones from Jobcentre Plus offices, as we have received evidence suggesting that claimants are struggling to afford the cost of telephone calls they are required to make to apply for jobs.

**73** We recommend that the Department for Work and Pensions immediately phases out the use and publicity of higher-rate telephone numbers for claimants wishing to speak to somebody about their benefit claim.

**74** We recommend that the Department for Work and Pensions monitors the Jobcentre Plus network closely for any 'pinch points' emerging in parts of the country where access to computer facilities is inadequate to cater for the number of jobseekers.

11. [www.publications.parliament.uk/pa/cm201415/cmhansrd/cm140616/text/140616w0001.htm](http://www.publications.parliament.uk/pa/cm201415/cmhansrd/cm140616/text/140616w0001.htm)

## Crisis Loans and Local Welfare Assistance

The Social Fund was introduced in 1987 to provide money for people in need under various circumstances. Crisis Loans were paid from the Social Fund by Jobcentre Plus to families in an emergency situation.

In April 2013, Crisis Loans and other interim payments were replaced by Short Term Benefit Advances.

The remainder of the discretionary Social Fund was devolved to Local Authorities in April 2013 through Local Welfare Assistance schemes.

The Inquiry understands that the Government recently consulted on the future of the fund from April 2015, and is considering whether to incorporate local welfare funding into the local government finance settlement.

- 75** We recommend that the Government considers the potential impact of this decision on the level of – and eligibility for – financial support available to households who might face sudden crises in income, and to publish its findings.
- 76** We recommend that the Government continues to protect Local Welfare Assistance funding.
- 77** We similarly recommend that the Department for Communities and Local Government should monitor take-up rates for Local Welfare Assistance within each Local Authority and work with those where registration is uncharacteristically low. One way of doing this might be to issue a ‘best practice’ application form used by those Local Authorities with the highest rates of take-up.

# Summary of recommendations

## Feeding Britain

- 1 We suggest the creation of a new national network called '**Feeding Britain**', whose membership would be composed of the food bank movement and other providers of food assistance, the voluntary organisations redistributing fresh surplus food, the food industry, and representatives from each of the eight government departments whose policy affects the number of people at risk of hunger.
- 2 As an initial step, we recommend that the Government provides support to facilitate the establishment of twelve pilot projects – one in each region of the United Kingdom – to draw together private, voluntary and public expertise to eliminate hunger. The facilitation of twelve pilot projects and the creation of a Board of Trustees to drive this programme will require a modest amount of money. These pilots will help test how best to achieve the Inquiry's aims of a hunger-free United Kingdom. We believe that this objective is most likely to be achieved by adopting our following recommendations.
- 3 We believe that, as the system is built up, **Feeding Britain** will need to develop a network of towns, cities, counties and regions that match food needs and resources in each town, city, county and region, with the ultimate aim of eliminating hunger. While **Feeding Britain** has the overall goal of a hunger-free United Kingdom, this goal can only be achieved if its strategy is based up from the local town to city and then to region. We believe that, as it develops, it is crucial that this body develops a life of its own that is independent of government and with the ability to rise above other sectorial interests.
- 4 Horizontal cooperation is also required. We believe that **Feeding Britain** should be tasked with raising the level of knowledge and on the nature and sources of good food, and how best these supplies can be made ready for eating. Here, **Feeding Britain** must have the responsibility for fostering collaboration between food banks and other voluntary providers, Local Authorities, schools, food retailers and manufacturers, so as to build food policy around the often complex needs of individuals facing the long-term risk of hunger. Central, however, to this overall success is the local point of contact, whatever it is called. This might be 'Food Bank Plus', or something else. It is at this local level that we have experienced the most crucial aspect of a vibrant voluntary movement; the free giving of care and affection to fellow citizens who find themselves in the most difficult and demanding circumstances. If there was a medal for exercising human compassion we would seek that it be awarded collectively to the volunteers of the food bank movement.
- 5 We believe that there is a key role in town and city joining together in a regional approach and we would see these local networks having six main functions:
  - Encourage the redistribution of fresh surplus food to food assistance providers and voluntary organisations working with people in food poverty, by matching supply with demand, so as to reduce dependence on donated food.
  - Co-ordinate food waste prevention by working through the supply chains of food retailers and manufacturers, and, for example, harvesting and donating farm crops rejected by retailers because of their appearance.
  - Encourage local action to meet local needs by using local knowledge and partnerships.
  - Function as centres of knowledge and excellence by implementing best practice food models and training local food entrepreneurs.

