

Final Report by Vantage Point Research
Evaluation of the Cash Grant Pilot Scheme
July 2022

An Evaluation of the Leeds City Council Cash Grant Pilot programme

Final Report

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Foreword from Leeds City Council

Leeds is a compassionate city that is committed to tackling poverty and inequalities. We work closely with a fantastic network of partners to deliver for the most vulnerable in our city.

Coming out of the height of the pandemic, where collectively the Leeds Food Aid Network distributed 154,000 food parcels, the demand for food aid in the city remains high. Given the current cost of living crisis, it is especially important to ensure that the Leeds welfare offer is comprehensive and able to meet the needs of our most vulnerable residents. The Local Welfare Support Scheme makes up one part of the wider offer and provides vital support to residents in crisis.

We were delighted to co-commission this research with Trussell Trust to evaluate the Leeds Cash First Pilot and are committed to learning from its findings. Delivered through our Local Welfare Support Scheme, which is currently undergoing an in-depth review, much of this learning is already being implemented. We hope that other Local Authorities will also take the valuable learning from this pilot and ensure that their Welfare Assistance Schemes enable the key themes that came out of this research, dignity, and choice.

We would like to thank all who supported this pilot, but particular thanks go out to Trussell Trust, Leeds South & East, Leeds North & West and Wetherby Foodbanks and the Leeds Food Aid Network for their integral role in an important piece of research.

Cllr Mary Harland, Executive Member for Communities

Lee Hemsworth, Chief Officer Community Hubs, Welfare & Business Support



Foreword from the Trussell Trust

The Trussell Trust is delighted to have worked alongside Leeds City Council and food banks in our network across the city on this vital and timely pilot. It is a brilliant example of how local government and community organisations can work together towards a society where people do not have to turn to emergency food aid as their first port of call.

Sadly, over the past decade, food banks in the Trussell Trust network have seen an unprecedented rise in need. Between 1 April 2021 and 31 March 2022, they distributed over 2.1 million food parcels to people facing financial hardship. This is an increase of 14% compared to the same period in 2019/20.

Food banks should never be the first port of call when people face a shortfall in their income which leaves them unable to afford the essentials. A food parcel is not going to help pay the gas bill, get a taxi to a hospital appointment, or support with securing a new tenancy.

People should have the option of receiving a cash payment locally, alongside further wraparound support, when they face an unexpected cost. Cash transfers, like those piloted in this project, treat people with dignity, giving them the agency to be able to spend it on what they need to resolve their situation.

Against a background of a cost of living crisis and an inadequate social security system, the pilot highlights how cash first responses at the local level can only remain a sticking plaster whilst national policy fails to ensure everyone can afford the essentials.

We would like to thank Vantage Point Research for undertaking this evaluation, Leeds City Council for partnering with us to commission it, and the work of the Leeds Food Aid Network, Leeds South and East, Leeds North and West, and Wetherby food banks in campaigning to get the pilot and evaluation up and running in the first place.

Danni Malone, Director of Network Programmes & Innovation, The Trussell Trust



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Executive Summary

“I was very grateful for [the] cash I was given. I wasn’t aware that I could get help. My situation was through no fault of my own. But I was so relieved of the help I received. Many thanks” (Grant recipient, anonymous, web survey respondent)

The cash grant pilot scheme was launched on 1 October 2021 and closed on 1 April 2022. It was fully funded by Leeds City Council and operated in partnership with the Trussell Trust and food banks in the Trussell Trust network. In total 187 grants were awarded totalling £45,450. When the other adults and children living with the grant recipients are taken into account, these grants provided support to 283 individuals.

The pilot scheme provided cash grants to people living in Leeds who were experiencing a financial crisis, and aimed to impact four areas for grant recipients:

- To increase their emotional wellbeing
- To negate the need for further food bank use within 12 months
- To enable them to be better able to afford the essentials
- To enable them to be better able to manage their financial situation

The evaluation of the pilot scheme found that the impact of cash grants on recipients was mainly short-term, with a decline after the grant period ended. There were longer-term impacts in some areas. The cost of living crisis and other issues affecting grant recipients such as ill health, benefit problems and debt all restricted the pilot scheme from achieving a longer-term impact.

- The underlying causes of need for grant recipients were primarily benefits issues, debt, ill health, and changes in personal circumstances.
- Improvements in finances were generally felt for the duration of the grant only, with 91% of grant recipients reporting an improvement in their finances while receiving the cash grant.
- 78% of grant recipients agreed that their ability to afford the essentials improved during the grant period.
- Longer-term impacts of the scheme included the ability to accumulate small amounts of savings, increased confidence in financial management, debt repayment, and purchase of durable household items.
- The cost of living crisis, other personal issues and the design and delivery of Universal Credit all negatively affected the longer term impact of the scheme.

People supported by the grant commonly received food bank support before and after the grant period. A small percentage needed support from a food bank while receiving the grant. Grant recipients also anticipated that they would continue this use, although nearly all would prefer a cash grant over a food parcel.

- 14% of grant recipients¹ were supported by a food bank in the Trussell Trust network while receiving the cash grant.
- 81% of grant recipients said that they were fairly/very likely to visit a food bank in the next three months.
- 94% of grant recipients would prefer a cash grant over a food parcel.

¹ Of cash grant recipients successfully matched to the Trussell Trust’s data collection system.

The emotional wellbeing of the grant recipients was generally improved by the cash grant, mainly for the short-term. The cash grant was preferred to using food banks partly because of the negative emotions associated with using food banks. In comparison the cash grant was valued for its flexibility.

- The cash grant was perceived to provide a more dignified option, which supported individuals' agency and freedom of choice, compared with receiving support from a food bank.
- Some grant recipients reported however that they had not experienced any positive change to their emotional wellbeing as a result of receiving a cash grant.

The freedom of choice of how to spend the cash grant allowed grant recipients to prioritise spending on their immediate needs. The most frequently bought item was food.

- Most people spent their cash grant on food as a priority and then spent any remaining grant on other pressing needs, mainly gas and electricity payments.
- People liked to choose what food they bought, based on their families' preferences and dietary requirements, and they could buy frozen and chilled foods that are not available in a food parcel.

Operationally, the vast majority of grant recipients felt that payment was made quickly and easily. Overall satisfaction with the pilot was also strong.

- Nearly all (97%) grant recipients felt that they did not have to wait a long time after applying to receive confirmation that they were being awarded the grant.
- 60% of grant recipients had no problems accessing the cash grant from a cash machine.
- The top issues encountered related to travel to, and issues at the cash machine.

1 Introduction

Leeds City Council (from here referred to as the council) funded a pilot scheme which was run in partnership with the Trussell Trust between October 2021 and April 2022.² The scheme provided cash grants to people living in Leeds who were experiencing a financial crisis. In total, 283 individuals in households were supported through 187 grants and £45,450 was awarded in cash grants.

This independent evaluation of the pilot was carried out by Vantage Point Research, co-funded by Leeds City Council and the Trussell Trust, using primary research with grant recipients and partners in the scheme, as well as secondary analysis of data about food bank use.

1.1 Wider context

UK Economy

The cash grant scheme was launched in the context of significant financial upheaval for families on the lowest incomes. In October 2021 the £20 per week increases to Universal Credit and Working Tax Credits (WTC), introduced in April 2020 to help deal with the economic effects of Covid, were removed. These increases had been a lifeline for millions of people during the pandemic,³ supporting many from falling deeper into poverty. When removing the uplifts, the UK Government did introduce changes to the work allowance, and taper rate for people claiming Universal Credit. These partly offset some of the losses for working families. Nevertheless, families that were not working were left £1,000 a year worse off. It was described as the biggest overnight cut to the basic rate of social security since the Second World War.⁴

The level of income that social security payments returned to following the cut has been shown to be insufficient to support a minimum standard of living. The pre-uplift rate of income for a single out-of-work person receiving Universal Credit was only 43% of the income necessary for a minimum socially acceptable standard of living.⁵ Given the extremely low levels of social security payments it is unsurprising that pre-pandemic the level of destitution (defined as being unable to afford the absolute essentials) was rising⁶, poverty was deepening, and the level of need for food banks was consistently rising year on year.⁷

The introduction of the scheme also coincided with a significant energy price rise and further sustained increases in inflation have been seen since then. In October 2021 the rate of Consumer Price Inflation (CPI) was 4.2% overall, significantly higher than the equivalent figure for the previous

² After the pilot scheme ended the LWSS team reverted to issuing supermarket and fuel vouchers.

³ Weekes, T, "Dignity or destitution, the case for keeping the Universal Credit lifeline", The Trussell Trust, February 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/02/dignity-or-destitution-UC-standard-allowance-report-final.pdf>

⁴ Master, C and Anderson, H, "UK heading for the biggest overnight cut to the basic rate of social security since World War II", Joseph Rowntree Foundation, July 2021, [https://www.jrf.org.uk/press/uk-heading-biggest-overnight-cut-basic-rate-social-security-world-war-ii#:~:text=Government%20plans%20to%20cut%20Universal,Joseph%20Rowntree%20Foundation%20\(JRF\).](https://www.jrf.org.uk/press/uk-heading-biggest-overnight-cut-basic-rate-social-security-world-war-ii#:~:text=Government%20plans%20to%20cut%20Universal,Joseph%20Rowntree%20Foundation%20(JRF).)

⁵ Davis, A et al, "A Minimum Income Standard for the United Kingdom in 2020", Joseph Rowntree Foundation, 2020, <https://www.jrf.org.uk/report/minimum-income-standard-uk-2020>

⁶ Fitzpatrick et al, "Destitution in the UK", Joseph Rowntree Foundation, 2020, <https://www.jrf.org.uk/report/destitution-uk-2020>

⁷ Bramley, G, et al, "State of Hunger – Year two main report", The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

year (0.7%). Hidden in this figure is a 6.8% rate of inflation for housing, water, electricity, gas, and other fuels on the previous year.

These price increases combined with the cut to income from Universal Credit left many people at risk of falling deeper into poverty and being left without enough money to afford the essentials. Since October and across the period in which people would have been receiving their cash grants the cost of living has continued to grow at rates not seen for decades.

In the medium term the economic and social impact of the pandemic has reduced the financial resilience of families on the lowest incomes. Families have been left with far too little to tide them over in the face of these sudden income drops, combined with the growth in living costs. For some families on higher incomes the inactivity of the pandemic provided an opportunity to pay off debt or save (e.g. from lowered commuting / socialising costs). For families on the lowest incomes the difference is stark, with evidence showing that during this period many had to run down existing savings and others were pulled into debt and arrears.⁸

In summary, as the scheme was launched people on the lowest incomes were facing a triple threat to their financial wellbeing. A significant cut to their income levels – to a value that has been consistently shown to drive deep levels of hardship; historic growth in living costs – principally driven by energy and food price increases; and the erosion of financial resilience and growth in debt and arrears accrued during the economic and social instability of the pandemic. This context should be considered when assessing the impact of the scheme.

Leeds Profile

The council and partners have been working to address financial inclusion in Leeds since 2003. The work, which is key to reducing poverty in the city, has been based on building knowledge and research, and a strong collaborative partnership to develop innovative and sustainable actions for the residents of Leeds. Even before the Covid-19 pandemic the scale of the challenge was significant, with an estimated 174,000 people in Leeds in relative poverty. Local research in 2018 highlighted that households were less resilient and worse prepared for an external financial shock or crisis than in 2004.⁹ In 2016/17 food banks in the Trussell Trust network in Leeds provided over 16,500 emergency food parcels to people in financial hardship. By 2019/20 this had increased to 31,500.¹⁰

Following the abolition of Crisis Loans and Community Care Grants in April 2013, the UK Government provided funding for local authorities to establish local welfare schemes. This funding was ring-fenced until 2015. From 2015/16 funding became part of the Local Government Regulatory Settlement, and the council have continued to allocate a proportion of this to deliver their Local Welfare Support Scheme (LWSS). Due to these changes, the budget of the Support Scheme has reduced by 55% since 2013/14. The removal of ring-fenced funding and the subsequent drop in replacement funds continues to present challenges to how the council can operate the LWSS

⁸ Earwaker, R and Bestwick, M, “*Dragged down by Debt: Millions of low-income households pulled under by arrears while living costs rise*”, Joseph Rowntree Foundation, 2021, <https://www.jrf.org.uk/report/dragged-down-debt-millions-low-income-households-pulled-under-arrears-while-living-costs-rise#:~:text=for%20ads%20personalisation.-,Dragged%20down%20by%20debt%3A%20Millions%20of%20low%2Dincome%20households%20pulled,arrear%20while%20living%20costs%20rise&text=This%20new%20research%20highlights%20that,look%20to%20our%20economic%20recovery.>

⁹ “*Leeds Poverty Fact Book*”, Leeds City Council, (no date). Available at: <https://observatory.leeds.gov.uk/leeds-poverty-fact-book/> (Accessed: 18 July 2022)

¹⁰ “*The Trussell Trust - End of Year Stats*”, The Trussell Trust, (no date). Available at: <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/> (Accessed: 14 July 2022).

scheme. Despite the reduction in funding, many Local Authorities although not all, continue to operate an LWSS scheme, although delivery models can vary quite significantly.

The main aim of the LWSS operated by the council is to support residents who may find themselves in an emergency or crisis, offering short term support to ease that position. This typically consists of an award made up of one or more of the following: supermarket vouchers, fuel vouchers, white goods, furniture and flooring, all of which is underpinned by the provision of advice, guidance and signposting to additional services and partner agencies.

The Covid-19 pandemic has put further pressure on low-income households and has pushed many more households into financial uncertainty, hardship, and engendered the need to seek support and advice around claiming benefits. Advice agencies reported a significant rise in enquires related to benefits and Universal Credit, employment and housing. In addition, partner organisations reported that many more people presenting to services are unable to manage or cover basic living costs¹¹.

Nationally the economic and social impact of the Covid-19 pandemic led to a surge in need for food banks. The Trussell Trust reported a 47% increase in the first six months of the pandemic in 2020 versus the same period in 2019. In the same period (April – September 2020) food banks in the Trussell Trust’s network in Leeds reported a decrease in the number of parcels distributed compared with the previous year.¹² There is no evidence that the need for food banks in Leeds reduced in that initial period of the pandemic and the decreases seen by food banks in the Trussell Trust network are likely due to the widening pool of support available.

During this period the council co-ordinated a significant local response to the impact of the pandemic to provide food to people in crisis. This response included the direct provision of food hampers to people in Leeds by the council, as well as supporting the establishment of 27 ‘Community Care Hubs’ to distribute food across the city. Food banks in the Trussell Trust network were just part of a growing network of emergency food aid provision in Leeds. It is likely that without this additional support, food banks in the Trussell Trust network would have seen significantly higher levels of need in the initial stages of the pandemic and beyond¹³.

In order to better respond to ongoing and emerging needs, the council are undertaking a review of their LWSS to ensure that it is operating effectively and meets the needs of Leeds’ most at risk residents. As part of this review, Leeds City Council wish to review the types of support on offer to help residents in crisis to identify ways in which greater dignity and choice can be offered to residents and what is needed to deliver this within a Local Welfare Assistance Scheme (LWAS).

¹¹ “Review of Local Welfare Support Scheme”, Leeds City Council, November 2021. Available at: <https://democracy.leeds.gov.uk/documents/s227268/LHLWSS%20scrutiny%20report%20final%20version%20d ocx.pdf> (Accessed: 18 July 2022)

¹² “The Trussell Trust – End of Year Stats”, The Trussell Trust (no date). Available at: <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/> (Accessed: 14 July 2022).

¹³ “Leeds Pandemic Food Insecurity Response”, Unpublished Internal document, Leeds Food Aid Network, June 2022.

1.2 About the cash grant pilot scheme

Cash-first approach

The key philosophy underlying the design of the cash grant pilot scheme was to follow a cash-first approach. The aim of applying this approach was to support individuals by providing cash to allow immediate support at a time of crisis. The principle is that this support will better enable the individual to manage the effects of a life change or crisis and improve their ability to address the root cause of the crisis situation. As such it is a particularly useful approach for addressing short-term shocks to an individual's financial situation. The approach was also designed to replace the need for provision of food parcels for these individuals. The key benefits to designing a cash-first pilot scheme are that it offers people: flexibility, choice, speed and convenience; preservation of dignity; and administrative efficiency.¹⁴ 'Cash-first' was an approach advocated by the food banks and the Trussell Trust and was a new approach for Leeds City Council.

It was agreed that referrals to the pilot scheme should come from the food banks, because people visiting a food bank were demonstrably in financial crisis. Due to administrative processes this meant that food parcels had already been issued before the cash grant. For the pilot scheme therefore, the process was not a true 'cash-first' approach. Partway through the scheme, the council assessors proposed that in addition to referrals from food banks, individuals calling the LWSS team directly could also be offered a cash grant where appropriate. These awards, from here referred to as 'direct awards' were added to the pilot in January 2022 and accounted for 37% of the number of cash grants by the end of the grant period. This innovation meant people using this route were experiencing a true 'cash-first' approach as access was not via a food bank.

Design

The cash grant pilot scheme was designed as part of Leeds City Council's local welfare assistance to support individuals and families in a crisis or emergency financial situation by giving cash grants either as a single or series of payments. These were distributed using a third-party provider, Cash Perks, by sending grant recipients SMS text messages. The grant recipient then visited a participating cash machine to withdraw the grant.

Referrals to the council were made by three food banks in the Trussell Trust network, by completing an application form with the individual eligible for a grant.¹⁵ This was done in addition to their usual food parcel provision. Eligibility was reviewed and confirmed by the Local Welfare Support Scheme (LWSS) and the amount awarded was pre-determined based on household size and make-up using calculations from Shelter, Policy in Practice and based on amounts used by Barking and Dagenham Borough Council¹⁶. Grant awards could be paid as a single or repeated payment over weeks or months. £50,000 was allocated to the pilot scheme, to cover grant awards and third-party fees.

¹⁴ Whitham, G, "Cash-first' – Responding to the needs of low income residents through the provision of local welfare support", Greater Manchester Poverty Action, August 2020, <https://www.gmpovertyaction.org/wp-content/uploads/2020/08/GMPA-Briefing-%E2%80%98Cash-first-August-2020.pdf>

¹⁵ The three participating food banks received referrals from additional food bank centres. Leeds South and East received these from four food bank centres, Leeds North and West from three and Wetherby from one.

¹⁶ "IAP Policy Documents 2021 22", London Borough of Barking and Dagenham (no date) <https://www.lbbd.gov.uk/sites/default/files/attachments/IAP%20POLICY%20DOCUMENT%202021%2022.pdf> (Accessed: 4 August 2022).

