

Written evidence submitted by the Trussell Trust (BSW0044)

The Trussell Trust is an anti-poverty charity supporting a UK-wide network of more than 1,200 food bank centres and together we provide emergency food and support to people locked in poverty, and campaign for change to end the need for food banks in the UK.

Summary

- **One of the key challenges for the benefits system in Wales and the UK alike is shown in the high numbers of people needing support from food banks**, demonstrating there are too many people currently unable to afford the essentials.
- **Food banks in the Trussell Trust's network in Wales distributed 146,000 emergency food parcels to people facing crisis between April 2020 and March 2021.** These figures mark an 8% increase on the year before and a 69% increase since 2015/16.
- **There are signs that destitution has increased as a result of the pandemic, particularly in manufacturing, coastal and rural regions in Wales.** While the number of food parcels given out provides a useful indication of need, it is merely a symptom of an underlying economic need which can more accurately be categorised as destitution.
- **Both need for food banks and destitution are useful indicators of how effectively the benefits system is supporting people.** We know that on the eve of the pandemic 86% of people needing to use a food bank in the UK were claiming social security as their primary source of income.¹
- **Going into the pandemic, it is clear that the benefits system was not supporting people adequately to afford the costs of essentials**, with 86% of people arriving at food banks having social security as their primary source of income. Some of the problems with the benefits had a particularly negative impact on some Welsh communities, for example due to the higher rates of disability in Wales compared to elsewhere in the UK.
- **During the pandemic, we have seen the UK government make positive changes to the benefits system to better meet the needs of the people of Wales – but these are at risk.** The £20 increase to Universal Credit has had a particularly beneficial impact in Wales, and removing it as planned would have a disproportionately damaging impact here.
- **Welsh government have likewise made welcome adaptations to allowances and grants which have better met needs of people who might otherwise need to use a food bank – these should be maintained. For example,** the Discretionary Assistance Fund (DAF) has played a particularly strong role in preventing people being pulled into destitution during the crisis. The strengthening of the DAF through numerous funding injections and easements to eligibility criteria has been particularly beneficial.
- **Further changes to the Welsh benefits system should prioritise better integrating the support available, and providing a more joined-up offer for people on low incomes.** This is

¹ The State of Hunger (2021), *The Trussell Trust*, <https://www.trusselltrust.org/state-of-hunger/>

particularly important given the significant overlaps between people relying on different Welsh benefits, such as council tax reduction and free school meals.

- **Longer-term, ending the need for food banks should be a priority of Welsh government as part of any strategy to tackle poverty**, with the roles of Welsh benefits playing a key role in ensuring that everyone is able to afford the basics and help to end the need for food banks.

Key challenges for the benefits system in Wales and the UK alike is the high numbers of people needing support from food banks

- Food banks in the Trussell Trust's network in Wales distributed 146,000 emergency food parcels to people facing crisis between April 2020 and March 2021. More than 54,000 of these went to children – that's one parcel every 10 minutes on average. These figures mark an 8% increase on the year before and a 69% increase since 2015/16.²
- However, this represents a lower level of need than comparative figures from the UK as a whole, where need for emergency food parcels rose by 33% during the pandemic, and 128% compared to five years ago.³
- While the number of food parcels given out provides a useful indication of need, it is merely a symptom of an underlying economic need which can more accurately be categorised as destitution.
- State of Hunger (2021) by Heriot Watt University, on behalf of the Trussell Trust, shows that almost all (95%) people needing to use a food bank are experiencing destitution.⁴ This is defined as being unable to afford to buy the absolute essentials that we all need to eat, stay warm and dry, and keep clean. Levels of destitution in Wales prior to the pandemic were just below the average for Great Britain as a whole, demonstrated in fig.1.
- Both need for food banks and destitution are useful indicators of how effectively the benefits system is supporting people. We know that 86% of people needing to use a food bank were claiming social security as their primary source of income.⁵
- State of Hunger (2021) shows that problems with benefits administered by the UK government - more often than not related to the design of the system, such as levels of payments and restrictions in eligibility - are the most significant immediate driver of need for food banks. Some of these benefit issues have a particularly negative impact on communities in Wales due to the demographics and needs of the population there.
- For example, given the higher rates of disability in Wales than England,⁶ the problems cited with the structure and process of the Personal Independence Payment assessment system is therefore likely to have a greater impact here.⁷

² The Trussell Trust, *End of year stats* (2021), <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/>

³ Ibid.