- Foster the co-location of services in a reformed One Stop Shop/Food Bank Plus model, in which food assistance providers become an integral part of local hubs that help people out of hunger by addressing some of its root causes such as problem debt, addictions, access to benefits, and difficulty coping on a low income. In doing so, it will need to instigate cooperation between Trussell Trust food banks, independent food assistance providers, and other voluntary organisations.

- Pilot and implement schemes to maximise the take-up of free school meals and tackle school holiday hunger.

**6** We believe our work and the recommendations that come from this report should be used as the basis of **Feeding Britain's** developing agenda.

**7** The All-Party Parliamentary Group on Hunger and Food Poverty will call a meeting of all the interested parties to establish the pilot projects.

### Tackling immediate hunger

**8** We very much support the Trussell Trust's recent pilot of cooking courses and co-location of welfare benefits, debt advice and other services in its food banks. We saw the success of this during our visit to Salisbury, and in our evidence from Tower Hamlets. We recommend that these pilots be extended across the Trussell Trust network so as to tackle some of the more deep-seated causes of hunger, beyond the immediate crisis, and be adopted, wherever possible, by the network of independent food banks.

**9** We recommend that **Feeding Britain** should be tasked with identifying areas of the country in which social supermarkets could feasibly make a real and positive difference to people's living standards, and where feasible, to help the Local Authorities in these areas roll out this model.

### Emergency food assistance providers' sources of food

**10** We recommend that supermarkets begin experimenting in other ways to meet the need for fresh food. Tesco, for example, a pioneer in this field of combating hunger, adds 30% to any food given by its shoppers to food banks. The Inquiry would like to see Tesco experiment with using some of this subsidy to include the recycling of fresh food.

**11** We also recommend that other supermarkets follow this example through their collection arrangements with food banks, and reward the entrepreneurial skills of staff by allowing their stores a degree of flexibility so that they can imaginatively meet local needs.

### Waste and surplus redistribution

**12** The Inquiry is asking the Government to consider whether a part of its entitlement from European structural funds to address poverty and deprivation might be better spent through the Fund for European Aid to the Most Deprived. We believe **Feeding Britain** should be financed from this source. We recommend that the Government reallocates some of its EU Structural Funds, to match fund with private charitable funds as well as local public health grants, and to allocate this to organisations that promote the equitable distribution of surplus food, and to finance other developments we suggest in **Feeding Britain**.

**13** We believe it is indefensible that huge numbers of people are going hungry in a country which wastes such vast quantities of food that is fit for consumption. Whilst we acknowledge that a certain amount of food waste is unavoidable, and that not all surplus food can be redistributed, we urge the Waste and Resources Action Programme (WRAP) to set food retailers and manufacturers a target of doubling the proportion of surplus food they redistribute to food assistance providers and other voluntary organisations and to agree this target, and the timescale over which it will be achieved, with **Feeding Britain**. This would still only amount to using a mere 4% of usable food, yet if organisations that promote the equitable distribution of surplus food were given the resources to double their output, this very important target would save the voluntary sector £160 million over the next Parliament. We believe a long-term objective should be to minimise the amount of surplus food in this country, while ensuring that of this falling surplus progressively more is used by the third sector.

**14** We also support the calls made by the House of Lords European Union Committee for the Government to introduce financial incentives in Britain so as to divert more fit-for-consumption surplus food from landfill and Anaerobic Digestion to voluntary organisations serving meals to people.

**15** We recommend that the food industry as a whole should set itself a target, built up from its constituent parts, of reducing the amount of food disposed of in landfill, and turned into compost or energy, by 100,000 tonnes each year by the end of the next Parliament. The body we suggest to drive this, as well as all other aspects of our reforms will be **Feeding Britain**.

## The role of Local Authorities and local models for the future

**16** We believe that by encouraging the production and retail of locally grown food, Local Authorities can play a key role in addressing the lack of access to affordable food in deprived areas. Success in establishing local networks will require Local Authorities amongst other things having the willingness to work with local food organisations to free up land for food production, retail and storage, as and when resources are available.