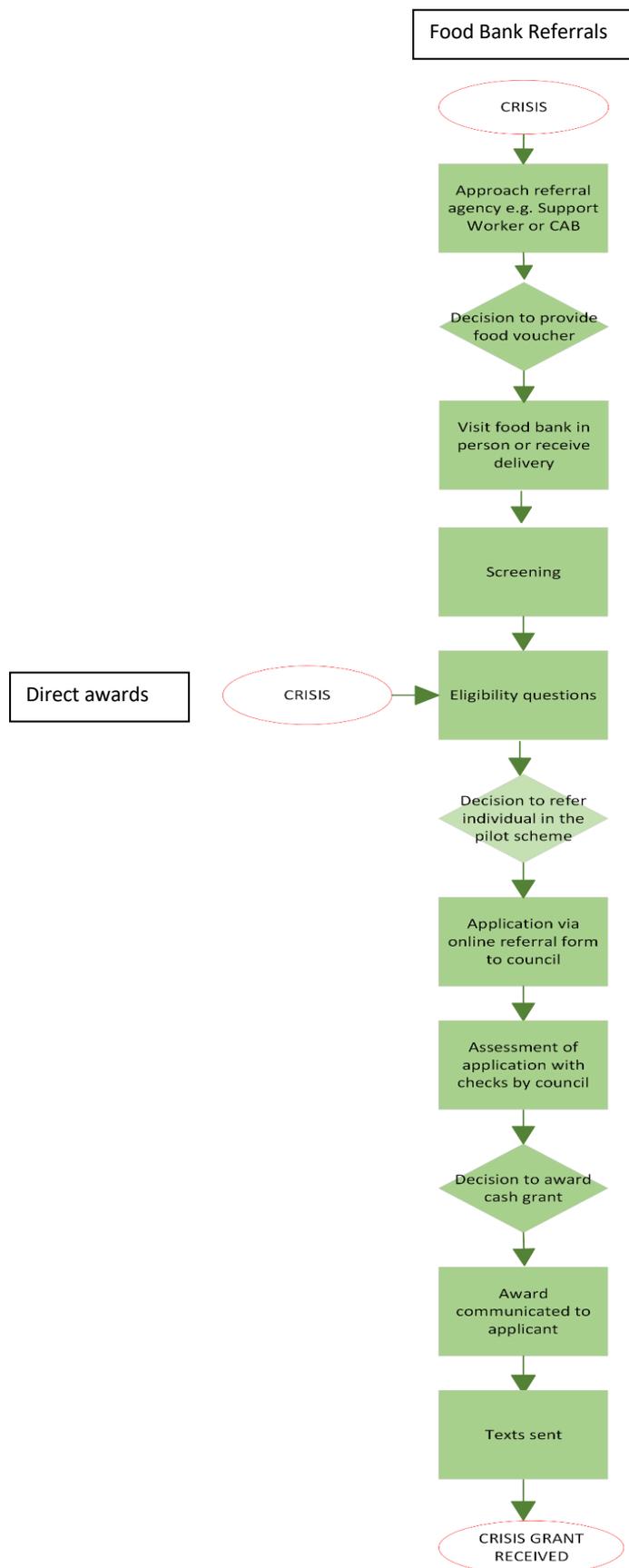
Table 1.1: Cash grants by payment period and range.

Duration	Count	%	Range
Single payment	40	21	£60-200
Repeated payments	157	79	£120-900
Total	187	100	£60-900

As part of the assessment process the council used their databases to confirm the applicant's identity and to cross-reference to ensure that the information that had been given to the food bank was accurate. Most applicants would be called by the LWSS assessor to gather additional information, and then be advised whether they were to be awarded a grant. Successful applicants were told the value of the grant and whether they would receive one or several payments, and where their closest cash machine was.

Grant recipients in the Leeds pilot were allowed to apply more than once to the scheme, in line with other cash grant schemes across the country. Ten people had two referrals and two people had three referrals.

Figure 1.1 Customer journey flow chart



Trusted partner referrals

Three food banks in the Trussell Trust network¹⁷ acted as referral agencies: Leeds South and East, Leeds North and West, and Wetherby. The food banks were ‘trusted partners’ to the council in the scheme. It was understood and agreed by the council and the Trussell Trust for the purpose of the pilot scheme that any person that had been referred into a food bank was by definition ‘in crisis’ and as such would likely be eligible for the cash grant.¹⁸ Indeed, 95% of people referred to food banks in the Trussell Trust network are classed as destitute.¹⁹

However, there were eligibility criteria that needed to be met. Food banks used the eligibility criteria developed by Leeds City Council and identified people receiving a food parcel who would benefit from the cash grant scheme. They prioritised people that were most in need. These individuals were then asked a series of eligibility questions (usually by telephone), which were then input into an online referral form that went to the council.

Accessible payments

The cash grants were awarded using the Cash Perks system²⁰, as used by Barking and Dagenham Council in their local welfare scheme. The applicant was sent two SMS texts to their mobile phone: their order number and PIN code. Not all cash machines operate the Cash Perks system, so successful grant recipients were told where their nearest cash machine was by the assessor, and they could search for other participating locations online if they wished. When they visited the appropriate cash machine they could then enter the two codes in order to withdraw the cash grant in full without the use of a cash card or the need for a bank account.

Freedom

The cash grant could be spent by the grant recipient as they chose, which the research reveals was, in most cases, on food, gas and electricity payments.

¹⁷ Some of these had received referrals in from ‘satellite’ food banks.

¹⁸ An individual could be defined as being in crisis if they could not afford the essentials and had no other means to afford these (e.g. friends and family).

¹⁹ Destitution is defined as a person lacking two or more of the following six essentials over the past month because they could not afford them. or their income was so low that they were unable to purchase these essentials for themselves: Shelter (have slept rough for one or more nights); Food (have had fewer than two meals a day for two or more days); Heating their home (have been unable to do this for five or more days); Lighting their home (have been unable to do this for five or more days); Appropriate clothing and footwear; Basic toiletries (soap, shampoo, toothpaste, toothbrush).

Bramley, G, et al, “*State of Hunger – Year two main report*”, The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

²⁰ Cash Perks offers a system whereby by sending a PIN via text to a mobile phone, cash can be withdrawn from a participating cash point without either needing a bank account or bank card www.cashperks.co.uk/

1.3 Background to the cash grant pilot scheme

The first discussions on the pilot scheme began in mid-2020 and by early 2021 the partnership between Leeds City Council, the Trussell Trust and the three food banks in the Trussell Trust network was in place. By the summer of 2021, budget for the scheme had been secured and it launched on 1 October 2021. A detailed record of the background work that happened before launch and an exploration of the design of the pilot scheme are available in the Appendix.

1.4 Evaluation objectives and Research Questions

This evaluation sought to explore the success of the scheme, and any challenges faced, by analysing primary data collected specifically for the evaluation, and secondary data provided by Leeds City Council and the Trussell Trust.

The primary aims of the evaluation were to:

- Investigate the impact of the cash grant pilot scheme on people in terms of their emotional wellbeing, dignity and personal experience of the referral process itself.
- Evaluate whether grant recipients felt they could better manage their finances after the grant.
- Use the learning from the evaluation to show other councils what works, and to demonstrate to central government the impact of cash grants.

There were also seven areas that Leeds City Council and the Trussell Trust sought further information on, to inform their internal decision-making, policy development and procedures. The evaluation therefore also aimed to:

1. Support Leeds City Council to reach an internal decision on whether the pilot should be rolled out on a more permanent basis as part of the wider offering. There were no specific criteria in place before the evaluation to decide whether the project should continue, but examining whether it made a positive difference to people was key to the evaluation.
2. Support Leeds City Council to assess the success of the online referral platform and how the pilot was administered internally, and whether any tweaks would need to be made for any future rollout.
3. Determine what did and did not work well in the pilot, in order for Leeds City Council to decide what is needed to successfully implement a cash grant scheme.
4. Understand from grant recipients whether the cash grant scheme enabled wider support, including signposting to other services by the council, e.g. help with managing debts.
5. Understand the experiences of the food bank staff and volunteers when acting as a referral agency.
6. Support the Trussell Trust to understand the difference between the theory of a cash grant model and how it operates in practice (i.e. what is the context in reality, what confounding factors might there be?)
7. Understand the possibilities and limitations of a cash grant to bring households out of destitution.²¹

²¹ Wincup, E, "What is destitution?", Joseph Rowntree Foundation, 2020 <https://www.jrf.org.uk/blog/what-destitution>

Six key research questions were agreed at the outset of the evaluation by the project's working group. These are as follows, and are addressed in the Conclusion to the report:

1. What are the success factors and barriers to effective implementation of the cash grant scheme?
2. What are the experiences and outcomes for people who receive a cash grant and how does this compare with going to a food bank?
3. Are the people who receive a cash grant less likely to need to use a food bank again in the medium-term, compared to other food bank users?
4. What are the wider outcomes for people who receive the grants, including wellbeing?
5. Poverty and destitution: can a cash grant pull people out of need?
6. What have grant recipients spent their money on?

1.5 Methodology

There were four distinct phases to the evaluation process:

1. Inception
2. Qualitative research
3. Quantitative research
4. Evaluation of findings

Inception

The inception phase covered the provision and agreement of key preparatory materials, which included the Evaluation Plan, Project Plan, interview sampling frame, the interview guide, food bank focus group guide, and council focus group discussion guide. These were all agreed between the council, the Trussell Trust and the external evaluators. All research deliverables were signed off by the working group and are available in the Annexe.

Qualitative research

- 15 telephone interviews were conducted in February 2022 with grant recipients who came via the food bank referral routes and consented to be contacted for research purposes. All participants were given a £10 gift card as a thank you for their participation.
- An online focus group with food bank staff was held in early March and a follow-up interview with a volunteer who could not make the focus group was conducted.
- An online focus group with council staff was held in mid-March. This included two managers and one assessor.
- Ten telephone interviews were conducted in April 2022, to understand how things may have changed over the last 2 months for recipients. Nine were follow-up interviews with the original interviewees and one was with an individual who received their grant more recently in 2022. All participants were given a £10 gift card as a thank you for their participation.

Quantitative research

- Analysis of data supplied by Leeds City Council about the grant awards was conducted. De-personalised data on 227 applications between October 2021 to April 2022 was analysed.
- A web survey with all grant recipients who consented to be contacted for research purposes:

Launched in April and closed in May 2022²². All participants were offered a £10 gift card for their participation. 79 individuals responded to the survey, giving a response rate of 49%.

Where sample sizes fall below 50 absolute numbers are used for the analysis rather than reporting on percentages.

- Analysis of use of food banks in the Trussell Trust network by grant recipients:

Every time someone is referred to a food bank in the Trussell Trust network their name is recorded against a unique client ID. By tagging this client ID with information provided by the council on whether an individual was supported with a grant the Trussell Trust generated a detailed measurement of repeat use of food banks in the network in Leeds. The data provided by the council included the first and last payment dates for grant awards allowing tracking of whether individuals were supported by food banks while they were in receipt of the grants, and whether they have been supported after the date of their last award. These findings are accurate to 27 May 2022 and the use of food banks may increase over time as individuals are subsequently referred to food banks.

The details of 106 people who received grant payments were matched on to the Trussell Trust's data collection system.

This final report marks the end of the evaluation, and encompasses all evaluation learnings, progress against the research questions and Theory of Change, as well as recommendations for a future cash grant scheme.

²² Invitations to participate were transmitted by SMS/text. Due to an administrative error, invitations were sent to some individuals that were not awarded a grant. The data was cleaned to remove these individuals from the analysis, as well as some who took part more than once. The remaining cleaned sample of 79 responses was used for analysis.

2 Impact on people

This chapter covers the impact of the cash grant pilot scheme on grant recipients' household finances and resilience, the impact of the scheme on their ability to afford the essentials and the impact of the scheme on individual emotional wellbeing.

The current cost of living crisis has undoubtedly affected both the finances and emotional wellbeing of many grant recipients. The ability of the cash grant to impact on people's lives must be viewed in this light. The pilot scheme has been able to help some people longer-term, but its strongest impacts have been seen during the grant period. The freedom of choice, dignity and agency that it has given grant recipients has been the most popular aspects for grant recipients. While receiving money as part of the scheme the overall incidence of food bank use was low. In terms of support needed in the future, overwhelmingly grant recipients would prefer a cash grant over using a food bank.

2.1. Drivers of need for the scheme

One of the aims of the cash grant pilot scheme was to address people's immediate needs. It was also to give grant recipients the flexibility to prioritise their own spending.

This section covers the causes of need experienced by grant recipients, how far they could afford to buy the essentials, and the cost of living crisis.

Key findings on drivers of need:

- 79% of grant recipients had used a food bank before receiving a cash grant.
- The essentials most needed by people prior to receiving their cash grant were food, gas and electricity.
- The cost of living crisis has impacted the ability of grant recipients to afford the essentials. It is also a source of significant concern for grant recipients for the future.

Financial hardship

The majority of people referred to the cash grant pilot scheme were people who had previously used a food bank. Indeed, all but one of the grant recipients in the interviews (and 79% of web survey respondents) had used a food bank prior to accessing the cash grant.

People referred to food banks in the Trussell Trust network commonly face extreme financial hardship. The majority (95%) are experiencing destitution – meaning that they have insufficient income to be able to afford the essentials. Destitution is measured on two metrics – whether someone reports that they have missed two or more of a defined list of essentials in the previous 30 days, and / or whether they have insufficient reported income to afford the essentials. Previous research has also shown that people who need to use a food bank experience destitution more severely than the wider population of people experiencing destitution.²³

Fundamentally, the immediate need for food banks and subsequent referral to the cash grant scheme for most recipients of the cash grant scheme was destitution. Research conducted in early

²³ Fitzpatrick et al, "Destitution in the UK", Joseph Rowntree Foundation, 2020, <https://www.jrf.org.uk/report/destitution-uk-2020>

2020 found that the mean equivalised household income (after housing costs) of people referred to food banks was £57, which is 13% of the national average.²⁴

The duration of financial crisis faced by people eligible for the scheme is likely to vary. Certainly, for some it would likely be a recent or temporary situation. In early 2020, 29% of people referred to food banks in the Trussell Trust network said that they ‘used to manage financially until recently but I am going through a crisis.’ However, half (50%) of people referred to food banks in early 2020 said that they had been struggling financially for a while / for a very long time / that they had never known a time when they have not struggled financially.²⁵ The experiences of grant recipients in the pilot did vary. Many had been dealing with benefits issues for some time prior to receiving the grant. Others had experienced a change in personal circumstances which had resulted in a more precipitous crisis.

“I’ve just lost my house and girlfriend and everything” – Grant recipient, male, first round of interviews

“Your benefits don’t cover your outgoings... your food and your travel and clothing and everything else... My claim [for Universal Credit] was... suspended” – Grant recipient, female, first round of interviews

Findings on the level of income and destitution status of people referred to food banks has been consistent across multiple studies^{26,27,28} and is therefore likely to match the experiences of people referred to the current cash grant pilot scheme. This context both underpins why people were referred to the scheme, because of a lack of income, but is also important for understanding the subsequent reporting on the impact of the scheme.

Clearly, the population of people referred to food banks are facing extreme levels of financial hardship which may reduce the likelihood of long-term improvement of their financial position. The experience of crisis for people referred to food banks is also not identical for all. For some, who are potentially more recently facing crisis – the cash grant may be more effective at supporting them long term in improving their financial situation. While for others, the lack of a sustained increase to their household income is likely to mean the impact of the scheme is more short term.

²⁴ Bramley, G, et al, “State of Hunger – Year two main report”, The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

²⁵ Bramley, G, et al, “State of Hunger – Year two main report”, The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

²⁶ Loopstra, R & Lalor, D, “Financial Insecurity, food insecurity, and disability”, The Trussell Trust, 2017, https://www.trusselltrust.org/wp-content/uploads/sites/2/2017/07/OU_Report_final_01_08_online2.pdf

²⁷ Sosenko, F, et al, “State of Hunger: A study of poverty and food insecurity in the UK”, The Trussell Trust, 2019, https://www.stateofhunger.org/wp-content/uploads/2019/11/State-of-Hunger-Report-November2019-Digital.pdf?_ga=2.116304896.786459964.1659354095-933936146.1654600739

²⁸ Bramley, G, et al, “State of Hunger – Year two main report”, The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

CASE STUDY 1: Poor physical and mental health – Eva’s Story

Eva suffers from COPD (Chronic Obstructive Pulmonary Disease) that leaves her unable to walk very far, and vulnerable to chest infections. She needs to keep warm, especially in winter, but this has been difficult with rising fuel prices and the rising cost of living. She suffers from depression and anxiety. She survives on benefits due to not being able to work. She uses food banks when somebody can go with her to carry the food.

Because of needing to get to the hospital for appointments, and shopping, she bought a cheap car, but struggled with the insurance payments, road tax, and petrol costs. Soon after the car failed its MOT, the £20 Universal Credit uplift was taken away and Eva decided to cut her losses and sell the car rather than get into debt by borrowing money to keep it on the road. She now relies on taxis to get to her hospital appointments (which she often can’t afford so has to cancel her appointment until her next benefits payment comes in).

Eva struggles to afford the everyday things that she needs and felt that the cash grant was a real bonus that allowed her to buy some essentials like washing powder, shower gel and extra medication. She wishes she was able to have the extra cash in the longer term.

The prevalence of ill health and disability in households that need to use food banks is extremely high, with two in three (66%) households referred to a food bank in early 2020 including one or more disabled people. Poor mental health is prevalent amongst people who have accessed support from a food bank in the Trussell Trust network, with 72% of people reporting stress, depression, or anxiety in mid-2020.²⁹

Immediate need for essentials

Given the financial hardship people in Leeds face, one of the primary aims of the pilot scheme evaluation was to discover whether the cash grant helped people to afford the essentials (without which, someone is classed as destitute). More widely than this, the evaluation sought to find out whether receiving the cash grant could support people out of immediate need and mitigate the impact of poverty and destitution on their lives. Grant recipients disclosed what items they considered to be essential that they had not been able to afford to buy prior to receiving the cash grant in the interviews.

Items that grant recipients struggled to afford were:

- food
- energy (particularly through pre-payment meters)
- clothing and footwear for themselves or their children (some used local schemes to pay a low flat fee of a few pounds to choose a set number of used clothing items for their children)
- bills
- furniture
- toilet rolls

²⁹ Bramley, G, et al, “State of Hunger”, The Trussell Trust, 2021 In “END OF YEAR STATS 2021–22 Stories Report”, The Trussell Trust, 2022. <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

“I’ve had to sell my daughter’s bed and [she] is currently sleeping in my bed with me so I could get some money to get her summer school uniform, PE kit trainers and new school shoes” – Web survey respondent, anonymous

During the qualitative interviews grant recipients also identified underlying factors that contributed to them facing crisis and led to them presenting at the food bank or calling the LWSS. Some of the underlying reasons why grant recipients experienced a lack of money to buy food and other essentials included:

- issues with benefits (e.g. five-week wait for Universal Credit payments to start)
- ill health (preventing a person from working)
- debt
- rent arrears
- fuel debt
- bills (particularly relating to cars)
- changes in personal circumstances

“I’m in debt with Universal Credit for two loans and rent arrears. I only get £62 a week I’ve never struggled so hard” – Grant recipient, anonymous, web survey respondent

“[Being] moved onto Universal Credit last year really put me into a financial struggle for the first time ever” – Grant recipient, anonymous, web survey

“We got sanctioned” – Grant recipient female, in the first round of interviews

“I owed some rent” – Grant recipient, female, in the first round of interviews

“I still get sick notes every month at the moment, until these forms come back where you're not fit for work, because of worrying over food and stuff” – Grant recipient, female, in the first round of interviews

“Me and my four kids became homeless in October” – Grant recipient, female, in the first round of interviews

Any one of these reasons could lead to an individual or family facing poverty or destitution and being left with insufficient income to afford the essentials, but often people encounter multiple issues leading to a significant crisis point. Problems such as debt can often escalate into a cycle, leaving people trapped in poverty.³⁰

Recommendation 1:

Addressing immediate needs was the priority for the pilot scheme. Considering both immediate needs and the underlying cause of need would be likely to boost impact for the grant. Without this approach, it will be harder for cash grant schemes to maximise their effectiveness.

³⁰ Chen, J, “What Is a Poverty Trap?”, Investopedia, 27/02/22, <https://www.investopedia.com/terms/p/poverty-trap.asp>

Cost of living crisis

The cash grant scheme ran during a period of extremely high levels of inflation, driving a sustained cost-of-living crisis. Given the already extremely low levels of income for people referred to food banks this crisis has had a significant impact on their ability to afford the essentials. It should also be seen as a limiting factor in the overall impact of the cash grant. In a low inflationary period the increased income provided by the grant would have gone further in supporting people.