⁴ The State of Hunger (2021), *The Trussell Trust*, <https://www.trusselltrust.org/state-of-hunger/>

⁵ Ibid.

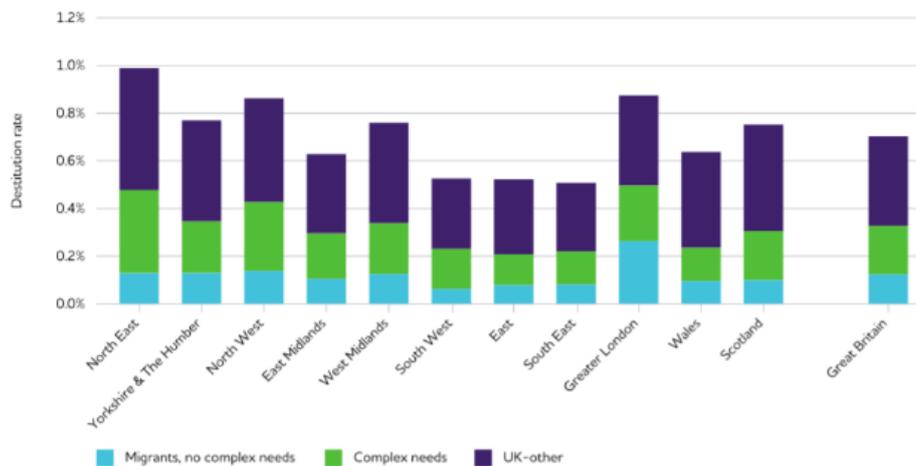
⁶ In 2015, the proportion of people with a disability in Wales (22.7%) was notably higher than in England (17.6%),

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/articles/nearlyoneinfivepeoplehadsomeformofdisabilityinenglandandwales/2015-07-13>

⁷ The quality of PIP assessments has been criticised by organisations supporting people with disabilities, and three-quarters of decisions not to award PIP that were taken to Tribunal in 2018/19 were overturned (House of Commons Work and Pensions Committee, 2018; Ministry of Justice, 2019), *State-of-Hunger-2021-Report-Final.pdf*

- The impact of the under-occupancy charge ('bedroom tax') is another area of policy which has a particularly negative impact on some Welsh communities, given there are fewer one or two bedroom properties available than across Britain.⁸ Evidence suggests that a higher proportion of people referred to food banks in the Trussell Trust network in Wales are impacted by the bedroom tax (29%) compared to the UK as a whole (18%).⁹ Analysis by the Bevan Foundation has also found a higher proportion of social housing tenants in Wales impacted than in the rest of Great Britain.¹⁰

Fig. 1. Destitution rates, by region of England and country of Great Britain, showing the contributions of the main sub-groups (% of households, 2019, Great Britain)¹¹



The Covid-19 pandemic has clearly increased the need for food banks in Wales, and this has been driven by rising levels of destitution

- Research by Heriot Watt University on behalf of the Trussell Trust shows that the pandemic has exacerbated levels of destitution in Wales. The research is based on an analysis of jobs and earnings changes during the pandemic, with an assessment on their impacts on poverty and predicted destitution levels. This has been reported at both a regional level and at the level of a typology of local authority 'groups'.¹²
- Heriot Watt University forecast an additional 14,863 households in Wales would be pushed into 'destitution' as a result of the pandemic, representing 1.1% of all households. This was particularly pronounced in areas with manufacturing traits, where an additional 1,238

⁸ House of Commons Welsh Affairs Committee, The impact of changes to housing benefit in Wales, Second Report of Session 2013-14, (October 2014) available at - <https://publications.parliament.uk/pa/cm201314/cmselect/cmwelaf/159/159.pdf>.

⁹ 829 people social renting referred to food banks in the Trussell Trust network surveyed in late 2018 or early 2020 as part of the State of Hunger Research programme- for full details please contact the Trussell Trust's research team

¹⁰ Bevan Foundation analysis based on February 2021 data available on Stat Xplore

¹¹ Ibid.

¹² This uses the ONS-commissioned classification of local and small areas based on 2011 Census and other data, using the middle level 'group' classification of local authorities into effectively 15 groups. It should be noted that although a revised version of this classification was subsequently issued, for consistency with other studies we still utilise the original version 1 of the classification

households were expected to be pushed into this position, representing 2.5% of all households in this group – one of the highest rates of increase for any regional typology across the UK. Rural and coastal communities were also forecast to be particularly hard hit by the economic fallout.