**17** As part of renegotiating the Barnett Formula, we recommend that the Government considers reintroducing a needs element to the funding settlement for Local Authorities, so as to enable them, amongst other things, to carry out the reforms outlined in this report.

## Gas, electricity and water

**18** We recommend that the Government grants itself new legislative powers to instruct Ofgem to work with energy suppliers to establish a national minimum standard for fair energy prices for all prepayment energy customers.

**19** Similarly, we recommend that Ofgem should take an immediate step towards this objective by encouraging energy suppliers to bring their practice up to the best. They should fix their prepayment energy tariffs for two years, based on EDF Energy's recent introduction of a fixed price prepayment tariff for all new and existing customers. As part of this offer, households should be given the power to switch suppliers in 24 hours with no termination fee, an offer EDF Energy has made.

**20** We recommend that Ofgem reviews the impact the introduction of standing charges has had on energy bills for poorer households – particularly those relying on prepayment meters. We believe Ofgem should consider carefully the unintended consequences of standing charges, such as the accumulation of debt on prepayment meters.



21 The Inquiry recommends that Ofgem set out how energy suppliers should go beyond meeting the minimum legislative criteria for the Warm Home Discount. We believe the Broader Group criteria should be extended automatically to cover all low-income working families. This would provide welcome support to an additional 1.7 million families in poverty.

22 We recommend that the Secretary of State for Energy and Climate Change considers implementing a standard set of rules for all energy suppliers involved with the delivery of the scheme, so a greater number of families in poverty are able to benefit.

23 We recommend that Ofwat audit each water supplier's customer base to find how many low-income households would be better off on an unmeasured tariff, and direct that they should be transferred or have their bills capped at this level.

### **Debt and high-cost credit**

24 The Inquiry endorses the findings of the Financial Conduct Authority's investigation into continuous payment authority (CPA) schemes, which found some firms were automatically deducting arbitrary amounts of money from individuals' accounts as a debt collection method. We recommend to the Financial Conduct Authority that it monitors closely the effectiveness of these new measures, report annually to **Feeding Britain** on its findings, consider how best to modify the sums that a lender can immediately withdraw from a borrower's bank account, and to take further action, if necessary, to ensure vulnerable households are not left exposed to high-cost short-term lenders.

25 The Inquiry heard that some payday loan brokers pass on the bank details of people looking to take out a payday loan to a large number of other brokers and lenders, who may seek to extract fees, even if they have not supplied a loan. We recommend that the Financial Conduct Authority should require as soon as possible payday loan brokers to amend their privacy policies so as to protect poorer households from being exploited in this way.

26 The Inquiry welcomes the Government's decision to cap the overall costs of high cost credit – and the introduction of the Financial Conduct Authority's new rules on payday lending. We recommend that it monitors closely over the next twelve months the level and fairness of interest rates, as well as the use of its powers to restrict payday lending, and report its findings to **Feeding Britain** before considering whether a lower maximum interest rate in some circumstances might be necessary to protect vulnerable, low-income households.

27 We recommend that all credit union accounts be made eligible for the receipt of Universal Credit, so as to allow for and encourage their use among low-income households.

### **Access to mobiles and the internet**

28 We recommend that Ofcom better target relevant information on special offers and deals to new claimants of social security benefits as part of a reformed Claimant Commitment, so as to increase the effectiveness of a claimant's search for work, and that it reports progress on this front within the next six months. Further proposals along these lines are listed later in our recommendations on reforming the Claimant Commitment.

29 We therefore recommend that Ofwat, Ofgem and Ofcom oblige all utility companies to transfer immediately all public telephone numbers from higher to standard regional or free rates.

30 We recommend also that the Financial Conduct Authority report within six months the progress it has made in abolishing the use of higher-rate telephone numbers in the financial services sector.

31 We recommend that the Cabinet Office reviews the progress made by public bodies in phasing out the use of higher-rate telephone numbers, and require any remaining adjustments, where necessary, to be made within six months.