Findings from the qualitative interviews discussing the drivers of need for the grant scheme indicate that this crisis was a huge concern for the grant recipients, with people reporting significant impacts on their ability to afford food and rising energy costs.

“Now it’s a choice between putting the heating on and eating” – Grant recipient, female, from the second group of interviews

“Everything’s just going up... it’s horrible” – Grant recipient, female, from the second group of interviews

“[I] do not put the heating on at the moment and strip wash” – Grant recipient, anonymous, web survey respondent, anonymous

Summary

The pilot scheme was designed to support people in Leeds with meeting their immediate needs, which were often caused by destitution. People’s ability to afford the essentials has been affected by the cost of living crisis which has coincided with the pilot scheme period and is impacting these issues further. Grant recipients’ concerns about their future ability to afford to meet their most immediate needs is therefore deepening. The cost of living crisis has lessened the level of impact that could be achieved by the pilot scheme.

2.2 Impact on household finances and resilience

This section covers the impact of the cash grant pilot scheme on the household finances of grant recipients. Changes to the financial situation of grant recipients, and their financial resilience.

Key findings on household finances and resilience:

- 91% of grant recipients reported improved finances for the duration of the grant.
- 36 out of 46 grant recipients who had received their final grant payment reported an improvement in their current financial situation. A minority (10 out of 46) reported that it did not improve their current financial situation at all.
- For half of grant recipients, financial difficulties continued after the grant ended (22/44).
- 71% of grant recipients experienced increased confidence in managing their finances as a result of the grant.
- There had been some repayment of debt by grant recipients but 53% needed to borrow since they started to receive the cash grant.
- 1 in 5 grant recipients had saved money since receiving the cash grant (20%).

2.2.1. Improvements in overall financial situation

While the cash grant positively impacted the current financial situation of grant recipients, this improvement was usually short-term. During the grant period high numbers of grant recipients reported that their finances improved. However, after the grant period ended, many had begun to struggle financially again.

Impact during the grant period

People that received the grant consistently reported that it improved their financial situation while they were receiving it. Grant recipients in the web survey were particularly clear that the cash grant positively impacted their financial situation. The majority (91%) of surveyed recipients said that it improved their financial situation by at least a little while they were receiving it. The impact of the grant on individuals' overall financial situation will naturally vary across grant recipients depending on their financial situation at the beginning of the scheme and this is reflected in the data.

“At the time it did make a big difference. I was able to top up my electric and get a fair bit of shopping” - Grant recipient, anonymous, web survey respondent

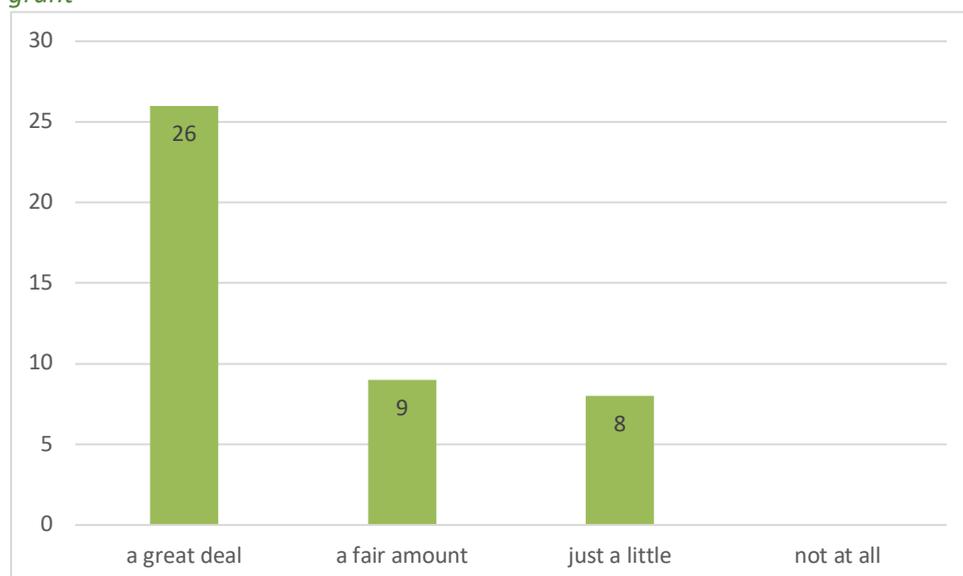
“It helped me out when I was financially struggling” - Grant recipient, anonymous, web survey respondent

“The cash grant really relieved a lot of stress for me at the hardest financial moment of my life. I was able to put petrol in to get to work, and get some gas and electric etc” - Grant recipient, anonymous, web survey respondent

“It helped at a time when I had no money to get gas and electricity” - Grant recipient, anonymous, web survey respondent

Of grant recipients still receiving their cash grant when asked, the most common response to whether the grant improved their financial situation while receiving it was that it improved it 'a great deal' (26/43). Smaller numbers of grant recipients felt that it improved their situation a fair amount (9/43) or that it improved it a little (8/43). Importantly no recipients said that the grant had not improved their financial situation at all.

Figure 2.1: Extent the cash grant improved financial situation for people still receiving the cash grant³¹



Source: Web survey 2022

Impact after the grant period

The impact on the longer-term financial situation of recipients once they had received their final grant payment is less clear. Some grant recipients reported improvements in their financial situation at this stage, while others did not. Data from the qualitative interviews and the survey highlight that a significant number of recipients remained in real financial difficulty after they stopped receiving the grant. Few reported sufficient improvements in their financial situation to be able to effectively afford their ongoing costs or to not foresee seeking additional support.

It may be that while many did experience financial improvements, this was not sufficient to move them to a more sustainable financial position. This would reflect the limitations of a cash scheme of this scale in addressing the severe financial hardship that many of the grant recipients were facing. Particularly if this hardship is driven by the overall level of income that they receive from social security payments. It is likely that the cost of living crisis has also reduced the long term impact of the scheme.

“Everything’s gone up. Luckily I’ve got a job. So that’s helping... You can definitely... feel it, especially with fuel prices” – Grant recipient, male, second group of interviews

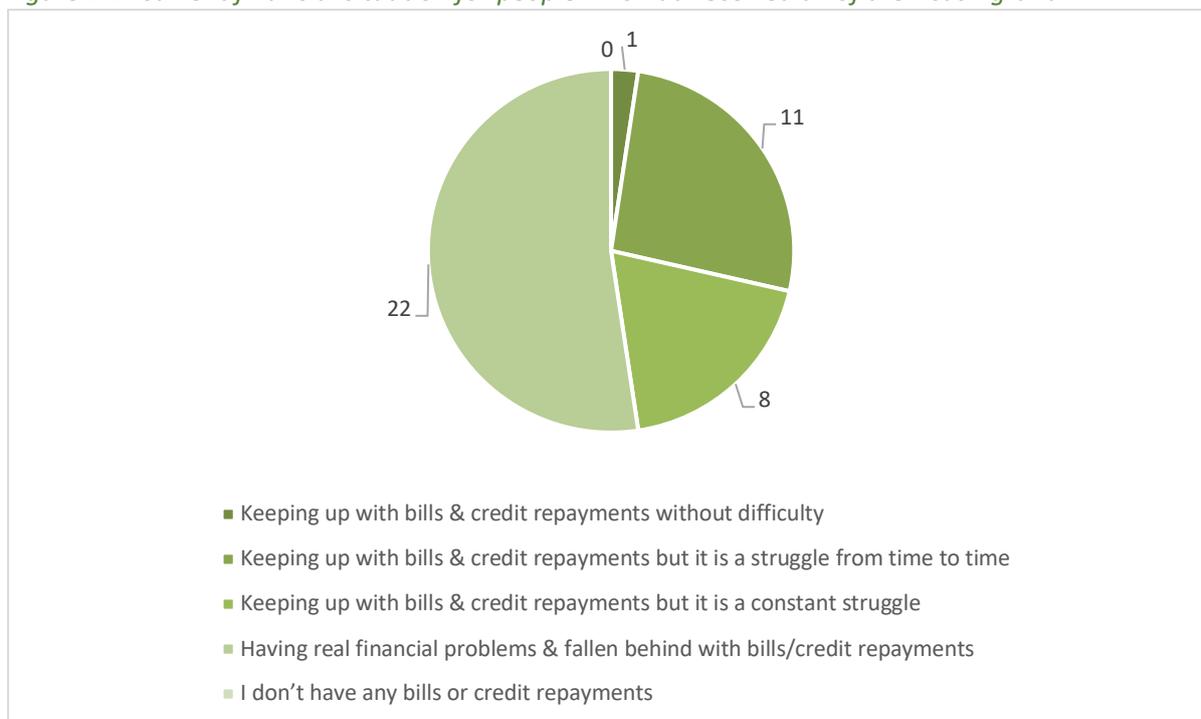
Of grant recipients surveyed after they had received their final payment the majority (36 out of 46) said that the cash grant improved their current financial situation. Of this group, 11 people reported that the cash grant had improved their financial situation a great deal after they had received their last payment. The impact of this reported improvement on their ability to afford the essentials or manage their financial situation was often limited. A minority (10 out of 46) reported that it did not improve their current financial situation at all.

This finding is supported by people surveyed after they had received their final cash grant who reported real financial difficulties in keeping up with their bills and credit repayments (22 out of

³¹ Financial situation during grant N=43.

44).³² A further eight reported that they were currently keeping up but finding it a constant struggle to do so. Only one person reported that they were keeping up with all bills and credit repayments without any difficulty after they received their final payment. As discussed on page 25 a number of these individuals also reported recently missing out on some of the essentials and having to go into further debt and arrears since they started receiving the grant.

Figure 2.2: Current financial situation for people who had received all of their cash grant³³



Source: Web survey, 2022

2.2.2. Financial resilience

Financial resilience can be boosted through building up savings and eroded through borrowing and the accumulation of debt. Confidence in managing finances was improved by the cash grant for grant recipients and some had paid off some debt or arrears. However, there were low numbers of people in the pilot that were able to pay into savings and significant numbers that still needed to borrow.

³² Different total sample sizes reflect response rates to individual questions as questions could be skipped without giving an answer.

³³ N=44. 'Don't know' and 'Prefer not to say' options are suppressed for analysis, giving N=42.

Managing household finances

One aspect of financial resilience is the ability to effectively budget, plan for future expenses, and prioritise spending both on a day-to-day basis, and through significant life events and periods of financial difficulty.³⁴

The majority (71%) of surveyed cash grant recipients reported that the cash grant improved their confidence in managing their household finances. In the qualitative interviews one person spoke about the impact that the cash grant had had on helping them to start budgeting.

“I think it’s helped me in the long-term... I’ve managed to... learn to budget” – Grant recipient, female, from the first group of interviews

Other grant recipients stated that they had been able to purchase items of furniture or white goods (after moving home) with the cash grant. They viewed these as ‘big ticket’ items that would last for years, thus helping them long-term. For one grant recipient, buying a fridge meant that they could start to buy chilled foods in bulk rather than daily small purchases, which meant a saving on overall food costs.

Debt and arrears

Many people experiencing financial shocks cope with these by borrowing and taking out loans or using credit leading to an erosion of their financial resilience. For people on the lowest incomes this can include high-risk debt such as payday loans or pawnbroker debt which can have high repayment costs. Some are able to pay back these debts, but many are left over-burdened. People facing financial hardship may also fall behind on specific bills like rent or council tax leading them with high levels of arrears. Existing research highlights that households will likely attempt coping strategies such as borrowing and credit before seeking support from a food bank.³⁵

People in the qualitative interviews spoke about the impact the cash grant had on their ability to pay off debt and arrears. One person reported that as a result of receiving the cash grant they had managed to cut down their monthly energy payments as they had been able to pay some of their energy debt with the grant.

Debt repayment was also reported when grant recipients were surveyed about what they spent the cash grant on. One in ten (10%) reported that they repaid a loan from a friend / family member and a small number of recipients reported paying off government debt or a pay day loan / doorstep lender. More common was the use of the loan to cover core bills such as gas or electricity (66%) and council tax (11%).

The reported impact on accumulation of debt or arrears since receiving the grant is mixed. Around half (53%) reported that since they started receiving the cash grant they had needed to borrow money to get by, and a similar proportion said that they had fallen into arrears on some priority bills (49%). Given the likely financial situation of grant recipients when entering the scheme it is unsurprising that some still accrued debt and arrears in this time. The data indicated, however, that

³⁴ McKnight, A and Rucci, M, *“The financial resilience of households: 22 country study with new estimates, breakdowns by household characteristics and review of policy options”*, CASE, May 2020, <https://www.researchgate.net/publication/342765814> The financial resilience of households 22 country study with new estimates breakdowns by household characteristics and a review of policy options

³⁵ Bramley, G, et al, *“State of Hunger – Year two main report”*, The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

around half of grant recipients didn't need to take on additional debts or fall into arrears since they started receiving the payments.

CASE STUDY 2: Being in debt – Noah's story

Noah is a regular food bank visitor since getting into debt with his gas and electricity providers. He was put on furlough for a year during the Coronavirus pandemic which saw his already low wages drop by 20%. Then he lost his job, so now claims Universal Credit. He often struggles to make ends meet financially and habitually borrows from friends and family or through a high street loan.

Having fallen behind on his fuel payments, a prepayment meter was installed in Noah's accommodation, which means that he now pays more for the energy that he uses. He is also struggling with the cost of living increases, particularly for food and fuel and has fallen behind on his council tax payments. Noah often has to make the choice between heating or eating. In addition to this, part of his energy debts and council tax arrears are now paid out automatically from his Universal Credit before he receives it, meaning that his benefits payments have decreased by 30%. With no spare money for any extras, Noah's broadband internet has just been cut off, meaning that he now can't videocall his friends and relatives or sign into his emails at home.

Noah felt that the cash grant helped him to get a little bit further out of debt. He used some of the money to buy extra gas and electricity to have a bath and a shave so that he could go out and look for work feeling a bit better about himself.

Trussell Trust's analysis of an online survey with YouGov of adults claiming Universal Credit revealed that half of people claiming Universal Credit (50%) are either already behind on their bills or are facing a constant struggle to keep up with them.³⁶ Deductions from Universal Credit are one of the most frequent reasons for people being referred to food banks.³⁷

Savings

Savings are an essential element of financial resilience, allowing households to draw on existing resources to weather financial shocks. Families on the lowest incomes typically have no or extremely low levels of savings. The majority (59%) of households in the bottom 20% of household incomes have no savings, compared with 9% of households in the top 20%.³⁸

³⁶ The online survey with YouGov ran between 24 January and 15 February 2022. 1,506 adults claiming Universal Credit completed the survey. In "END OF YEAR STATS 2021–22 Stories Report", The Trussell Trust, 2022, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2022/04/The-Trussell-Trust-End-of-Year-Stats-2021-22-Stories-Report.pdf>

³⁷ "END OF YEAR STATS 2021–22 Stories Report", The Trussell Trust, 2022, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2022/04/The-Trussell-Trust-End-of-Year-Stats-2021-22-Stories-Report.pdf>

³⁸ Weekes, T, et al, "Lockdown, lifelines, and the long haul ahead", 2020, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2020/09/the-impact-of-covid-19-on-food-banks-report.pdf>

The survey of grant recipients found that one in five (20%) had been able to save some money since receiving the cash grant. This is a significant proportion given the financial hardship they faced coming into the scheme.

“So I kind of saved a little bit more and I had my money a little bit longer” – Grant recipient, female, from the second group of interviews

CASE STUDY 3: A change of circumstances – Liv’s story

Liv moved to the Leeds area after leaving an abusive relationship. She needed to move quickly so took the first property she was offered. She doesn’t know anybody in the area, and can’t afford to go out to meet people, so doesn’t have anyone she can ask for help with everyday needs, such as childcare. As she moved with very few possessions, she has had to start over and buy everything she needs for the new house and her children, including beds, fridge, freezer, furniture, bedding, pots and pans, cutlery and plates.

As a consequence of moving, Liv’s children have had to start a new school, which means buying new uniforms and other school essentials. Transport to the new school is another expense and it takes time to get three different buses, so Liv can’t look for steady work. The change in circumstances has been a struggle for her children as well. Liv visited food banks while she was trying to get everything sorted – particularly before she managed to get a fridge and freezer.

Liv suffers with PTSD and anxiety to do with the trauma of her abusive relationship and finds it difficult to trust people. When she first heard about the cash grant scheme, she couldn’t quite believe it. The cash helped her to get back on her feet a little bit and eased some of the everyday anxiety about how to make ends meet. She hopes to be able to start looking for work soon and getting back on her feet.

Nearly three quarters (72%) of people who needed to use a food bank in early 2020 had an adverse life experience in the previous 12 months, including being forced to move.³⁹

Summary

The vast majority of grant recipients felt their financial situation had been improved by the cash grant, although for many the effects dropped off after the grant ended. Half of people whose grant had ended were facing problems keeping up with their bills and credit repayments.

The need among grant recipients to borrow additional money during and after receiving the cash grant, and the fact that that for half, their financial difficulties returned after the grant ended indicates that the grant impacted people in the short-term. However, the increase in confidence in managing finances, making savings and paying off debt will also support grant recipients in the longer-term with their household finances.

The growing cost of living crisis has undoubtedly played a large part in the impact the pilot scheme has had on people’s financial resilience. There are also underlying issues with benefits and systems

³⁹ Bramley, G, et al, “State of Hunger” (2021), The Trussell Trust, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

affecting lower income households. Going forwards therefore, the grant award scheme may need to address issues such as debt and gaps in benefits in order to extend the impact to financial resilience in the longer term.

Recommendation 2:

Grant recipients often have debts and these are dulling the impact of the cash grant scheme. A future scheme could consider paying a portion of people's debts in order to reduce people's outgoings, increasing the number of payments, or signposting people to debt advice services or the Citizens Advice Bureau for further support. This might allow for a longer-term impact from the grant.

2.3 Affording the essentials and food bank use

One of the aims of the cash grant scheme was to end food bank use among grant recipients in the 12 months after the grant award. Ending the need for food banks is conceptualised by the Trussell Trust as ensuring that people have enough money to afford the essentials themselves. This section covers the impact of the grant on the ability of recipients to afford the essentials, including what the grant was spent on and use of food banks during the grant period, after the grant period and anticipated future use.

Key findings on affording the essentials and food bank use:

- Before the cash grant, grant recipients had difficulty affording the essentials and there was also evidence of destitution among grant recipients
- The underlying causes of need are primarily ill health, debt, benefits issues and changes in personal circumstances.
- The cash grant assisted with affording the essentials. 80% of grant recipients said it improved their ability to afford the essentials during the grant period.
- In the last month 83% of grant recipients missed meals. 75% had not heated their home and 54% had not lighted their home.
- 36/46 of grant recipients who had received their final payment reported an improvement in their current ability to afford the essentials.
- The cost of living crisis impacted the scheme's ability to support individuals to climb out of need.
- The priority areas of spend were food, gas and electricity (both those who had received their final payment and those still receiving their cash grant) and there was no evidence that there was any misuse of the pilot scheme by grant recipients.
- Food bank use among grant recipients happened before, during and after the grant award period. It is also predicted by grant recipients to continue in the future.
 - During the grant period, just 14% of grant recipients used a food bank compared with 50% afterwards (Trussell Trust data).
 - 81% of grant recipients said that they were likely to visit a food bank in the next three months.

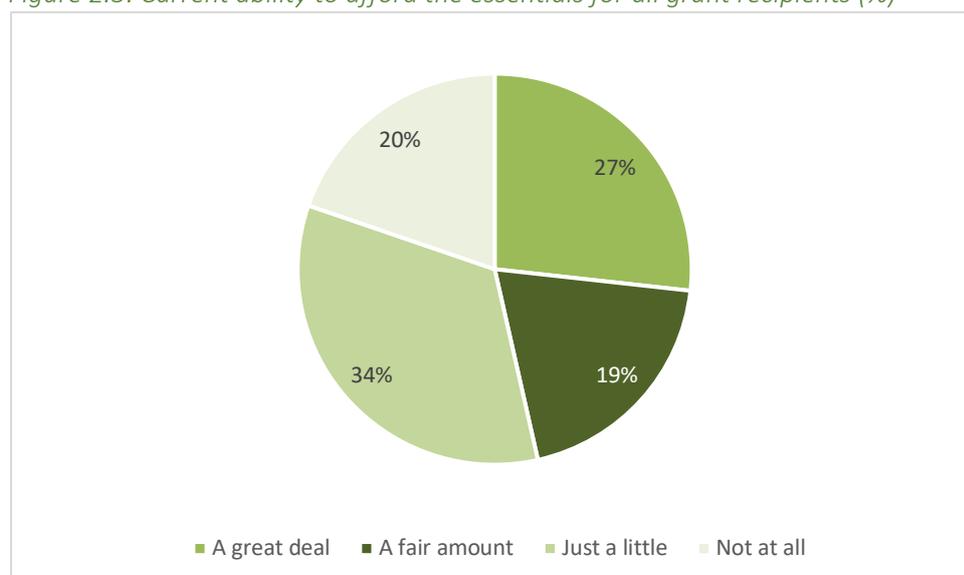
2.3.1 Extent of support to afford the essentials

Prior to receiving the cash grant, all but one of the grant recipients in the first stage of interviews had experienced problems affording (self-defined) essentials.⁴⁰ Nearly all grant recipients reported that the grant had helped them to afford the essentials temporarily, giving them some financial respite. Since most had not been able to get out of the situation that caused their need however, their ability to afford the essentials after the grant ended tended to drop again. Only one person reported in the interviews that the grant had enabled them to get back on their feet financially in the longer term.

“It gives you breathing space so that you don’t panic as much as to where your money is going or how far your money can stretch” – Grant recipient, female, from the second group of interviews

For four-fifths (80%) of all grant recipients the cash grant resulted in some improvement in their ability to afford the essentials such as food, clothing and paying the bills during the cash grant period. The accompanying Literature Review finds that in a similar cash-based fund run by the British Red Cross, an even larger proportion of grant recipients (93%) felt the grant had a positive impact on their lives and had enabled them to afford the essentials⁴¹ and this may illustrate the effect of the prevailing economic landscape on the current pilot’s ability to do the same.

Figure 2.3: Current ability to afford the essentials for all grant recipients (%)⁴²



Source: Web survey, 2022

When looking specifically at grant recipients who had received their final payment, the majority (36 out of 46) had experienced an improvement in their current ability to afford the essentials. Of this group, for 14 it had improved it a great deal – the largest single group of answers. Just 10 grant recipients who had received their final payment found that it hadn’t improved their ability to afford the essentials at all.

⁴⁰ In the interviews, grant recipients were free to define ‘essentials’ as they chose. They were not asked to follow the JRF definition. A broader range of answers therefore resulted.

⁴¹ “Learning from the British Red Cross Covid-19 Hardship Fund”, British Red Cross, 2021, <https://www.redcross.org.uk/-/media/documents/about-us/financial-hardship-briefing-december.pdf>

⁴² N=71

Despite the improvements in recipients' ability to afford the essentials found in the survey, in the second stage of interviews grant recipients commonly spoke about this continuing to be a struggle for them. Some people had borrowed money or asked for an advance on their Universal Credit to make ends meet. Almost all felt that the cost of living crisis was having a big impact on their ability to afford everything that they needed to buy, in particular food and paying for gas and electricity.

Using the Joseph Rowntree Foundation's definition, the proportion of all grant recipients who reported that they had missed out on essentials in the previous 30 days was still extremely high, either while they were receiving the grant or after their final payment⁴³:

- The majority (83%) of respondents to the web survey had in the last month experienced more than one day when they had not eaten (or had only one meal) because they couldn't afford to buy food.
- Three in four (75%) said that they had not been able to heat their home for more than four days.
- Over half (54%) said that they had not been able to light their home for more than four days.

This demonstrates a high level of destitution among grant recipients either while they were receiving the grant or after their final payment.

"I'm cold [and] hungry for days on end and suffering from mental panic attacks and depression" – Grant recipient, anonymous, web survey respondent

Given the existing levels of destitution amongst people referred to food banks, and the cost of living context, it is perhaps unsurprising that the grant was not able to eliminate incidences of being unable to afford the essentials. The lack of a detailed pre-intervention benchmark survey on grant recipients' ability to afford the essentials, or a robust control group means that the impact of the scheme on these self-reported measures cannot be fully defined. From the data available it is possible to conclude that recipients did report significant improvements in their ability to afford the essentials, while continuing to go without certain items in both the period they were receiving the grant and subsequently. Some food banks in the focus group reported that some grant recipients had returned to the food bank and requested another cash grant.

2.3.2 What the money was spent on

Given the ongoing struggles to afford the essentials throughout the trial and subsequently, it is instructive to understand how the money from the cash grant was spent. The cash grant could be used for anything that a grant recipient wished to spend the money on, offering them complete freedom of choice.

The main items that grant recipients said that they spent their grant on were food, gas and electricity. This finding is consistent across the interviews and web survey. This trio of expenses formed most people's immediate needs, and the cash grant was therefore meeting and impacting on these needs.

"I just used it for gas and electric and food actually" – Grant recipient, male, from the first group of interviews

⁴³ Grant recipients were asked whether they had missed out on these essentials in the previous 30 days. It is not possible to exactly determine whether those 30 days fell during or after they had received their final grant payment.

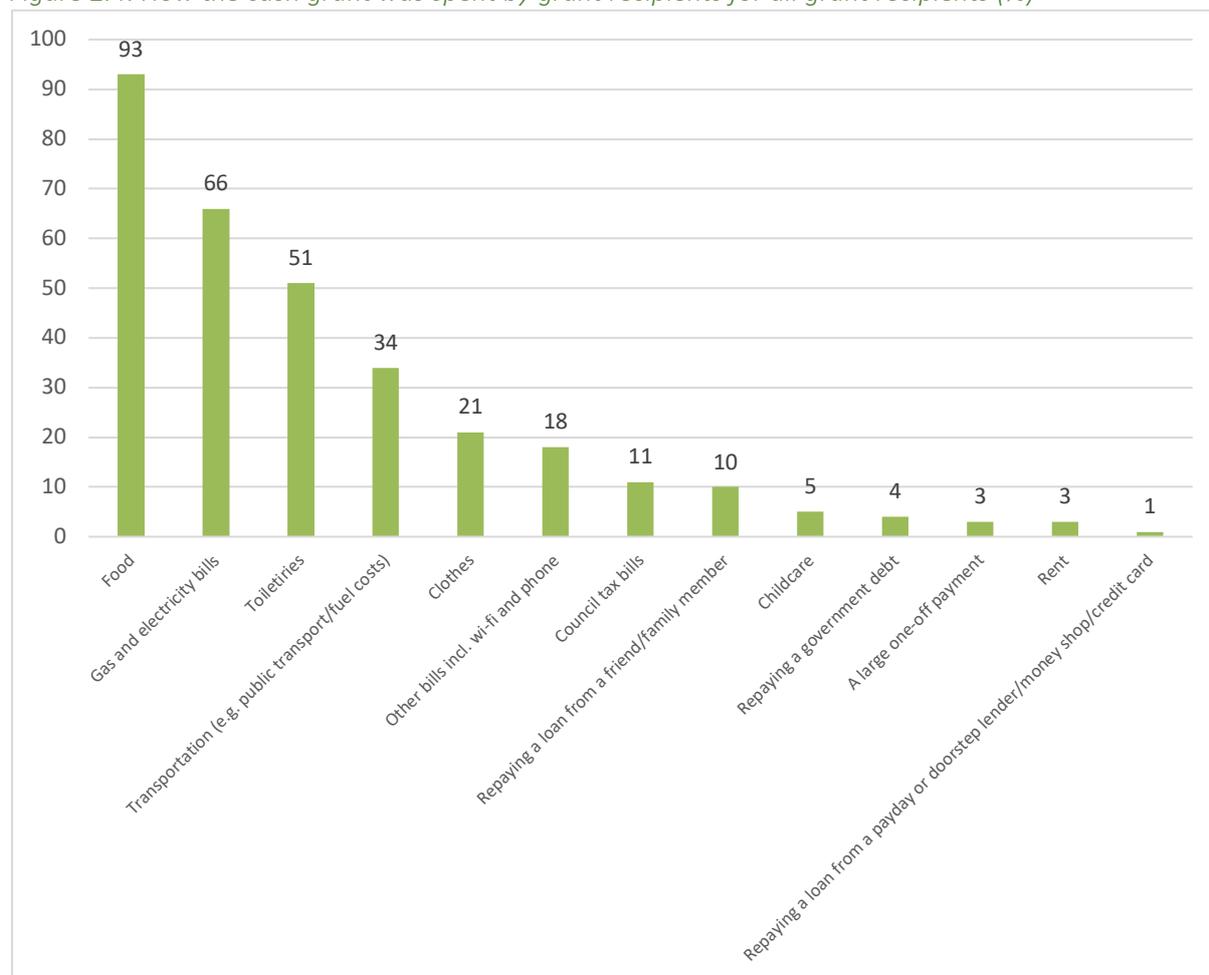
“So my important thing is to make sure I’ve got enough food at home because I can [get] anxiety issues” – Grant recipient, male, from the first group of interviews

“I not only got my 10-year-old a Christmas present but we had money for shopping and clothes for my child. I also got my car through its MOT” - Grant recipient, anonymous, web survey respondent

“I have my father who’s ill that I now look after plus his dog and [my] son now and then it’s costing me a fortune to make sure everything is kept running and warm as there’s more mouths to feed and water and bathe” - Grant recipient, anonymous, web survey respondent

The most frequently bought item was food (93%). The next most frequent expenditure was gas and electricity (64%), followed by toiletries (51%) and transportation (34%). Other spends included clothes, ‘other bills’, council tax, repaying a loan from a friend, childcare costs, repaying a government debt, a large one-off payment, rent and repaying a formal loan. Some grant recipients were able pay off some of their debt with the cash grant, which allowed them to free up their finances a little.

Figure 2.4: How the cash grant was spent by grant recipients for all grant recipients (%)⁴⁴⁴⁵



Source: Web survey, 2022

⁴⁴ N=73

⁴⁵ This was a multiple choice question, so numbers will total over 100%.

Concerns about spending on the ‘wrong’ things

There were concerns from some grant recipients about how the grant would be spent by others. During the qualitative interviews some recipients were concerned that the freedom to spend the cash grant on whatever people wanted might lead others to misuse the grant, even though they themselves reported spending their grant on the essentials. The anxiety may have been that the scheme could be ended if the council discovered spend on things that could be seen as ‘wrong’ or a luxury.

“I think it’s a good idea but then I also think it’s a bad idea because what about if the parents are not spending on the kids?” – Grant recipient, female, from the first group of interviews

“The first direction is to call the [drug] dealer” – Grant recipient, male, from the first group of interviews

“You don’t know... whether it would go on... booze or fags” – Grant recipient, female from the first group of interviews

“Upsides and downsides to it, depending on what person... could get it and use it for stupid stuff” – Grant recipient, female, from the first group of interviews

However, there is no evidence in the pilot of any misuse of the cash grant scheme, and all spending was reported to be on essentials. Indeed, the accompanying Literature Review concludes that this concern, which has been raised around similar projects, is completely unfounded. In 19 studies of cash-first schemes, “there is no significant impact or a significant negative impact of cash transfers on expenditure on alcohol or tobacco”.⁴⁶

Recommendation 3:

The pilot gave no restrictions on what the grant should be spent on, and future schemes should similarly offer total freedom to the grant recipients. With trust comes agency and dignity for the individual and there is no evidence from the pilot or the wider literature of misuse of unrestricted cash grants.

Recommendation 4:

Further research into the underlying causes of need such as a change in circumstances and what wraparound support would be needed to get people on their feet is needed. In-depth case studies tracking individuals’ need for and accessing of support would be ideal to understand personal needs.

Recommendation 5:

Further research is needed into how the issues that particularly affect people eligible for the cash grant scheme, such as how problems with benefits, long-term ill health and debt combine, and how this affects people’s ability to afford the essentials, to improve understanding of how a cash grant scheme can best impact people’s lives.

⁴⁶ Evans, DK and Popova, A, “Cash Transfers and Temptation: A Review of Global Evidence”, ‘World Bank Africa Region, 2014, <https://documents1.worldbank.org/curated/en/617631468001808739/pdf/WPS6886.pdf>

2.3.3. Use of food banks during and just after the grant period

One objective of the pilot scheme was to reduce subsequent use of food banks by grant recipients. During the evaluation data has been collected on use of food banks in the grant recipient interviews, interviews with food bank staff, the survey of grant recipients, and through analysis of the Trussell Trust's data collection system. The available evidence suggests that the need for food banks was relatively low while receiving the grant payments, but subsequently high in the period after receiving the final payments. Many grant recipients expect to have to continue to need support from food banks in the future.

Need for food banks while receiving the grant

The majority (86%) of grant recipients matched to the Trussell Trust's data collection system did not need to use a food bank while they were in receipt of the cash grant. A minority (14%) did need support during these periods. It is not known how many individuals receiving a cash grant used food banks outside of the Trussell Trust network.

This matches the thoughts of food bank staff who felt that the cash grant had definitely helped people, but that the level of help had generally not been sufficient or sustained enough to remove the grant recipients entirely from a crisis situation.

Use after final payment

Use of food banks after the final grant payment was higher than during the grant period. Half (50%) of grant recipients matched to the Trussell Trust data collection system needed support from a food bank after their final payment. In the interviews, the reasons most often given for needing to use a food bank again were due to being on Universal Credit and having debt. Other similar forms of support mentioned by grant recipients as being recently used were food pantries, food vouchers and school holiday meal vouchers.

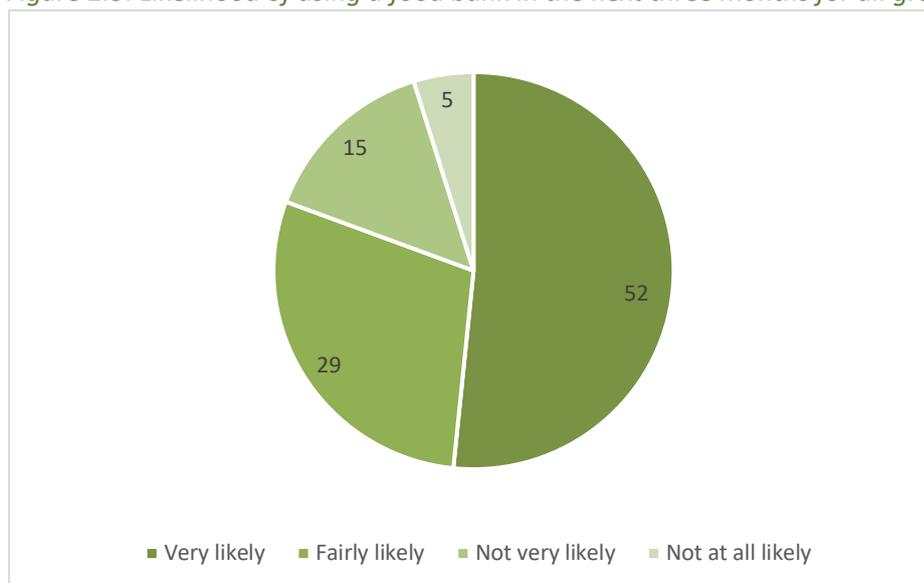
Anticipated future use

Grant recipients were asked in the interviews and web survey whether they felt they would need to use a food bank in the future.

In the first round of interviews grant recipients were asked to look ahead six months. Most responded that they would need further support in that period. Of recipients that specified what type of support, slightly more thought that they would need to use a food bank than support from the council.

In the second group of interviews, grant recipients were asked to look ahead three months. Around half felt they would be likely to need another food parcel in this time. The web survey results echo this. The majority (81%) of grant recipients were fairly/very likely to visit a food bank in the next three months, and just 5% answered that they were 'not very likely' to do so.

Figure 2.5: Likelihood of using a food bank in the next three months for all grant recipients (%)⁴⁷



Source: Web survey 2022

“I’ll probably go up. It’s every week. So I’ll probably keep going until I don’t need it, sort of thing. Until I can financially afford to do it.” – Grant recipient, male/female from the second group of interviews

“Hopefully not, by the grace of God.... Hopefully I’ll be able to get back on my feet” – Grant recipient, female, from the second group of interviews

“Hopefully no. No, I don’t believe I will” – Grant recipient, male, from the second group of interviews

Recommendation 6:

Detailed, longitudinal analysis of data held on referrals to food banks is needed to understand the ongoing impact of the cash grant on the need for food banks in any future evaluation. This should be done as part of any future grant scheme.

Summary

The cash grant pilot scheme operated during a growing cost of living crisis. The grant recipients did feel that the cash grant had enabled them to afford the essentials more easily while they were receiving the grant, although there was a tendency for this ability to drop off after the grant ended. In many cases however the grant did give them a feeling that they had taken a step forward with their finances. The cash grant gave people room to breathe during a crisis situation rather than pulling grant recipients out of need altogether.

The flexibility of offering cash enabled grant recipients to make their own decisions on how to spend their grant. Food, gas and electricity were the priority areas of spend.

The escalating cost of living crisis during the pilot scheme is perhaps leading to a faster pace of repeat food bank visits than was anticipated in the design stage of the scheme. The majority of grant

⁴⁷ N=62

recipients anticipate further food bank use in the future, and analysis shows that 50% of grant recipients were referred to a food bank after their grant ended. It is clear that the cash grant pilot scheme has not been able to prevent future food bank use. Indeed, there is no evidence from the evaluation that people who receive a cash grant are less likely to use a food bank compared with other food bank users.

In the current economic climate, people are keenly aware that they are likely to need further support in the future. In a cost of living crisis it is difficult for a cash grant of between one and five payments to impact the underlying issues behind the immediate crisis needs of grant recipients.

2.4 Emotional Wellbeing

This section covers emotional wellbeing and a comparison of the cash grant pilot scheme alongside food bank use. Improving the wellbeing of grant recipients as well as offering freedom of choice by offering a cash award were both aims of the pilot scheme.

It is difficult to isolate a change in wellbeing as being attributable solely or mainly to the cash grant when other variables such as changes in personal circumstances are in play. However, the key findings on emotional wellbeing were that:

- Many grant recipients reported health conditions that are likely to have impacted their wellbeing.
- Improvements to wellbeing were mainly short-term for people that were interviewed. Usually this was for the period of the grant or a little longer.
- Whilst the grant had boosted the wellbeing of recipients, for many this declined when the grant ended.
- Some grant recipients said that they had not experienced any positive change to their wellbeing as a result of receiving a cash grant.
- Other external changes during the grant period will have affected people's emotional wellbeing, such as getting a job.

2.4.1 Impact on wellbeing

One of the aims of the cash grant pilot scheme was to improve the wellbeing and dignity of grant recipients by encouraging personal agency. The financial impact of the grant may have also impacted on the emotional wellbeing of recipients. Studies of the impact of financial gain on wellbeing have shown beneficial effects on mental health and on wellbeing.⁴⁸ This section covers the factors affecting the wellbeing of grant recipients, improvements in dignity and personal agency, the short-term nature of improvements to wellbeing, and the cash grant's impact on the lives of the grant recipients.