## Resilience – cooking, parenting and budgeting

- 32 We recommend that the teaching of budgeting and parenting skills should be embedded on a statutory basis in the National Curriculum as the cornerstone of a reformed Personal, Social and Health Education (PSHE) module.
- 33 A large proportion of primary schools that submitted evidence to the Inquiry said they had witnessed children arriving at school hungry because their parents could not, or would not, wake up to make them breakfast, or bring them to the school breakfast club. We recommend that schools should wherever possible refer chaotic families to their local Troubled Families project whose success can be measured in the number of families they have ‘turned round’ to being functioning in a normal way.
- 34 We believe the Government and the voluntary sector should consider whether there is an opportunity to provide information about available food skills training alongside Healthy Start vouchers.
- 35 The Inquiry received evidence suggesting that the opportunity for adults to undertake food skills training would be one way of boosting the resilience of people relying on food banks, and other forms of food assistance. We recommend such support be made available by members of **Feeding Britain** to all individuals relying for any length of time on emergency food assistance.
- 36 We recommend that Local Authorities begin collecting information on whether landlords in receipt of Housing Benefit are providing basic cooking facilities for their tenants, with a view to making Housing Benefit receipt conditional on these facilities being provided, and to report their findings to **Feeding Britain**.

## Hunger in schools

- 37 We welcome the introduction by the Department for Education of a free school meals eligibility checking system (ECS). The ECS enables Local Authorities to check very quickly and determine whether a parent can claim free school meals by linking benefits information from the Department for Work and Pensions, Her Majesty’s Revenue and Customs and the Home Office. We urge each Local Authority to use this tool to register automatically children of eligible parents for free school meals and for **Feeding Britain** to report on progress.
- 38 We recommend that the Department for Education prioritises poor children from working families in any future expansion of the free school meals programme.
- 39 We recommend that the Government begins costing the extension of free school meal provision during school holidays.

## Our recommendations to the political parties

- 40 We recommend the establishment of a single Office for Living Standards within the Treasury to monitor pressures on low-income households’ budgets and for the Cabinet Office to co-ordinate effective responses from government. It should be tasked with reporting regularly to Parliament, and to **Feeding Britain**, on its monitoring of the implementation of the recommendations set out in this report. The Treasury should then commit to an annual Parliamentary debate on the level of progress made in this field.

## Low pay

- 41 We encourage the Government to continue to pursue policies which seek to raise the National Minimum Wage, increase take-up of the Living Wage, and to reduce the total amount of tax taken from low-paid workers.

**42** We recommend that the Low Pay Commission be empowered to set reference minimum wage rates in each sector of the economy, leaving in place the National Minimum Wage, and for these powers to be used immediately to encourage higher minimum wages in sectors of the economy that can most easily afford them, such as finance and banking. These higher minimum wages should be set at the level of a Living Wage, and should apply to all directly employed, outsourced and agency staff performing functions within these sectors.

**43** The Low Pay Commission should also be granted additional powers to work with those sectors of the economy in which the immediate implementation of a Living Wage would lead to the highest threat of unemployment, such as social care and retail, in order to draw up interim packages – including product discounts and incremental pay increases – so as to provide a ‘Roadmap to the Living Wage’ for each of these sectors.

**44** We also believe that in these sectors the Department for Business, Innovation and Skills should work with sector interests on a strategy to raise productivity and thereby enable the higher minimum wage, or Living Wage, to be implemented without a loss of jobs.

**45** Alongside this, we recommend the Government leads by example through its pay and procurement policies so as to ensure all of its directly employed, outsourced and agency staff are paid at least a Living Wage.

**46** Likewise we recommend that Local Authorities, beyond and including paying their own employees a Living Wage, should use their procurement strategies to encourage local businesses to themselves become Living Wage employers.

## Benefits administration

**47** We recommend that the Department for Work and Pensions investigates the IT systems used in Jobcentre Plus and make necessary improvements to ensure all claims can be processed through one system which can be accessed on a single screen, so Jobcentre Plus staff are able to calculate and process entitlements within five working days.

**48** We recommend that the Department for Work and Pensions provides claimants with an email address to which personal documents can be scanned and sent, and if this is currently viewed as impossible, the Department should commission further work to overcome the barriers.

**49** We recommend that emergency food assistance providers amend their referral categories to differentiate more clearly between the various benefit-related problems they encounter; this should include delays in the processing of a new or existing claim, sanctions, changes in entitlement, loss of benefit during a Mandatory Reconsideration Period, being made to transfer from one benefit to another, and payments made to cover debt owed on previous overpayments or Crisis Loans.

**50** We recommend that the Secretary of State for Health make it a part of a GPs role to provide evidence in relation to benefit claims, and make it unlawful for the National Health Service to charge for medical documents in connection with benefit claims.