Wellbeing was gauged by asking people in the two stages of interviews how they felt their emotional wellbeing was ("how do you feel in yourself?", "do you think that getting the cash grant affected your emotional wellbeing at all?"). With the relatively small number of interviews conducted it is not possible to assess change longitudinally and draw conclusions about all grant recipients and any changes in wellbeing. However, there are some clear findings on the cash grant's impact on individuals' mood and outlook and how long this lasted for.

⁴⁸ Thomas, R et al, "How do income changes impact on mental health and wellbeing for working-age adults? A systematic review and meta-analysis", *Lancet Public Health* 2022 (7), 2022, [https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(22\)00058-5/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(22)00058-5/fulltext)

Impacting factors

An individual's emotional wellbeing can be impacted by many factors, and for the grant recipients this included long-term ill health, bereavement, and other changes in personal circumstances such as being released from prison. These are in addition to financial difficulties which can impact wellbeing both physically and emotionally. Research into the consequences of poverty points to clear mental health risks as well as physical impacts, particularly for children. Research in 2015 by the Joseph Rowntree Foundation concludes that "poverty increases the risk of mental illnesses", and that for children poverty affects long-term health and "reductions in cognitive performance".⁴⁹ Poverty and destitution certainly affected the ability of grant recipients to address their immediate needs and impacted upon their wellbeing.

It is likely that variables such as these could have played a larger part in any change in wellbeing than the cash grant. A number of health issues and long-term conditions were prevalent among grant recipients which are likely to have affected their wellbeing. These conditions included:

- Osteoporosis
- Fibromyalgia
- Scoliosis
- Chronic Obstructive Pulmonary Disease (COPD)
- Dyslexia
- Post-Traumatic Stress Disorder (PTSD)
- Anxiety
- Depression
- Stress, and other related issues such as teeth grinding and poor sleep.

The Trussell Trust's 'State of Hunger' report supports the high incidence of ill health among this demographic, finding that more than 70% of people referred to a food bank had reported at least one health condition affecting their household.⁵⁰

Immediate improvements to emotional wellbeing

Being awarded a cash grant was a positive experience for all grant recipients, with many people saying that it felt like a huge relief. The majority (81%) of grant recipients surveyed said that the grant was available to them at a time when they really needed it, with almost two in three (63%) strongly agreeing that this was the case.

"It was like a little bit of a stress relief knowing that I were able to feed myself [and] my son and have nappies" – Grant recipient, female from the second group of interviews

"Thank you for the help I needed at the time I appreciate it" - Grant recipient, anonymous, web survey respondent

"It was needed and I was very grateful and appreciated the cash grant" - Grant recipient, anonymous, web survey respondent

⁴⁹ Fell B & Hewstone, M, "Psychological perspectives on poverty", (2015)

<https://www.jrf.org.uk/report/psychological-perspectives-poverty>

⁵⁰ Bramley, G, et al, "State of Hunger – Year two main report", The Trussell Trust, 2021,

<https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

“For me it felt like a life saver. My household had smiles on [their] faces” - Grant recipient, anonymous, web survey respondent

The majority of grant recipients interviewed felt that their overall emotional wellbeing had been improved by receiving the grant, but for many, when the grant ended, their financial difficulties returned which led to a return of anxiety and worry.

“But then I think everything kind of just slips back into place and it all becomes normal and obviously with prices going up. It’s inevitable that at some point one is going to run out” – Grant recipient, female from the second round of interviews

The grant recipients were not able to quantify how much their wellbeing had improved, but there was a definite sense that the grant gave a temporary boost to their wellbeing.

“[It] definitely helped bring my mood up” – Grant recipient, female from the first round of interviews

“It just relieved some stress and pressures that day when I went to pick it up” –Grant recipient, female from the first round of interviews

“It meant I didn’t have to worry for them two weeks” – Grant recipient, female from the first round of interviews

“I’d say it had a good impact on mental health because knowing that you’ve got extra money to buy your essentials and make sure that you’ve got what you need for that week or for that month helps.” – Grant recipient, female from the second round of interviews

With regard to ongoing mental health problems, grant recipients felt that this could not be improved significantly by the grant, other than as a temporary relief of their anxiety around their finances.

A minority of people reported that the cash grant had not improved their wellbeing at all, but they did not give a reason for this. One person reported that the stress of how the payment was delivered through a cash machine had a negative impact on their wellbeing.

Impact of the cash grant on the lives of grant recipients

Some improvement in emotional wellbeing was also attributed to changes in grant recipients’ lives as a result of the cash grant. These included one person who had started a new job after being unemployed and so felt more financially secure, and another person was actively searching for a job. There was also relief for some that they had decreased their debts, having used some of the grant to pay off a debt or arrears.

“I’ve got more confident now I’m back at work and with my family.” – Grant recipient, male, from the second group of interviews

“I was made homeless with my four children, the cash grant helped me to feed and clothe them as well as get them [to] school despite the horrible situation we were in, I am very grateful that the cash grant exists” - Grant recipient, anonymous, web survey respondent

Another outcome is that some grant recipients could afford to leave their home to see other people and not feel so isolated.⁵¹

“[It] enabled me to not be socially isolated for the week as it paid for my transport costs to my volunteering” – Feedback given to Leeds Engage, a housing support service by a grant recipient

Summary

Whilst receiving the cash grant generally improved peoples reported emotional wellbeing, the impact was usually limited to the period of the grant, or for a short time afterwards. It is likely that with so many issues affecting people’s lives and finances, the cash grant alone could not dissipate most of these worries, especially at a time of rising inflation and increasing energy costs.

Recommendation 7:

A more quantitative approach to measuring wellbeing should be considered as part of the evaluation of any future scheme, using indicators such as the Warwick-Edinburgh Mental Wellbeing Scale which gauges wellbeing longitudinally.

2.5 Comparison with food banks

This section considers comparisons between the cash grant and food bank use. The impact on dignity and agency for each support mechanism, and travel issues are explored.

All but one of the grant recipients in the interviews and 79% of web survey respondents had used a food bank prior to receiving their cash grant. This enabled them to make comparisons between what it was like both practically and emotionally to use a food bank versus accessing and using a cash grant.

Key findings on comparisons with food banks:

- Overall, the cash grant is preferred to using a food bank (94%).
- Grant recipients liked being able to use the money to buy what they wanted; the freedom of choice gave them agency in their decisions.
- Most people spent their cash grant on food as a priority and then spent any remaining grant on other needs, mainly gas and electricity payments but also clothing and car expenses.
- People liked to choose what food they bought, based on their families’ preferences and dietary requirements, and they could buy frozen and chilled foods that are not available in a food parcel.
- People reported feeling a stigma and used words like ‘embarrassed’, ‘judged’ and ‘horrible’ to describe their use of food banks in the past; and many said that they hoped they would not need to use one again.
- Difficulties travelling to both food banks and to collect the cash grant were raised by grant recipients.

⁵¹ Communicated by Leeds Engage to the evaluators following feedback from a grant recipient.

Impact on dignity and agency

The evaluation finds that nearly all grant recipients experienced negative emotions when using a food bank. Words such as ‘embarrassment’, ‘stigma’, ‘horrible’ ‘demoralisation’ and ‘feeling belittled’ (by the experience not the staff and volunteers) were used to describe needing support from a food bank and they did not want to have to return. These findings are consistent with previous literature which details the sense of stigma people feel about needing to turn to a food bank for support.⁵² Nevertheless, it should be noted that individuals interviewed emphasised how grateful they had been for the food parcels they had received and particularly mentioned the kindness of the staff and volunteers that they met at food banks.

This suggests that whilst emergency food provision from food banks is a lifeline, it is not the long term or preferred solution for people struggling to afford the essentials.

“It’s a little bit degrading, and then going in there and everybody’s in the same boat, but everybody’s still judging everybody else” – Grant recipient, female from the first group of interviews

“When the food bank people come... when you look outside you think people are looking... sometimes it can be a bit embarrassing”. – Grant recipient, female, from the first round of interviews

In the main, there was recognition from grant recipients that a food parcel can be restrictive in its offer, although they understood why this was the case. One of the advantages of a cash grant over a food parcel is that they were able to buy fresh or frozen food, food to meet their specific dietary or cultural needs, or specific toiletries such as the correct size of nappy for a child.

“When you go into a food bank you only get certain items” – Grant recipient, male, from the first round of interviews

In comparison, when speaking about the cash grant, grant recipients were positive about the relief of receiving the award and knowing that they would have freedom of choice to spend it how they wished to address their immediate needs. This gave people a sense of personal agency. This freedom also resulted in a boosted sense of dignity, especially in comparison with food bank experiences, and allowed grant recipients to make decisions based on household dietary requirements and preferences. The vast majority of grant recipients prioritised buying food, followed by gas and electricity payments.

“It was a great help at the time, it enabled me to buy good food for my children and myself” - Grant recipient, anonymous, web survey respondent

“I’ll go to the food bank, and I’ll be given food [that] won’t really get eaten... children, they do become fussy. So, I found by having the money, I was able to then go and purchase the stuff that would be useful” Grant recipient, female, first round of interviews

The freedom of choice of what to spend the cash grant on, in comparison with receiving a food parcel from a food bank, was agreed by all to have been one of the best aspects of the pilot scheme. Affording food was the top priority for grant recipients, and some dietary requirements were mentioned (usually of children in the family) as being difficult to fulfil in a food parcel. Grant recipients most frequently mentioned the freedom of choice in buying food to suit the household’s likes and dislikes, as well as being able to stock up on food.

⁵² Connors, C et al, “The lived experience of food insecurity under Covid-19”, Food Standards Agency, July 2020, <https://www.food.gov.uk/sites/default/files/media/document/fsa-food-insecurity-2020-report-v5.pdf>

“I could put it [the cash grant] towards whatever I wanted” – Grant recipient, female, from the second group of interviews

“When I get paid, stocking up on my tinned food and getting quite a lot of cheap food in, you know, trying to make it last” – Grant recipient, female, second round of interviews

In addition, it was the flexibility of being able to spend the grant on other items as well as on food which was most appreciated. As well as paying bills and spending on things like car servicing, some one-off items could be bought that would not otherwise be afforded, such as special socks for use in a medical boot for a child, and clothes and shoes for job interviews.

“It were better to receive the cash grant at that time for me... because obviously I wouldn’t have been given a pair of shoes” – Grant recipient, male, from the second group of interviews

If they were to find themselves in financial crisis in the future almost all cash grant recipients said that they would prefer a cash grant over a food parcel (94%). Only 6% of grant recipients said they would prefer to have a food parcel rather than a cash grant. In the interviews, a number of grant recipients hoped that they would not need to return to a food bank in the near future, although many said that they would probably need to.

Figure 2.6: Preference for support during a future financial crisis for all grant recipients (%)⁵³



Source: Web survey 2022

⁵³ N=66

CASE STUDY 4: A delay in benefits – Grace’s Story

After receiving Child Tax Credits when she was looking after her young children, Grace was moved onto Universal Credit when she went back to work at a low paid but steady job. The problem was that Grace needed to pay the nursery fees for her children upfront, but she wouldn’t receive her first payment of Universal Credit for five weeks. Grace’s mother lives just around the corner and was able to help out with food and some money but this was not enough, and Grace was also referred to a food bank.

Being referred to a food bank was outside of Grace’s comfort zone as she didn’t like asking for handouts, but she felt forced to do so by the situation she found herself in. She still struggles to keep up with bills after laying out nursery fees upfront and feels as if she will never catch up with herself due to the delayed Universal Credit payments.

Grace also struggled to make the mental switch from budgeting weekly on Child Tax Credits, to budgeting monthly on Universal Credit. The money seems to go a lot more quickly, and she always seems to run out before the end of the month. The cash grant scheme allowed her some breathing space to catch up with herself and to budget a bit better.

The five week wait for their first Universal Credit payment is one of the most frequent reasons for people being referred to food banks.⁵⁴ Trussell Trust’s analysis of an online survey with YouGov of adults claiming Universal Credit revealed that more than half of people claiming Universal Credit (56%) report that they are going without at least one of the absolute essentials we all need to keep warm, fed, and clothed.⁵⁵ The same analysis found that two in five (40%) have already fallen into debt following the Universal Credit cut last autumn.⁵⁶

Travel issues

Issues with travel were raised by some grant recipients for both food banks and the cash grant. Some had found it difficult to travel to a food bank, often due to ill health. As not all offer delivery this was problematic for some. Issues ranged from not being able to leave home due to ill health, to not being able to afford the public transport to get there and having no way to carry the food home again. One grant recipient could not reach the food bank as she had a baby and no buggy. Another with chronic pain issues borrowed a neighbour’s wheeled suitcase to bring the food parcel home. Similar travel issues were raised in relation to collecting the cash grant, mainly relating to ill health and not being able to afford to reach the cash machine.

⁵⁴ “END OF YEAR STATS 2021–22 Stories Report”, The Trussell Trust, 2022.

⁵⁵ The online survey with YouGov ran between 24 January and 15 February 2022. 1,506 adults claiming Universal Credit completed the survey. In “END OF YEAR STATS 2021–22 Stories Report”, The Trussell Trust, 2022, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2022/04/The-Trussell-Trust-End-of-Year-Stats-2021-22-Stories-Report.pdf>

⁵⁶ The online survey with YouGov ran between 24 January and 15 February 2022. 1,506 adults claiming Universal Credit completed the survey. In “END OF YEAR STATS 2021–22 Stories Report”, The Trussell Trust, 2022, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2022/04/The-Trussell-Trust-End-of-Year-Stats-2021-22-Stories-Report.pdf>

Summary

Overall, the cash grant was preferred by the grant recipients over food bank parcels. Grant recipients most often talked about the freedom and agency as being the best aspect of the cash grant when asked to reflect on this in the second group of interviews. In comparison, food banks were seen as a negative experience emotionally, and offered little flexibility in food choice. Food banks also do not address all the immediate needs of grant recipients, focusing on just food and toiletries. Issues with travel were encountered with both the cash grant and food banks. Having ill health, transport costs and carrying food parcels were the key issues raised as causing an issue. Given the choice, money would be a greater help than food alone for all the freedom of choice it affords on spending on essentials for grant recipients.

Recommendation 8:

Keep the freedom of choice with no restrictions on spend in a future scheme. This gives the grant recipients autonomy and the ability to make their own choices about how to best address their needs.

3. Findings on Operational delivery

This chapter covers the findings arising from the evaluation that relate to the operation of the pilot scheme. Overall satisfaction with the pilot scheme, speed of provision, accessibility of the scheme and signposting and wraparound support are all explored.

The key findings on operational issues are that satisfaction with the pilot scheme is high and grant recipients were willing to recommend the scheme to friends. The vast majority of grant recipients felt that the cash grant scheme provided the payment quickly (97%). Grant recipients spoken to in the interviews commonly felt that the payment was easily accessed. Recipients that experienced issues most often had problems with travel and the process of withdrawing the money.

3.1 Overall satisfaction with the pilot scheme

Satisfaction with the cash grant pilot scheme was assessed through the qualitative interviews with grant recipients. These interviews included a discussion of the likelihood of people to recommend the scheme, and an exploration of the drivers behind satisfaction. Some measures of understanding of the scheme were included in the survey of grant recipients.

Key findings on overall satisfaction with the pilot scheme:

- The majority of grant recipients in the interviews were satisfied with the pilot scheme overall.
- All grant recipients interviewed reported that they would recommend the cash grant scheme to a friend, and some had already done this.

Receiving the grant award decision

Grant recipients were satisfied with the overall experience of speaking to the council's LWSS assessors. They were described as being 'very nice', 'really helpful' and 'absolutely brilliant'. Grant recipients reported that they felt listened to and that everything about the scheme and how it would work was explained fully in this phone call.

"They listened and they were understanding" – Grant recipient, male, in the second round of interviews

"You didn't feel like you were getting judged" – Grant recipient, female, in the second round of interviews

Close to nine in ten (88%) grant recipients said that they had understood the cash grant either 'very well' or 'fairly well' on all six indicators after speaking to the assessor. The six indicators included: the total value of the grant, the number of payments, the grant duration, that cash machines would be used to collect the cash, who to contact if there was a problem, and which organisation was administering the scheme.

Grant recipients often described the news of the grant award in very positive terms, and often as being a 'relief'.

“I was totally overwhelmed, because I didn’t expect anybody to help me” – Grant recipient, female, from the first group of interviews

“It was just like a breath of fresh air” – Grant recipient, female, from the first group of interviews

Likelihood to re-use and recommend

The grant recipients’ likelihood to recommend the scheme is perhaps the most important customer satisfaction measure. The cash grant pilot scheme was very well-received overall among the grant recipients. People who took part in the interviews would recommend the scheme to a friend. In fact, three people from the first stage interviews had already recommended it to friends and acquaintances.

“I was able to tell her that this was a service to apply for and she managed to get it as well. It made me happy to feel I’d aided her” – Grant recipient, female, from the first group of interviews

The vast majority of interviewees also said that if they had the chance to apply for another cash grant, they would do so.

“I’d re-apply today!” – Grant recipient, female, from the first group of interviews

Recommendation 9:

Ensure that those areas that are key to recipients recommending the scheme to a friend are maintained. These include: speed of payment, the friendly and professional approach of the LWSS assessors and keeping cash withdrawal process as straightforward as possible.

Overall satisfaction with operational delivery

There were mixed experiences among the grant recipients about the mechanics of receiving the cash grant. For some it was a simple process, for others it seemed to cause some problems and be regarded more negatively. The web survey tested this by listing four common problems with using a cash machine identified in the interviews. More than half (60%) of the respondents said that they had not experienced any of these problems, which suggests that in the main, people were happy with the pilot scheme design and delivery.

“It were very easy to... go and collect. It were all very straightforward” – Grant recipient, female, from the first stage of interviews

“Someone like me who’s dyslexic, they’re not going to have a clue... I started crying because I couldn’t do it” – Grant recipient, female, from the first stage of interviews

“I was over the moon when I was told I’d get it, but then felt quite down about how it was paid” – Grant recipient, female, from the first group of interviews

The most commonly mentioned issues experienced when receiving the cash grant were finding a cash machine that would work with the PIN code (57% of those who experienced a problem) and travel to the cash machine (44% of those who experienced a problem). Difficulties when using the Cash Perks system to withdraw the money and contacting someone for support with making a withdrawal were less frequently experienced (23% each).

“Constantly struggle to find the pay points close to my home. I’m disabled and struggle to get there. Even the post office wasn’t able to complete the transaction” – Grant recipient, anonymous, web survey respondent

“There needs to be more pin for cash machines” – Grant recipient, anonymous, web survey respondent

A further endorsement of the pilot scheme is that, given a list of support options, the largest group of grant recipients (55%) would like to receive cash from a cash point in the future (i.e. no changes to the delivery of the scheme would be necessary for this group). The other support options listed in the question were: money received directly into a bank account, cash withdrawn from a Post Office, an emergency food parcel, shopping vouchers that can be used across the high street, provision of certain goods like fridge/furniture, and cash withdrawn from a Credit Union. Figure 3.1 charts these support options.

Summary

The cash grant pilot scheme has overall been a popular and well-received mechanism for support for the grant recipients. The experiences of people using cash machines to access their grant was varied. For a slight majority it felt straightforward and quick, but for others it was a confusing and problematic process. All the grant recipients that were interviewed said that they would recommend the cash grant scheme to a friend which suggests good satisfaction levels. It is reasonable to assume that with further enhancements and by following the recommendations of the cash grant recipients, this satisfaction could be improved further.

3.2 Speed of provision

This section considers the design of the cash grant scheme and the perceived speed of the scheme when compared against provision of food parcels.

Key findings on speed of provision:

- Nearly all (97%) grant recipients felt that they did not have to wait a long time after applying to receive confirmation that they were being awarded the grant.
- A few grant recipients in the interviews found accessing a food parcel a faster process overall.

One of the aims of the pilot scheme was to provide faster support to grant applicants than referral to a food bank. It is important to note that the two routes to receiving the cash award (via the food bank and by direct award), will have generated different experiences in timing.

Operational design

While the design of the pilot scheme was ‘cash first’, in practice many referrals were made after individuals had already visited a food bank to collect a food parcel. After receiving a food voucher from a referral agency, individuals could collect a parcel immediately, provided the food bank was open. Some food banks participating in the pilot scheme had restricted opening times (some are only open once a week for example). The speed of receiving a food parcel was therefore dependent on opening times and travel issues.

From January 2022, grant recipients were able to access the cash grant without first going through the food parcel stage of the process as LWSS began taking direct referrals via their helpline. After going through an eligibility and assessment process individuals were then referred for the cash grant, and successful candidates were awarded a grant. Once notified by the council of their success, a PIN code was usually sent to the grant recipient within a few hours and the money was available for collection immediately. Collection was dependent on getting to a cash machine that was a part of the scheme (and was working). As with the food parcels, some grant recipients will have experienced this as a faster process than others.

Perceptions of the process of receiving the grant

Some of the interviewed grant recipients mentioned speed as being the best thing about the scheme. One felt that it was good that you can withdraw the money on the day that it is awarded, and another said that it was a fast process, especially in comparison with other support.

“Rather than waiting three days... or vouchers to clear or people to ring you back... you got your text message, and you went to your little assigned cash machine” – Grant recipient, female, in the second stage of interviews

In fact, nearly all (97%) grant recipients in the web survey felt that they did not have to wait a long time after applying to receive confirmation that they were being awarded the grant. Two in three (64%) strongly agreed that they did not have to wait long, and 33% tended to agree with this.

The grant was also felt to be delivered at a time of need by grant recipients. The majority (81%) of grant recipients surveyed said that the grant was available to them at a time when they really needed it with almost two in three (63%) strongly agreeing that this was the case.

However, grant recipients were not unanimous in seeing the cash grant process as faster than receiving a food parcel. A minority felt that it was faster to get food bank support when the time to wait to hear about the award is taken into account. Indeed, when asked to suggest improvements to the scheme, one person said that they would have liked to get the money faster.

“It’s probably easier to get a food parcel because it’s quicker than getting the cash grant to come through... [it is] probably easier to get a food voucher started quicker” Grant recipient, female, first round of interviews

Summary

The cash grant was seen by most, but not all, as being faster than receiving a food parcel. It was also seen as timely by the vast majority of grant recipients, being available at a time when they really needed it. In a future cash grant scheme, speed of delivery will remain an important aspect of the design.

Recommendation 10:

Any future cash grant scheme should retain an emphasis on being a fast process for all grant recipients to access the grant.

3.3 Accessibility

This section considers the accessibility of the scheme by understanding the issues encountered when receiving support from it. Ways to promote the scheme as well as other potential payment methods that could increase accessibility are also explored.

Key findings on accessibility:

- 60% of grant recipients had no problems accessing the cash grant from a cash machine.
- The top accessibility issues encountered related to travel to, and issues at, the cash machine.
- Worries that the scheme was a scam or a loan to be repaid affected access in some cases.
- Not answering the phone to food banks and the council also prevented some applications from being successful.
- 55% would prefer to receive the cash grant from a cash machine in the future.

Access to the scheme

The cash grant pilot employed the Cash Perks system to send SMS/texts with a PIN code to access the grant through a cash machine. This method was chosen because it offers inclusivity, allowing grant recipients to access cash without the need for a bank account or cash card. While more than half of grant recipients encountered no problems using a cash machine to withdraw payment (60%), some people did encounter issues accessing their grant for a variety of reasons, and so the system had an exclusionary effect for some people.

Accessibility issues encountered

A number of issues with accessing the cash grant were raised by grant recipients. The main two being:

- Travel – too far to travel, ill health preventing travel, not able to afford public transport, having to walk a long way.
- Cash machine issues – not familiar with how to use a cash machine, unable to follow the instructions issued (due to dyslexia), broken machine, PIN did not work.
- Trust and suspicion – concern that the pilot scheme was not genuine.

Some grant recipients had to have help from family members, support workers and bank staff to access the money.

Travel

Travel was the most frequently mentioned reason for experiencing a problem when withdrawing the grant from a cash machine in both the interviews and web survey. This was most often due to being disabled or having a health condition (such as anxiety) which made it difficult to leave the house. Issues with not being able to afford public transport were also mentioned. Low response numbers for these questions in the web survey mean that a definitive conclusion on accessibility cannot be offered.

“For me personally, it would have just been easier to go over the road, rather than walk for an hour but obviously at the time I weren't bothered... that I had to walk for an hour because I just needed the help anyway” – Grant recipient, male, from the second group of interviews

“It was a bit of a struggle with cash points themselves as [they are] few and far between... we had to walk from one cash point to another because one didn’t work” – Grant recipient, female, from the first stage of interviews

“I think it should be slightly more accessible... that would have been a 30/40 minute walk each way for me” – Grant recipient, female, from the first group of interviews

“Sometimes I’m in that much pain I can’t walk so what would’ve happened if... my son couldn’t get it for me. If it had gone in the bank it would have gone in anyway no matter whether I was poorly or not” – Grant recipient, female, from the second group of interviews

Recommendation 11:

Cash from the cash machine should be considered as a mechanism to continue in the future, as this was selected as the most popular payment method, but with the flexibility of offering other payment options such as the Post Office and Credit Unions. Having alternative locations to collect the money from should ease travel issues for grant recipients.

Recommendation 12:

In a future cash grant scheme, the council should support grant recipients by helping them to find the cash machine that is most convenient to reach, which might not always be the one closest in distance to their home. Currently, the closest machine to their home is offered by default, but is not always the most convenient. Future schemes could provide recipients with a list of multiple machines in the area to choose from. While a weblink is sent via SMS/text showing all the locations, grant recipients should also be given a phone number to call to get this information to avoid digital exclusion.

Cash machine issues

Of grant recipients that did encounter a problem with the cash machine, there were reports of PIN codes not working, cash machines being broken, or just not in the location they were told (as reported to the council) and people not being able to understand/follow the instructions in the text.

“I...put in the wrong PIN but they wrote the PIN in wrong... and I didn’t know that” – Grant recipient, female, from the first stage of interviews

“I’d never been to a cash machine in my life, and also when I’m in pain sometimes I can’t take things in” – Grant recipient, female, from the second stage of interviews

“I missed the first payment as I had no idea how to do it. My son was confused too but he worked it out, how to get the cash without a card... the third I was too slow. My son got the last payments” – Grant recipient, female, from the first group of interviews

“I think it was a good idea, after I’d found a Pin4Cash machine that was working!” – Grant recipient, anonymous, web survey respondent

Recommendation 13:

A future cash grant scheme should use a provider that offers inclusivity and ensures that there is a way for all grant recipients to easily access their grant. Particular emphasis should be placed on people that are disabled or have a health condition be it physical or mental. Consideration should be made to providing additional support to grant recipients on how to access the money. Offering a choice in how to receive the money is recommended, so that people can be supported in the best way for them individually.

Trust and suspicion

A number of grant recipients reported that they were concerned that the pilot scheme might be a scam and felt distrustful initially. Food bank staff also encountered people that did not initially believe the cash grant could be real. For most, this issue manifested itself at first contact from the food bank by telephone. It is also possible that the difficulties encountered by the council in reaching some grant applicants may be related to suspicion or concern about being contacted by the council.

Some grant recipients nearly did not access the grant at all. Reasons for this included:

- Not wanting to receive the text messages to access the cash grant (the reason for this is unknown)
- Not answering the phone when the food bank called to ask the eligibility questions
- Not answering the phone when the council called to ask questions in order to make an award decision
- Being concerned that the cash grant scheme might be a scam
- Being concerned that the cash grant was a loan that would need to be re-paid
- Feeling suspicious or concerned about needing to use a cash machine (Alternative arrangements were sought for the individuals who declined the cash machine route).

There were also issues around grant applicants not being reachable by telephone. The food banks found that a significant number of people would not answer their phone when called back about the referral to the pilot scheme. The numbers improved, however, if the person's support worker told them to expect the call. When the food bank did reach people by phone, they encountered a few people suspicious that it might be a scam, and so could not be referred onto the cash grant scheme. One food bank said that around a third of the people they called assumed that the grant would be a loan and asked about repayment. The council needed to call almost all of the grant applicants to complete the information that was needed to reach a decision, but some could not be reached.

Promotion

The cash grant scheme was not promoted to potential recipients as it was a pilot. Grant recipients suggested in the interviews that a future scheme should be promoted so that people know about it and can access it. This was explored further, and suggestions on where to advertise to reach the people who need it most were:

- food banks
- job pages
- Citizens Advice Bureau
- Credit Unions
- one-stop/Community Hubs

- the Post Office
- shop windows
- through Universal Credit accounts/messages

Very few people suggested using the internet or social media to promote the scheme.

“To be fair I’ve never heard of it before, I don’t know if other people have... it needs to be known about more” – Grant recipient, female, from the first group of interviews

“I knew nothing about it at all... it was quite good to know that that was available” – Grant recipient, female from the first group of interviews

Recommendation 14:

In a future scheme, attention needs to be given to ensuring that people who could be referred to the cash grant scheme believe that the offer is genuine and not a scam. This could be through promotion of the scheme to individuals or deliberately designing the first approach to individuals to be a trusted person such as a support worker or the original referral agency that issues the food voucher. This should also increase the number of people that pick up the phone call to answer the eligibility questions. Promotion would also reassure people that the grant is not a loan that needs to be re-paid like a Universal Credit advance.

Recommendation 15:

Better promotion of the third-party payment mechanisms to potential grant applicants should be put in place. Ensuring that the most at risk and difficult to reach groups are reached will be essential in a future scheme.

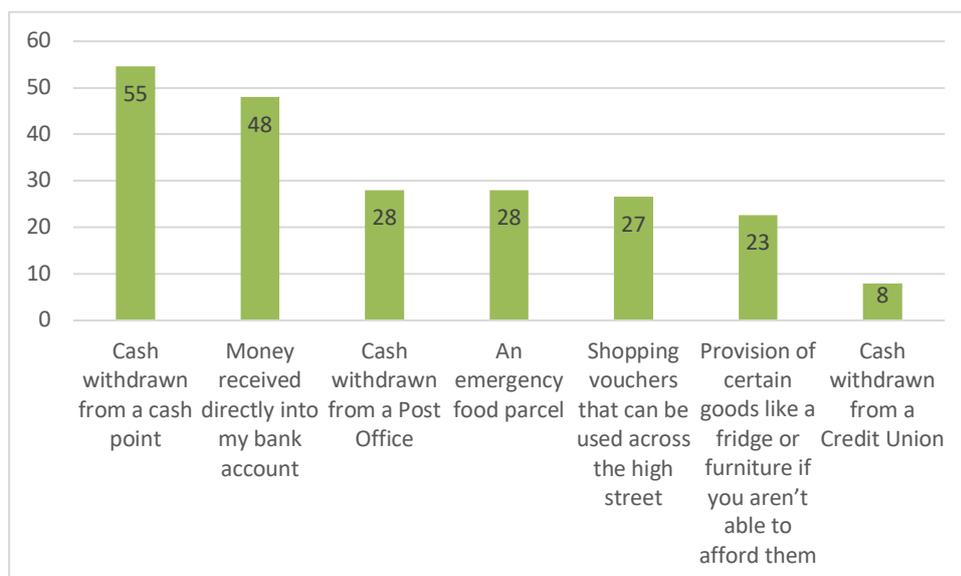
Alternative payment methods

The majority of grant recipients (55%) were happy to keep receiving cash from a cash machine in any future rollout of the scheme. For grant recipients who would prefer another method, just under half (48%) wanted money paid directly into their bank account. Equal numbers wanted cash from the Post Office or a food parcel (28% respectively). After this came high street shopping vouchers (27%), being given tangible goods like a fridge (23%), and cash from a Credit Union (8%).

While significant, the numbers asking for payment into a bank account are lower than in a recent study about free school meal payments in Wales, where 90% of families said that they would prefer payment by bank account.⁵⁷ It should be noted that if the cash grant was paid directly into a bank account, this income could lead to deductions from Universal Credit payments. Grant recipients receiving Universal Credits would therefore be adversely affected by this alternative payment method.

⁵⁷ Watts, S, “Strengthening the role of local welfare assistance”, Greater Manchester Poverty Action, 2020, <https://www.gmpovertyaction.org/strengthening-role-lwas/>

Figure 3.1: Preferred payment methods for all grant recipients (%)⁵⁸⁵⁹



Source: Web survey, 2022

Summary

The pilot scheme aimed to offer an accessible and inclusive payment method that does not require a bank card. This aim was achieved for many, but issues around travel and cash machine problems suggest that for some, there is less accessibility than hoped for. Vulnerability issues around health and digital exclusion have been revealed as areas that will need to be addressed in a future scheme to ensure better accessibility. Targeted promotion will also need to be employed to reach the groups most in need of a cash grant. When considering alternative payment methods to ease travel issues, while payment into a bank account is the most popular suggestion, this could result in deductions from Universal Credit payments and so should be carefully considered.

Recommendation 16:

Eligibility criteria should be revisited before any future grant scheme, ensuring that those demographics and life experiences common to grant recipients are taken into account. This would also help with inclusivity when planning which mechanism to use to transmit payments to recipients. This should include digital as well as geographical exclusion (transport links) and health issues.

⁵⁸ N=75

⁵⁹ Respondents were able to rank a maximum of three ways to receive support which is why the numbers total more than 100%.

3.4. Signposting and wraparound support

LWSS assessors and food bank staff have a strong understanding of the context of the challenges people face, but their role is to provide immediate crisis support, so it was not always appropriate to signpost grant recipients towards wider provision.

A more formalised approach of wraparound support towards issues such as benefit advice, debt advice and income maximisation would be necessary to begin to address the deep-seated root causes of grant recipients' financial crises. By offering this kind of support it may be possible to try to move people away from a crisis situation towards greater financial stability.

Grant recipients also suggested areas that they would like additional support with. Some of these could be delivered through training/education and some were more one-to-one issues. Areas for personalised training/support requested included:

- dealing with Universal Credit sanctions
- how to budget and manage money better when moving from weekly to monthly payments
- having someone to go and do the shopping for someone with ill health
- support with a plan of action for how to access all the support that is needed
- mental health support
- help with sleep issues

Recommendation 17:

A wraparound support approach would allow further support to be offered by linking up with health services to support people to get the mental and physical support that they need. Signposting to the practical support that grant recipients are asking for could also be provided.

Summary

Whilst some signposting to support was given during the pilot scheme, a future cash grant scheme would benefit from a wraparound approach to support. This may help grant recipients with the underlying issues that have led them to apply for cash grant support, and address some of the areas that they have requested additional support with.

4 Conclusions

This chapter reports the overall conclusions of the evaluation of the pilot scheme, a summary of findings relating to the evaluation's research questions, and a series of questions that organisations considering a cash grant scheme might ask of themselves in preparation.

Key conclusions:

Impacts on immediate needs:

- Overwhelmingly grant recipients spent the cash grant on food, gas and electricity.

Emotional impacts:

- The cash grant gave people a sense of freedom and dignity in making their own choices in how to prioritise their spending. It was viewed favourably against the experience of using food banks.
- Emotional wellbeing was improved for most grant recipients during the grant period.

Financial impacts:

- After the grant period, financial difficulties such as keeping up with bills and credit repayments returned for many people.
- The majority of grant recipients who had received their final payment had experienced an improvement in their current financial situation.
- Financial resilience was improved for grant recipients. Some were able to make savings and pay off debt, and an increased confidence in managing household finances was reported. These were longer-term impacts.

Impacts on food bank use:

- Food bank use was prevalent before the cash grant and dropped during the grant period. Some grant recipients returned to food banks after the grant period, and many anticipated needing future food bank support.

Views on the operational delivery of the pilot scheme:

- The cash grant was seen as a fast way to access support.
- The majority of grant recipients found the process of using a cash machine straightforward.
- The majority of grant recipients would prefer the payment to be received through a cash machine over other options in a future cash grant scheme.

Future wishes:

- Grant recipients would prefer receiving a cash grant over using a food bank in the future.

4.1 Concluding findings

The cash grant pilot scheme was launched in October 2021 at a time when people in Leeds (as in the rest of the UK) were particularly at risk from the effects of rising inflation and the growing cost of living crisis. The people the pilot scheme aimed to help also had existing high incidences of ill health, poverty, destitution, debt or arrears, receipt of benefit payments and food bank use.

Overall, the cash grant pilot scheme was successful in improving the financial situation, emotional wellbeing of grant recipients, and particularly improved their ability to afford the essentials for the duration of the grant. Addressing people's most immediate needs and offering freedom of choice

and dignity in how to spend the grant were especially successful aspects of the scheme. Grant recipients often spoke about the relief that they felt when they were awarded the cash grant, and felt that it had given them room to breathe. Overall, satisfaction with the pilot scheme was high and all grant recipients were willing to recommend the scheme to a friend.

The cash grant scheme was experienced differently by grant recipients, based on their immediate needs, the issues leading up to seeking support, and how far the cash grant was able to address their needs. For many, much of the impact of the pilot scheme was temporary, and limited to the duration of the grant and for a short time afterwards. For example, many went on to struggle to pay the bills or needed to turn to a food bank for further support. Food bank use continued during the cash grant scheme for a minority and half were referred back to the Trussell Trust food banks after their grant. The majority of grant recipients also anticipated needing to use a food bank again in the future.

For some people, the cash grant offered longer-term impacts. These were predominantly around supporting grant recipients to build up savings and repay debt, and also improving their current financial situation. The long-term impact of the pilot scheme was however significantly affected by factors negatively affecting grant recipients such as the cost of living crisis, destitution and ill health.

In conclusion, in a lower inflationary period, the income provided by the cash grant would undoubtedly have gone further to support people in Leeds. In this light, any future launch of the cash grant scheme would need to consider how best to make a longer-term impact on the lives of people in Leeds. This should include improving the accessibility of the scheme and focusing on the underlying causes of need such as debt and benefit issues. Increased signposting, wraparound support and partnership working could be used to address these issues further in future.

4.2 Research question findings

This section summarises the findings relating to the six evaluation research questions.

1. What are the success factors and barriers to effective implementation of the cash grant scheme?

The cash grant pilot scheme has had many successes and by building on these and learning from the barriers encountered by the organisations involved as well as by the grant recipients, a more inclusive, flexible cash grant scheme can be achieved in the future. A cash-first approach is preferred by the grant recipients, but additional wraparound support would be useful to address the underlying causes of the immediate need. Improving accessibility and inclusivity of the cash grant scheme is crucial to ensuring through promotion that all eligible groups are aware of the scheme and apply, as well as by offering alternative payment methods for people that need it.

2. What are the experiences and outcomes for people who receive a cash grant and how does this compare with going to a food bank?

Cash grant recipients reported feeling very grateful for the cash grant and found that it came at just the right time. It was helpful in supporting them with their immediate needs. The findings show that the cash grant eased people's financial pressures and for 71% the grant increased their confidence in managing their finances. Many grant recipients anticipated requiring further support in the future,

and a minority used a food bank during the grant period (14% to the Trussell Trust) and more afterwards (50% used the Trussell Trust).

Overall, the cash grant is preferred when compared with a food bank by the grant recipients, with only 6% preferring a food parcel. Grant recipients particularly liked the freedom and flexibility of the cash grant as it gave them agency in how to spend the money. Grant recipients preferred the cash grant over using a food bank because they associated negative emotions with previous use of food banks. Travel to food banks was also an issue for some. Overall, the cash grant was also seen as being faster than accessing an emergency food parcel.