## Benefit delays

**51** We believe the Government must urgently reform the benefits system so it is able to deliver payments quickly within five working days. We fully understand this will take time to achieve. But the Department for Work and Pensions must begin this process of reform by ensuring it has the data to measure the time between a claim being made and the claimant receiving their first payment.

## Hardship Payments and Short-Term Benefit Advances

- 52 We recommend that the Department for Work and Pensions should simplify the application process for Hardship Payments and Short-Term Benefit Advances. Information on this emergency support, along with other emergency measures such as Discretionary Housing Payments, should be clearly publicised within Jobcentre Plus offices, and introduced into Jobcentre Plus advisers' standard scripts for benefit claims. The Department should review its existing trigger mechanism that prompts staff to discuss support, and consider whether it could be improved – including by engaging in a dialogue with the All-Party Parliamentary Group on Hunger and Food Poverty and voluntary sector representatives.
- 53 We urge the Department for Work and Pensions to examine the possibility of allowing advice workers to request automatically Short Term Benefit Advances electronically for their clients.
- 54 We recommend that the Department for Work and Pensions should automatically consider paying Short Term Benefit Advance if a benefit claim has not been paid within five working days.
- 55 We recommend that the Department for Work and Pensions monitors closely the impact of changes designed to speed up Hardship Payments, and if necessary, consider further action to ensure a decision on Hardship Payments is made at the same point as a sanction decision.

## Tax credits

- 56 We recommend that Her Majesty's Revenue and Customs and the Department for Work and Pensions both introduce and proceed with the continuous payment of a minimum tariff whilst a change of household circumstances is processed for tax credits and benefits, with adjustments being made later if necessary. As well as helping families avoid falling over a cliff edge in their household income, this would ensure that passports to other forms of support such as Housing Benefit and Council Tax reduction would continue.

## Mandatory Reconsideration

- 57 We urge the Department for Work and Pensions to consider introducing a time limit for the Mandatory Reconsideration Period, as well as continuing the payment of Employment Support Allowance, at the lower assessment rate if necessary, for the duration of claimants' Mandatory Reconsideration Period to avoid a sudden loss of income for claimants.

## Benefit sanctions

- 58 We strongly welcome the Government's decision to accept in full the recommendations made by Matthew Oakley's independent review into sanctions for claimants failing to take part in back to work schemes. We accordingly call on the Government to extend these measures to cover all Jobseeker's Allowance claimants, as we have identified similar problems arising across the board, with sanctions sometimes resulting from a poor understanding of the system, rather than a wilful disregard of the requirements placed on claimants.
- 59 We recommend that the Government make clear in guidance that a sanction decision is only lawful if letters are sent, and can be proven to have been received, to the claimant explaining the reason that a sanction is being imposed (including dates, what the failure was, and why there isn't good cause), the period the sanction will apply for, and whether Hardship Payments may be granted, and if not, why not.

- 60 We recommend that, in cases where sanctions are applied, the Department for Work and Pensions should require that claimants be immediately informed of their right to appeal the decision, and provided with the necessary documentation to do so.
- 61 We recommend that Jobcentre Plus staff should be able to exercise their own discretion as to whether a requirement was missed through error or circumstances beyond the claimant's control, and should be able to recommend that sanctions are not implemented on these occasions.
- 62 We believe claimants should be given a 'Yellow Card' warning with the chance to provide an explanation for a first offence, and perhaps being given additional requirements to be met, before a sanction is applied.
- 63 We recommend that once a sanction has been applied, Jobcentre Plus should promptly advise the claimant to contact their Local Authority, or make contact themselves, to tell their opposite number of the reduction of income of a claimant and their right to continue to claim other benefits. In this way there should be no disruption to Housing Benefit Payments and/or Council Tax support.
- 65 We recommend that, alongside this contract, a claimant should be provided with a leaflet produced by the voluntary sector or their Local Authority, listing the charges that the mobile phone companies have, hopefully, agreed and the claimant's rights against rip-off utility schemes.
- 66 We recommend that the Department for Work and Pensions should consider as part of the new welfare contract making upfront payments from the Flexible Support Fund to cover eligible claimants' travel expenses, rather than in arrears, as we believe this could ease considerably the hardship faced by claimants looking for work.
- 67 We recommend the Department for Work and Pensions estimates how much additional expenditure would be incurred if the Flexible Support Fund were to be extended to cover the costs of travelling to routine fortnightly interviews at Jobcentre Plus, where claimants live more than a mile from their Jobcentre Plus office or have mobility problems and do not claim mobility allowances.
- 68 We recommend that regional Jobcentre Plus offices be given the opportunity to attempt to negotiate discounted or free return journeys on public transport to Jobcentre Plus, from day one of a Jobseeker's Allowance claim, and that Ministers look at making this concession part of any new negotiations on large taxpayer subsidies to bus and train operators.