3. Are the people who receive a cash grant less likely to need to use a food bank again in the medium-term, compared to other food banks?

There is no evidence from the evaluation that people who receive a cash grant are less likely to use a food bank compared with other food bank users. Looking ahead, 79% of grant recipients anticipated needing to use a food bank in the next three months. Additional analysis of usage of food banks in the Trussell Trust network revealed that 50% of grant recipients used a Trussell Trust food bank after their final grant payment. This is in many ways unsurprising in the current economic context.

4. What are the wider outcomes for people who receive the grants, including wellbeing?

Generally, the grant recipients said that the cash grant had been helpful to them, and that their emotional wellbeing had been improved by the cash grant. However, its effects were usually short-term, for the period of the grant or a little longer. Although 91% of people surveyed reported an improvement in their financial resilience for the duration of the grant, for many, when the grant ended the financial difficulties returned.

5. Poverty and destitution: can a cash grant pull people out of need? Are they able to afford the essentials?

Although 36/46 people who had received their final grant payment reported an improvement in their current financial situation, and the cash grant has been able to improve the financial resilience of recipients, there is no evidence from the evaluation that the cash grant pilot scheme pulled people out of need. For most, the scheme has given them a temporary respite to deal with their most immediate needs while they are experiencing a crisis. It will also have helped different people in different ways and to differing extents. With grant recipients struggling to afford the essentials and the escalating cost of living, it will be difficult for the cash grant to pull people out of need in the longer term.

6. What have grant recipients spent their money on?

Throughout the evaluation, grant recipients have been consistent in what they have reported spent their grant money on. In addressing their most immediate needs and essentials, their priority has been to buy food, followed by paying for gas and electricity. Other items frequently bought were toiletries, clothes, transport, other bills and paying off debt/arrears.

4.3 Core questions

This section suggests the questions that any organisation planning to launch a similar cash grant scheme might ask themselves before finalising their design. Questions from pre-research through to

monitoring and evaluation are offered. Additional support can be found in the accompanying 'toolkit for charities'.

Pre-research

- Who is the scheme trying to reach?
- Have we looked at similar local schemes for learnings?
- What are the key characteristics of the groups we think will need/access the scheme? For example, is there a high propensity of ill health? How might these people need to be considered differently to make their experience more positive? How best should these people hear about the scheme, apply and access the grant?
- What types of support are the people we aim to help commonly accessing now? How could we signpost to this? Is there anything they can't get from these places that our scheme can offer? What is the added value of the scheme?
- What are the macro issues affecting the people we want to support, such as issues with the benefit system and debt? To what extent can our scheme have an impact on these challenges, and can we work alongside other agencies to align in our support?
- Where are the best places to promote the scheme so that the people we want to reach see it and act on it?

Funders and funding

- Do we need a pilot scheme, or can we roll out and adapt the scheme as we go? How will we monitor and evaluate as we go to make appropriate adjustments?
- Do we have a defined budget to spend or an ongoing income to use?
- Do we want to spend out quickly (to address an immediate crisis) or over a sustained period?
- Are we (the funders) comfortable with there being no restrictions on what the grant is spent on by grant recipients?
- Do we have systems in place (e.g. audit trails/evidence gathering) to track spending?
- Do we have budget and resource allocated for network and relationship building with third sector partners in the area?

Set-up and partnering

- Are the aims of the partner groups and organisations well aligned?
- Do we need an intermediary to support us to align our goals and design the approach?
- Who should be in the steering group?
- What local networks can we tap into for support?
- What data sharing agreements do we need in place?

Design

- Do we have enough staff resources in place to run a cash grant scheme? (e.g. Do we have enough trained assessors in place to handle the scheme? What extra training and resources will assessors need?)
- Do we want to work with referral partners or would be people apply direct to use?
- Do we have wraparound support and signposting procedures in place for the scheme?
- Are we designing a 'cash-first' approach? Make sure it is truly 'cash-first' in this case.
- Are we designing a scheme that addresses immediate needs only?

- What do we want to achieve with the scheme? Is it financial help only? Are other indicators important, like wellbeing?
- Are the right questions being asked when checking eligibility to make quick and robust assessments?
- Do we want to impact grant recipients in the short or long-term?
- Is the customer journey simple and clear for the grant recipients?
- Do we have a system to support the referral and award process? Or do we need to develop or procure something to do this?
- How should we promote the scheme in order to reach our target audience and communicate eligibility requirements?

Inclusivity

- Do we want to restrict access or eligibility?
- Do we know which application methods are most appropriate for the groups we are trying to reach?
- Do we know which payment methods are most appropriate and trusted for the groups we are trying to reach? Which service or provider is most appropriate for us to partner with to deliver the payment?
- Does 'cash' need to mean 'cash in hand' for the scheme or can payment be made through other methods such as electronically?
- Are all groups included in plans to reach people with the scheme? Are any groups digitally excluded from accessing the scheme?

Measures of success

- Do we have a monitoring and evaluation framework in place to understand what groups are accessing the scheme on an ongoing basis, as the scheme runs?
- How will we determine the success or failure of the scheme? Are there quantifiable indicators that need to be reached to define success?

Evaluation

- What are the priorities of our evaluation? Will we evaluate the scheme ourselves, or is it more appropriate to commission an external evaluation of the scheme before launch?
- What data will the evaluators need access to, and what procedures do we need in place to gather and share this data with them?
- Do we have a Theory of Change in place for the scheme before launch? Do we know what we are trying to achieve?

Procedures

- Do we have procedures in place for if and when we experience safeguarding or data protection challenges? What if we cannot contact an applicant, or there is an IT issue?
- Is there a clear and accessible route for people that need help, support or wish to make a complaint about the scheme?

5 Appendix

This chapter covers the background to the cash grant pilot scheme, from first discussions through to launch. The design of the process for the pilot scheme is then explored in detail. The recommendations from the evaluation are presented together at the end of the chapter.

5.1 Background to the cash grant pilot scheme

This section charts the evolution of the scheme from design to launch, including learnings from this process. All information in this section comes from conversations with the Trussell Trust, Leeds City Council and the Leeds Food Aid Network.

It took just over one year from the first idea of a pilot cash grant scheme through to forming a detailed plan and launching the scheme. The development of the pilot can be viewed as falling into four distinct phases: early discussions, pilot approach, agreement on detailed plans, and launch. The information in this section shows the timeline of the discussions and agreements leading up to the launch.

Early discussions: 2020

Discussions first began in mid-2020 and were facilitated by the Leeds Food Aid Network (FAN)⁶⁰. FAN began holding regular online meetings during the Covid-19 pandemic and lockdowns. At around this time one of the food banks in the Trussell Trust network, which was a Pathfinder food bank⁶¹ announced at a FAN meeting that they wanted to step away from taking council food bank referrals. This in part informed discussions and thoughts around developing a new way to support individuals in financial hardship in Leeds.

In the summer of 2020 Leeds City Council first raised with the network the idea of launching a pilot scheme, although the design of the scheme did not form until 2021. By the Summer of 2021, the council had secured a budget of £50,000 from the council's Social Inclusion Fund⁶².

Pilot approach: January-May 2021

In early 2021, the council suggested that the pilot could work as a partnership with the Trussell Trust, and subsequent meetings focused on agreeing the broad approach. Through collaboration the partners, with FAN, designed a scheme that would function to issue cash grants in the pilot, with a view to adapting and improving it in a future roll-out. By April 2021, the council had reached the decision to use Cash Perks to make the payments to grant recipients and that this would be done

⁶⁰ A network that brings together organisations, people and institutions involved in tackling food poverty in the Leeds city area <https://leedsfoodaidnetwork.co.uk/>

⁶¹ Pathfinders are a group of 60 food banks supported by the Trussell Trust to fast track the development and execution of their own strategic plan for reducing the need for their services locally. These food banks are encouraged to be innovative in their approach, and their learnings will be shared with the wider Trussell Trust network.

⁶² The purpose of the Social Inclusion Fund (SIF) is to support projects and services which address social inclusion in the city of Leeds. The SIF is controlled by Leeds City Council and is used for projects to alleviate poverty and financial inclusion in Leeds.

using SMS/text messages and cash machines. This was a system designed exactly for organisations such as councils and was used for a similar scheme by Barking and Dagenham council⁶³.

It was also agreed that the three food banks in the Trussell Trust network that cover the Leeds city area (Leeds South and West, Leeds North and West and Wetherby) would all participate in the pilot scheme. There was a discussion towards the end of the design period around the possibility of giving cash vouchers to people visiting the three participating food banks in the Trussell Trust network, but it was agreed that in order to maintain a chain of evidence about how the budget was spent, eligibility criteria would need to be formalised. An application form and a decision-making process on grant award or refusal as well as the amount awarded to each applicant would also be formalised. The eligibility criteria as well as the restriction to three food banks would also ultimately act as a way to control the number of applications as well as the grant spend and contributed to the longer-than-planned duration of the grant period which allowed for an extended period to support people.

Agreement on detailed plans: June-September 2021

By June 2021, the first discussions began around ensuring that there should be monitoring and evaluation of the pilot scheme to understand its success and areas for improvement. Also, agreement was reached that the three food banks would fill out grant applications on behalf of applicants and send these to the council, as the council felt it did not have capacity to manage this process. This led to conversations around eligibility criteria for the scheme, how screening would happen, and who would be responsible for making these decisions on a case-by-case basis. Also considered were: the measures of success for the council, how the monitoring and evaluation would be paid for, what questions applicants would be asked, and GDPR compliance.

By August 2021 it was agreed that an external agency would be commissioned to conduct the evaluation, and at around this time it was agreed that the pilot scheme should start in the near future. Scripts for food banks to use when speaking to people about potentially applying to the cash grant scheme were prepared in September 2021.

Launch: October 2021-March 2022

It was initially anticipated that the pilot scheme would last for weeks rather than months, but the scheme launched on 1st October 2021 and ended on 1st April 2022. There were fewer applications and referrals than anticipated. This is in part because the food banks had limited capacity to make referrals, and whilst all referral materials were designed so that food bank volunteers could support, all food banks found it was more appropriate for this role to sit with staff. There were additional challenges caused by an IT issue at the council (explored later in this section) which led to a temporary pause in referrals in December 2021. The pace of referrals increased when the direct LWSS route was introduced.

⁶³ "Case study: London Borough of Barking and Dagenham", Cash Perks (accessed on 01/06/22)
https://view.officeapps.live.com/op/view.aspx?src=http%3A%2F%2Fcashperks.co.uk%2Fdocuments%2F5676_London_Borough_of_Barking_and_Dagenham_-_Case_Study.pptx&wdOrigin=BROWSELINK

Process findings

There are six main findings arising from the process of agreeing the pilot scheme:

- Online meetings allowed frequent and well-attended sessions, which led to fast exchange of ideas, and decision-making.
- Having an intermediary organisation (FAN) aided the reaching of agreement between the multiple organisations, as a neutral observer can understand all perspectives and bring together differing aims. It is also important to note that the process of gathering a Local Authority and representatives from the Trussell Trust, facilitated by an intermediary, enabled a good tangible outcome to be achieved but did take additional time. Investing time and energy in this phase was an important factor in enabling the pilot to be set up.
- The decision to employ an external evaluator led to both the council and the Trussell Trust agreeing and formalising their joint aims and details on how the pilot would operate quickly. With hindsight, this is something that should have been done earlier in the process.
- The participating food banks (who are independent charities, part of the Trussell Trust Network) found that due to capacity it was not always easy to attend meetings.
- The prediction that the pilot scheme would last a few weeks was an under-estimation. The pilot lasted longer than expected because applications came in slower than expected, due to capacity at the food banks to process referrals.
- Being a new process for both organisations, formulating the design of the pilot was very much a learning process.

5.2 Design of the process for the cash grant pilot scheme

This section looks in more detail at the operation of the cash grant pilot scheme, how it worked in practice and what innovations were implemented, as well as any limitations of the pilot scheme. The customer journey is relayed here to understand the design and how it operated in practice for grant recipients. All the information in this section comes from background information provided by the Trussell Trust and Leeds City Council, as well as conversations during the evaluation.

Referral to and from a food bank

A referral agency such as a doctor, health visitor, social worker or Citizens Advice Bureau can issue a food voucher for an individual or family to obtain an emergency food parcel from a food bank. Some basic information about the individual and their circumstances is gathered at this time and recorded on the voucher. The individual then takes the voucher to a food bank to exchange for a food parcel. Eligible individuals were then referred to the cash grant scheme from the food bank.

During the pilot scheme, the council and Trussell Trust agreed, on the suggestion of the council assessors, that in addition to referrals from food banks, individuals calling the LWSS team directly could also be offered a 'direct award' cash grant where appropriate. This allowed people who would not normally engage with a food bank, or who had not visited during the grant period the opportunity to receive a cash grant. This innovation was implemented in January 2022 and accounted for 37% of the number of cash grants by the end of the grant period.

Recommendation 18:

Other trusted partner agencies could be brought into a future scheme, to share the responsibility for referrals to the cash grant scheme more widely, and to ensure it reaches everyone who is eligible and could benefit. Consideration should be made of routes of application for people that are newly in crisis and do not have existing relationships with partner agencies. Self-referral for people to apply for themselves online could also be considered, as well as retaining phone applications and allowing paper applications for maximum inclusion. These changes would allow for people not accessing food banks to be included in the scheme.

Recommendation 19:

The online referral form in a new cash grant scheme could be shortened so that the referral agency that refers people to food banks could complete it, to make onwards referral to the cash grant scheme easier. The council's trained assessors could then handle the rest of the eligibility questions, taking that responsibility away from the food banks. Self-referral could also give applicants agency in this process, although to ensure inclusivity a non-digital paper application should be allowed to run alongside the online referral form, as well as by telephone as was the case for 'direct awards' during the pilot scheme.

Eligibility criteria

To be eligible for the scheme an individual needed to be resident in the Leeds City Council area, in receipt of benefits, to be earning less than £16,000 p.a., not categorised as having 'No Recourse to Public Funds'⁶⁴ and to be experiencing a 'crisis'.

Recommendation 20:

Currently it is not legally possible for a Local Welfare Assistance Scheme to support people classified as having No Recourse to Public Funds (NRPF). The Institute for Public Policy Research reports that there were 1.3m people in the UK with this status, excluded from many types of support. In future, the council and other third sector partners could seek to address this imbalance with the UK government. An inclusive model should seek to address this group's needs in a crisis.

Eligibility questions

The food banks asked the agreed eligibility questions using a script and then filled out the online form with these details which was the referral to the cash grant scheme. The questions included obtaining consent from the grant applicant to be contacted about the grant. The food banks were happy to manage this process of asking questions of grant recipients, as well as making the referrals to the council. However, they were very clear in their focus group that this was not sustainable beyond the pilot scheme. For the pilot scheme, the priority for the council and the Trussell Trust was to make the pilot successful in order to learn from the process, and to give a strong basis for adaptations going forward. The food banks hoped that in a future scheme the agencies issuing food vouchers could take over the referrals process so that the scheme could be fully 'cash-first'.

⁶⁴ NRPF is defined as being a person who is 'subject to immigration control'

<https://nrpfnetwork.org.uk/information-and-resources/rights-and-entitlements/immigration-status-and-entitlements/who-has-no-recourse-to-public-funds>

Before the pilot scheme launched, the original plan had been for participating food banks to refer everyone to the council, however it was not possible to process all of these people. It was then planned that people that might be eligible would be identified through conversations with staff at the food bank, and the form then completed together. However, many food banks were operating differently in the context of Covid-19 restrictions: some had moved to delivery-only, and some gave out food parcels at the door. The ability to chat informally to people was often not possible during the pilot period.

The food banks decided that they would instead telephone people who had visited that day to ask if they would be interested in the cash grant and ask the eligibility questions that way. From the food bank focus group, it appears that this allowed a greater level of confidentiality for the person using the food bank, as their answers could not be overheard. However, there were reports that some people were suspicious of the call, and it is likely that they would have been less wary of it being a potential scam if it had been communicated in person. The food banks had one person dedicated to calling people, which they did for half a day every day that they were open.

For people applying through the 'direct award' route, the eligibility check was done by the LWSS assessors on the phone.

Recommendation 21:

In a future scheme, promotion of the scheme to potential applicants and all the relevant agencies should increase awareness of the scheme and its eligibility criteria, which could lead to a drop in refusal rates. This may also increase the number of cash grants processed weekly as there would be fewer refusals to process. Some local authority and government schemes state the eligibility requirements online, so this should be considered, as should preparing paper factsheets for people not able to access websites, so that they are not excluded from the information. Making this information readily available would also assist people in self-referring to the scheme.

Screening

In terms of determining eligibility, the food banks found that due to the number of people accessing a food bank on any given day, they would not be able to speak to all people who had been referred. It was therefore necessary to find a way of prioritising who to call, and for this a screening process was introduced. This involved reviewing the information on the food voucher to see what a person's circumstances and needs were, as well as the food bank managers giving a steer when they knew that an individual needed additional support. In the food bank focus groups, staff noted that the food vouchers were not a perfect source of information because they rely on the information provided by referral agencies. Of course, the referral agency did not know that the information they recorded would be used as a screening mechanism. Grant recipients said that the telephone call with the food bank was 'fine' and that the food bank was 'very understanding'. Telephone calls lasted around 15-20 minutes. and then some additional time was spent submitting the form after this.

"They also asked me the questions about my wellbeing, my lifestyle, my outgoings, and all of that. They were really nice, very understanding" – Grant recipient, female, from the second stage of interviews

Recommendation 22:

In a future scheme, screening people before they are asked eligibility questions should be avoided. The method of doing this in the pilot scheme was acknowledged by the food banks to be problematic but needed to be implemented as neither they (nor the council) had staff capacity to speak to every individual that used a food bank. Self-referrals either online or on paper could be introduced in a future scheme to take the place of this screening and the eligibility questions being asked by telephone (although as an option this could remain).

Referrals from outside agencies

In a very few cases, grant recipients reported in their interviews that either their Support Worker or the Citizens Advice Bureau (CAB) had applied on their behalf, and they then heard from the council soon after. This raised concerns about consent procedures being followed, which all partners took seriously. On inquiry it is clear that all grant recipients were referred to the scheme by one of two routes. Indeed, the referral system used by Leeds City Council only allowed for applications from the following:

1. Individual is called by food bank staff, who fill out the application form with the individual over the phone, obtaining all consent to do so. Application is assessed by the council and a grant is awarded.
2. Individual calls the LWSS helpline and a cash grant trained assessor runs through the eligibility criteria if they believe the individual is eligible for the cash grant. A grant is awarded.

References to Citizens Advice (CAB) may have arisen because the Trussell Trust works in partnership with the CAB through the Help Through Hardship helpline, as well as locally, on the ground.⁶⁵ An individual calling the Help Through Hardship helpline in the Leeds area may have been told about the cash grant scheme and given the appropriate LWSS helpline number to call. Food banks did not make any referrals to the cash grant pilot scheme without speaking to the individual making the application first to obtain their consent to do so. The council did not accept any referrals from other outside agencies, only food banks.

Repeat use

In terms of repeat use of the cash grant in the pilot scheme, while the scheme allowed people to receive more than one grant in the grant period, in the focus group with the food banks it became clear that the food banks had been trying to avoid this. They were aware that more than one person had been referred twice but that this had been unintentional and was due to an eventuality such as a name change which meant that their name had not been recognised when they re-visited the food bank.

By the end of the pilot scheme, there had been 12 repeat referrals. 10 of these individuals had two referrals and two had three.