### **The Claimant Commitment**

- 64 We therefore recommend that the welfare contract be a genuine two-way contract between claimants and Jobcentre Plus, outlining a claimant's duties as well as their rights. In making this a properly balanced exercise the new contract should make clear what sources of additional support claimants are entitled to, as a way of enhancing their chances of finding work. It should be made clearer, for example, that help is available to cover travel expenses for job interviews or that it is possible in some circumstances to sign on by post or in a local library if claimants have difficulty in getting to their nearest Jobcentre Plus office.

- 69 As an immediate step, we recommend that the Department should assess whether some claimants, particularly those in rural areas, or with caring responsibilities, could be given the right to sign on and report regularly on job search activity without always having to travel to a Jobcentre Plus office. Our evidence suggested that some claimants face a round trip of 26 miles to their nearest office. Given the majority of Universal Credit claims will be handled online, we believe there is a case to explore whether some additional access points and Jobcentre Plus services could be co-located at venues such as Sure Start Children's Centres or One Stop Shops, to help claimants 'sign on' without incurring additional travel costs by having to travel to Jobcentre Plus.
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### **Crisis Loans and Local Welfare Assistance**

- 75 The Inquiry understands that the Government recently consulted on the future of the fund from April 2015, and is considering whether to incorporate local welfare funding into the local government finance settlement. We recommend that the Government considers the potential impact of this decision on the level of – and eligibility for – financial support available to households who might face sudden crises in income, and to publish its findings.
- 76 We recommend that the Government continues to protect Local Welfare Assistance funding.
- 77 We similarly recommend that the Department for Communities and Local Government should monitor take-up rates for Local Welfare Assistance within each Local Authority and work with those where registration is uncharacteristically low. One way of doing this might be to issue a 'best practice' application form used by those Local Authorities with the highest rates of take-up.

## Conclusion

At the end of this Inquiry we are left with two abiding impressions. The first is that hunger is here to stay in Britain until counteraction is taken. The second is that appropriate action is not only desirable but possible, and we have taken this opportunity to outline how to establish once again a country where no one is hungry.

The Inquiry has set out in this report a series of immediate and long-term reforms which would ensure that every individual and household in this country has adequate resources, facilities and abilities to purchase, prepare and cook fresh, healthy and affordable food.

We have not made a Pavlovian response by calling upon the Government to deal with this urgent issue. Yet the Government in the remaining months of this Parliament, and the one that will follow in the next, will have a key role to play in carrying out the recommendations we have made in this report. But while government power is great, and needs to be used, government alone does not have the skills or the adaptability that is required to wage a successful war on hunger.

That is why we propose that those people who have responded so magnificently to the current crisis, and without any government prompting – the food bank movement as we have called it – should take the lead in establishing a body that we have called **Feeding Britain**. They should be joined of course in this establishment with other relevant bodies as well as representatives of the eight government departments that have some responsibility for seeing that Britain can feed itself. It is through **Feeding Britain** that a strategy to abolish hunger as we know it can be successfully mounted.

The hour is late. Each day that passes sees people hungry for the first time, while others continue to suffer their hunger. Hence the urgency with which we have pursued our Inquiry. We have sought also, once we agreed our report, to engage everybody to whom we have addressed recommendations, to try and agree a promised line of action to be published when we publish our report.

Our aim in publishing our report is to have the route map we have detailed in this report agreed and ready to be acted upon immediately. That route map leads in one direction only – to that of a hunger-free United Kingdom. We hope our report published today will signal the starting gun to achieve that immensely important and crucial objective.

The Inquiry's evidence review analyses the many submissions upon which these recommendations are based, according to each of our terms of reference.

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This document can also be viewed at: [www.foodpovertyinquiry.org](http://www.foodpovertyinquiry.org)

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