⁶⁵ "Help through Hardship", Citizens Advice Bureau, accessed on 25/07/22, <https://www.citizensadvice.org.uk/about-us/our-work/advice-partnerships/help-through-hardship/>

Referral to the council

The referral process involved the food banks completing an online referral form, which was described by food bank staff as very easy to use. It took around five minutes to submit after a 15-20 phone conversation with the applicant. The form was then integrated with the LWSS team's existing line of business system and referrals were picked up by two trained assessors. The council were pleased with this new method of receiving referrals from trusted partners and are considering what further IT developments need to be made in order to make online referrals a long-term viable option. Two immediate areas of improvement from the council's perspective would be for each referral to arrive under the applicant's name rather than the food bank's name and altering the questions that are asked, with the priority being National Insurance numbers, date of birth and household make-up.

For a few days in December 2021, due to an IT issue at the council, the online form stopped working. The food banks reported that it did not make a huge impact to their referral work, as they kept a note of the people that they thought would most benefit from the cash grant and were able to catch-up on telephoning people once the form was operational again. They chose not to keep telephoning people at that point as they did not know how long the form would not be working for. They were concerned though about people who they had spoken to on the day that the form stopped working as they had not been able to input their data and did not know how long they would have to wait to hear from the council.

Recommendation 23:

The questions in the online referral form should be reviewed before launching a future scheme. Key questions that would have been useful for the council's assessment stage were not included, and if asked would make this assessment process faster.

Recommendation 24:

A future scheme would need a back-up system for submitting applications in case of an IT issue with the cash grant form. This could be a paper form or a web survey, and council staff would then manually enter the details into their system for assessment.

Assessment of the application

Once the online referral form was received, the two trained LWSS assessors were required to confirm the applicants' eligibility. Almost all applicants required a call back by the assessors in order to obtain the added information required. This was then used by the assessor to do the necessary checks on relevant systems (both internal to Leeds City Council and external, e.g. to confirm benefits) before being able to award or decline. These checks included confirming that their details were correct, that they were resident in Leeds, and cross-referencing against any information held on them such as that they were in receipt of benefits, and an indication of their earnings. Any clear discrepancy at this point might result in a refusal to award a grant. The food banks did not have access to this level of detail and therefore could not provide this in the form, so almost all applicants had these checks undertaken. Aside from these checks, no proofs were required as part of the pilot scheme, e.g. a bank statement. Assessment generally took two working days to complete, from receipt of the online referral form to telephoning the applicant to tell them if they had been awarded a grant or their application had been refused.

Recommendation 25:

It should be considered carefully whether in a future scheme any proof of need such as earnings would be required. While it may be necessary when spending public funds, it would be more of a burden on the applicant.

Award rate

The cash grant pilot scheme had an award rate of 82% (40 refused or non-contactable, 187 awarded). As such it had a higher award rate than the council's wider LWSS scheme where during the same period there was a 76% approval rate (604 refused⁶⁶, 1,914 awarded).

Reach of the pilot scheme

Looking at who the cash grants were awarded to in comparison with who is more likely to use food banks offers some interesting insights. The State of Hunger report finds that two in four (42%) people referred to food banks "were single, typically living alone, with males more prevalent than single females. People living alone and single parents were over-represented in the profile of people referred to food banks, while couples without children were under-represented"⁶⁷. The cash grant scheme figures exceed this, with 53% of the grant recipients living alone, although gender data was not captured for the pilot scheme. Single parents were the second largest demographic group (36%), which is again higher than in the State of Hunger report and there were relatively few couples without children (5%) which mirrors the food bank referral statistics. The State of Hunger report also found families with three or more children account for just 5% of working age households in the UK, but the number is 14% in their research. The cash grant scheme mirrors this at 13% of the sample.⁶⁸ For the single/living alone and single parent household types, the cash grant pilot scheme has greater prevalence of cash grant usage than of food bank use than in the State of Hunger report, and are disproportionately more than in the general population.

Table 4.1 Comparison of pilot scheme use against food bank use and the UK population, by household type⁶⁹⁷⁰

Household type	Cash grant pilot scheme	Food bank use	UK population
Single/living alone	53%	42%	22%
Single parents	36%	18%	8%
Couple with no children	5%	8%	32%
Families with three or more children	13%	14%	5%

⁶⁶ This includes individuals that were non-contactable or chose to withdraw their application.

⁶⁷ Bramley, G, et al, "State of Hunger – Year two main report", The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

⁶⁸ Bramley, G, et al, "State of Hunger – Year two main report", The Trussell Trust, 2021, <https://www.trusselltrust.org/wp-content/uploads/sites/2/2021/05/State-of-Hunger-2021-Report-Final.pdf>

⁶⁹ Data sources: Cash grant pilot scheme – data provided by Leeds City Council; "State of Hunger" report for food bank use (2020 survey data) and UK population data. The data source for the UK population data is "State of Hunger", which draws on LFS Q4 2019, households without any pensioners.

⁷⁰ Numbers for the cash grant pilot scheme total over 100% due to double-counting of single parents and families with three or more children.

Recommendation 26:

A future scheme should gather more demographic data about the applicants, so that this can be analysed to determine whether the scheme is reaching a wide cross-section of people that need it. Most notably, ethnicity, gender, disability and health status would be useful additions. This information could be gathered during the council's assessment or grant award process.

Non-contact

Some people were non-contactable (5% of applicants) at the stage when the assessors called to confirm their eligibility before making an award decision. Sometimes the phone number was no longer active, or they would not answer the phone or return the call. This could be a point at which some people may have thought the grant award was a scam and so did not want to speak to the assessor. One of the non-contactable applicants was going to be awarded a cash grant but could not be reached to communicate this news. Any unclaimed grants either from non-contact or from failure to withdraw the money were recycled back into the scheme to be awarded to other people. In all 187 grant awards were made in the grant period.

Recommendation 27:

A future scheme would benefit from a new procedure of trying to contact people who don't answer their mobile phone. If a person cannot be reached by an assessor on the mobile number that they provided in their application, then the assessor should be able to try contacting them using details already held by the council or by asking the food bank (if they were referred by them) if they have another way of reaching them. GDPR would need to be investigated with regard to this data sharing. Or alternatively, applicants should be able to specify their preferred contact method. This will allow the council assessors to try to contact the 5% that were non-contactable to speak to them about the cash grant.

Grant award calculation

Once the decision to award a grant had been made, the amount of the grant award was a simple calculation and was determined by the number of people in the household, with the only deviation being whether they had a meter debt and some additional money given to a few individuals to cover this.

Duration and value of cash grant award

Initially the pilot only allowed single or weekly payments, but monthly payments were added early on to allow support for people more used to receiving income monthly. This innovation quickly enabled the council to provide extended support for people with a longer-term need such as a gap in benefit payments or energy debt.

After the grant award was determined, the assessor then had the flexibility to turn the award from a single payment (40% of all awards) to a series of regular payments which were usually weekly (72% of all awards), from two to five weeks but sometimes monthly (7% of all awards), or from four to five months if required.

The total value of the grant awards ranged from £60 up to £900, and just under half (45%) were below £200, with an average amount of £243.

In the food bank focus group, some staff/volunteers said that they were surprised sometimes that the grant award seemed lower than they had anticipated, or an applicant had been refused the grant when they had thought they would be eligible.

Recommendation 28:

Greater transparency on how grant award calculations are reached for all referral agencies and applicants should be considered in a future grant scheme. This should manage expectations for the applicants as well as the referral agencies in terms of the likely grant award amount. The eligibility criteria should be published on the Leeds City Council website.

Notification of grant award

Once the grant award had been calculated, the applicant was telephoned using the number supplied in the online form. The assessor explained the grant award in terms of how much would be given, how often payments would be (where appropriate), how to obtain the grant, which cash machine was closest to them, and who to contact if they encountered any problems. The assessors reported that on a few occasions when they told people that they would receive text messages the grant recipient became distressed and did not want to proceed with the grant. The reason behind this is unclear, and there was no particular demographic that this applied to. Some people accepted as an alternative payment method the collection of cash from a Credit Union at this stage.

Grant recipients reported that the council assessors were helpful and polite and felt that everything had been explained to them fully. The web survey supports this, as more than three-quarters of the grant recipients said that they had understood the grant award value, the duration of payments, that they would use cash machines to withdraw the money, who to contact in case of a problem, and which organisation was administering the scheme.

“She was lovely. She was very helpful... she explained everything fully” – Grant recipient, female, from the second stage of interviews

Recommendation 29:

There needs to be greater awareness of people’s preferences for how to receive the information that they need to access the grant and to offer flexibility over this to improve inclusion of all groups needing to access a cash grant.

Recommendation 30:

Improve the communication of where cash machines are located and ensure people know how to find out where they are so that they have choice over this. An added layer of flexibility would be to allow cash to be withdrawn from other outlets like Post Offices and Credit Unions.

Transmission of SMS/text messages

After speaking to the grant recipient, the council assessor would then instruct Cash Perks to send two text messages to the grant recipient’s mobile phone (per payment), one giving their order number and one their PIN code. The texts were sent to the mobile number provided by the applicant to the food bank or council. Cash Perks did experience some ‘bounce-backs’ when doing this. As soon as these texts were sent (which was usually within an hour of the phone call), the money was

available to withdraw from any cash machine with Cash Perks functionality. There were around 350 such cash machines situated in the Leeds city area.

Withdrawal of the cash grant from a cash machine

Immediately after receiving the texts the cash grant could be withdrawn by following the instructions issued. Withdrawal was a five-step process: navigate to the 'cardless menu' screen; enter mobile number; enter order number; enter PIN code; and enter amount of grant issued. Each grant payment was available to withdraw for seven days, after which point the money was retained by the council to be recycled back into the grant pot (this was rare). Whilst the majority of grant recipients found the process of withdrawing money to be straightforward, some did encounter difficulties, and some reported in the interviews that they had not been clear about who at the council to contact about this.

Recommendation 31:

Collaborate with the third-party provider to ensure that the system works without error and that grant recipients are clear who to contact to get help and that they are easy to reach.

Reactions to the grant

The food banks made it clear, when telling people about the pilot scheme, that it was only a possibility that they would be awarded the grant. When the council assessor called to tell them that they had been successful recipients recalled positive reactions.

Some people that the food banks spoke to by telephone thought the scheme might be a scam. In addition to this, some people called by the assessor also thought this. Others who were awarded the grant were warned by trusted individuals who had not heard of the scheme that it might not be legitimate which caused them concern. In one case a Support Worker thought that it might be a scam, on another occasion a member of staff in a bank said that it could not be real as they believed it was not possible to remove cash without a bank card.

It is reasonable to say that the deliberate lack of promotion of the pilot scheme and the unfamiliar mechanism of using Cash Perks and cash machines to distribute the grant (people are more used to receiving payments like benefits straight into their bank account), led to confusion and worry among some grant recipients.

"I thought 'Oh God, here we go, I'm getting someone who's ringing me up and trying to scam me'" - Grant recipient, female, from the first group of interviews

"Initially I thought the texts and emails were a scam and I didn't pay any heed to them until I received a phone call from the council at which point I was beyond grateful" – Web survey respondent, anonymous

5.3 Recommendations from the evaluation

This section presents all the recommendations arising from the evaluation.

2 Impact on people

2.1 Drivers of need for the scheme

Recommendation 1:

Addressing immediate needs was the priority for the pilot scheme. Considering both immediate needs and the underlying cause of need would be likely to boost impact for the grant. Without this approach, it will be harder for cash grant schemes to maximise their effectiveness.

2.2 Impact on household finances and resilience

Recommendation 2:

Grant recipients often have debts and these are dulling the impact of the cash grant scheme. A future scheme could consider paying a portion of people's debts in order to reduce people's outgoings, increasing the number of payments, or signposting people to debt advice services or the Citizens Advice Bureau for further support. This might allow for a longer-term impact from the grant.

Recommendation 3:

The pilot gave no restrictions of what the grant should be spent on, and future schemes should similarly offer total freedom to the grant recipients. With trust comes agency and dignity for the individual and there is no evidence from the pilot or the wider literature of misuse of unrestricted cash grants.

Recommendation 4:

Further research into the underlying causes of need such as a change in circumstances and what wraparound support would be needed to get people on their feet is needed. In-depth case studies tracking individuals' need for and accessing of support would be ideal to understand personal needs.

Recommendation 5:

Further research is needed into how the issues that particularly affect people eligible for the cash grant scheme, such as how problems with benefits, long-term ill health and debt combine, and how this affects people's ability to afford the essentials, to improve understanding of how a cash grant scheme can best impact people's lives.

2.3 Affording the essentials and food bank use

Recommendation 6:

Detailed longitudinal analysis of data held on referrals to food banks is needed to understand the ongoing impact of the cash grant on the need for food banks in any future evaluation. This should be done as part of any future grant scheme.

2.4 Emotional wellbeing

Recommendation 7:

A more quantitative approach to measuring wellbeing should be considered as part of the evaluation of any future scheme, using indicators such as the Warwick-Edinburgh Mental Wellbeing Scale which gauges wellbeing longitudinally.

2.5 Comparisons with food banks

Recommendation 8:

Keep the freedom of choice with no restrictions on spend in a future scheme. This gives the grant recipients autonomy and the ability to make their own choices about how to best address their needs.

3 Findings on operational delivery

3.1 Overall satisfaction with the pilot scheme

Recommendation 9:

Ensure that those areas that are key to generating a high likelihood to recommend are maintained. This includes: speed of payment, the friendly and professional approach of the LWSS assessors and keeping cash withdrawal process as straightforward as possible.

3.2 Speed of provision

Recommendation 10:

Any future cash grant scheme should retain an emphasis on being a fast process for all grant recipients to access the grant.

3.3 Accessibility

Recommendation 11:

Cash from the cash machine should be considered as a mechanism to continue in the future, as this was selected as the most popular payment method, but with the flexibility of offering other

payment options such as the Post Office and Credit Unions. Having alternative locations to collect the money from should ease travel issues for grant recipients.

Recommendation 12:

In a future cash grant scheme, the council should support grant recipients by helping them to find the cash machine that is most convenient to reach, which might not always be the one closest in distance to their home. Currently, the closest machine to their home is offered by default, but is not always the most convenient. Future schemes could provide recipients with a list of multiple machines in the area to choose from. While a weblink is sent via SMS/text showing all the locations, grant recipients should also be given a phone number to call to get this information to avoid digital exclusion.

Recommendation 13:

A future cash grant scheme should use a provider that offers inclusivity and ensures that there is a way for all grant recipients to easily access their grant. Particular emphasis should be placed on people that are disabled or have a health condition be it physical or mental. Consideration should be made to providing additional support to grant recipients on how to access the money. Offering a choice in how to receive the money is recommended, so that people can be supported in the best way for them individually.

Recommendation 14:

In a future scheme, attention needs to be given to ensuring that people who could be referred to the cash grant scheme believe that the offer is genuine and not a scam. This could be through promotion of the scheme to individuals or deliberately designing the first approach to individuals to be a trusted person such as a support worker or the original referral agency that issues the food voucher. This should also increase the number of people that pick up the phone call to answer the eligibility questions. Promotion would also reassure people that the grant is not a loan that needs to be re-paid like a Universal Credit advance.

Recommendation 15:

Better promotion of third-party payment mechanisms to potential grant applicants should be put in place. Ensuring that the most at risk and difficult to reach groups are reached will be essential in a future scheme.

Recommendation 16:

Eligibility criteria should be revisited before any future grant scheme, ensuring that those demographics and life experiences common to grant recipients are taken into account. This would also help with inclusivity when planning which mechanism to use to transmit payments to recipients. This should include digital as well as geographical exclusion (transport links) and health issues.

Recommendation 17:

A wraparound support approach would allow further support to be offered by linking up with health services to support people to get the mental and physical support that they need.

5.2 Design of the process for the cash grant pilot scheme

Recommendation 18:

Other trusted partner agencies could be brought into a future scheme, to share the responsibility for referrals to the cash grant scheme more widely to ensure it reaches everyone who is eligible and could benefit. Consideration should be made of routes of application for people that are newly in crisis and do not have existing relationships with partner agencies. Self-referral for people to apply for themselves online could also be considered, as well as retaining phone applications and allowing paper applications for maximum inclusion. These changes would allow for people not accessing food banks to be included in the scheme.

Recommendation 19:

The online referral form, in a new cash grant scheme could be shortened so that the referral agency that refers people to food banks could complete it, to make onwards referral to the cash grant scheme easier. The council's, trained assessors could then handle the rest of the eligibility questions, taking that responsibility away from the food banks. Self-referral could also give applicants agency in this process, although to ensure inclusivity a non-digital paper application should be allowed to run alongside the online referral form, as well as by telephone as was the case for 'direct awards' during the pilot scheme.

Recommendation 20:

Currently it is not legally possible for the Local Welfare Assistance Scheme (LWAS) to support people classified as having No Recourse to Public Funds (NRPF) as being eligible for the cash grant. The Institute for Public Policy Research reports that there were 1.3m people in the UK with this status, excluded from many types of support. In future, the council and third sector partners could seek to address this imbalance with government. An inclusive model should seek to address this group's needs in a crisis.

Recommendation 21:

In a future scheme, promotion of the scheme to potential applicants and all the relevant agencies should increase awareness of the scheme and its eligibility criteria, which could lead to a drop in refusal rates. This may also increase the number of cash grants processed weekly as there would be fewer refusals to process. Some local authority and government schemes state the eligibility requirements online, so this should be considered, as should preparing paper factsheets for people not able to access websites, so that they are not excluded from the information. Making this information readily available would also assist people in self-referring into the scheme.

Recommendation 22:

In a future scheme, screening people before they are asked eligibility questions should be avoided. The method of doing this in the pilot scheme was acknowledged by the food banks to be problematic but needed to be implemented as neither they (nor the council) had staff capacity to speak to every individual that used a food bank. Self-referrals either online or on paper could be introduced in a future scheme to take the place of this screening and the eligibility questions being asked by telephone (although as an option this could remain).

Recommendation 23:

The questions in the online referral form should be reviewed before launching a future scheme. Key questions that would have been useful for the council's assessment stage were not included, and if asked would make this assessment process faster.

Recommendation 24:

A future scheme would need a back-up system for submitting applications in case of an IT issue with the cash grant form. This could be a paper form a web survey, and council staff would then manually enter the details into their system for assessment.

Recommendation 25:

It should be considered carefully whether in a future scheme any proof of need such as earnings would be required. While it may be necessary when spending public funds, it would be more of a burden on the applicant.

Recommendation 26:

A future scheme should gather more demographic data about the applicants, so that this can be analysed to determine whether the scheme is reaching a wide cross-section of people that need it. Most notably, ethnicity, gender, disability and health status would be useful additions.

Recommendation 27:

A future scheme would benefit from a new procedure of trying to contact people who don't answer their mobile phone. If a person cannot be reached by an assessor on the mobile number that they provided in their application, then the assessor should be able to try contacting them using details already held by the council or by asking the food bank (if they were referred by them) if they have another way of reaching them. GDPR would need to be investigated with regard to this data sharing. Or alternatively, applicants should be able to specify their preferred contact method. This will allow the council assessors to try to contact the 5% that were non-contactable to speak to them about the cash grant.

Recommendation 28:

Greater transparency on how grant award calculations are reached for all referral agencies and applicants should be considered in a future grant scheme. This should manage expectations for the applicants as well as the referral agencies in terms of the likely grant award amount. The eligibility criteria should be published on the Leeds City Council website.

Recommendation 29:

There needs to be greater awareness of people's preferences for how to receive the information that they need to access the grant and to offer flexibility over this to improve inclusion of all groups needing to access a cash grant.

Recommendation 30:

Improve the communication of where cash machines are located and ensure people know how to find out where they are so that they have choice over this. An added layer of flexibility would be to allow cash to be withdrawn from other outlet like Post Offices and Credit Unions.

Recommendation 31:

Collaborate with the third-party provider to ensure that the system works without error and that grant recipients are clear who to contact to get help and that they are easy to reach.