During the pandemic, we have seen the UK government make positive changes to the benefits system to better meet the needs of the people of Wales – but these are at risk

- The increases to the Universal Credit standard allowance, Local Housing Allowance, as well as easement to deductions and pauses to conditionality, combined to provide a more supportive experience for individuals claiming benefits during the crisis. It has helped mitigate some of the impact on destitution and food bank use, without which the evidence suggests we would have seen far higher levels of need.
- Evidence suggests that the increase to Universal Credit standard allowance has had a particularly beneficial impact in Wales, and that removing it as planned would have a disproportionately damaging impact here.¹³
- Modelling by Heriot Watt University suggests removing this increase as planned would see an almost 30% increase in the number of food parcels given out by food banks in Wales, compared to 5% in southern England.¹⁴ This would put Wales as the most severely affected nation or region of the UK, risking further deepening of inequalities.

Welsh government has made welcome adaptations to allowances and grants which have better met needs – and should be maintained

- Benefits from Welsh government and local authorities have played a particularly crucial role over the last 18 months, providing vital support for those impacted by the pandemic. This has helped to support people who would otherwise be struggling to get by on the support available from the UK social security system alone, crucially not impacting their entitlements to UK support.
- We have seen the Discretionary Assistance Fund (DAF) play a particularly strong role in preventing people being pulled into destitution during the crisis. The strengthening of the DAF through numerous funding injections. For 2021/22, to meet demand arising from the continued impact of the pandemic, a further £10.5m has been made available.¹⁵ This builds on the additional £14.9m plus a relaxation to the award criteria bringing the total budget to £27.6m for 2020/21.
- Increased funding has come alongside easements to eligibility criteria and improving access, with those facing hardship as a result of the pandemic being able to make 5 rather than 3 claims in a 12 month period and the removal of the 28 day claim limit.
- This has helped to mitigate some of the pressure on food banks, by providing an alternative, more dignified form of support to people facing destitution. These new flexibilities should be

¹³ Modelling by Heriot Watt University predicated that removing the £20 increase to UC would result in a 29.9% increase in food bank parcels delivered Wales, compared to 12.3% in Scotland, 11.4% in London, 8.7% in the North of England <https://www.trusselltrust.org/wp-content/uploads/sites/2/2020/09/Heriot-Watt-technical-report-FINAL.pdf>

¹⁴ Heriot Watt University, Potential destitution and food bank demand resulting from the Covid-19 crisis in the UK (2020) <https://www.trusselltrust.org/wp-content/uploads/sites/2/2020/09/Heriot-Watt-technical-report-FINAL.pdf>

¹⁵ <https://gov.wales/covid-cash-boost-for-wales>

retained when reviewed in September 2021, to maintain this progress towards more consistent and accessible crisis support.

- There are further positive signs, with the recent partnership between the DAF and the Single Advice Fund. This is a welcome development, if it achieves a more joined up approach to ensuring people experiencing a financial crisis access advice and support to maximise their income.
- The Welsh Government's national Council Tax Reduction scheme has continued to provide support to people who might be struggling to afford the cost of essentials. This ensures that all local authorities in Wales offer the same reductions and administer the scheme in their areas. There are signs this may be effective in providing support to people needing to use food banks, with 23% of households referred to food banks in Wales being in arrears on their council tax compared to 34% across the UK.¹⁶

Further changes should prioritise integrated support and providing a more joined-up offer for people on low incomes

- While the DAF has played a crucial role in the pandemic, it is a source of concern that a discretionary crisis system is having to plug gaps elsewhere in the system.
- Welsh government should consider further action to better integrate the DAF with other benefits available, particularly Discretionary Housing Payments and Council Tax Reduction Schemes. This could help ensure a more tailored a single point of entry for individuals, reduce the time and difficulty navigating systems, and ensure people were better supported to address the root causes of their hardship.
- At the same time, Welsh government has an important role in advocating to the UK government around where the DAF and other benefits are plugging gaps in the UK social security system, notably where benefits payment are too low, or there are delays or deductions as a result of the five week wait for a first Universal Credit payment.

An integrated approach to Welsh benefits could help ensure everyone is able to afford the basics and help to end the need for food banks.

- People are forced to charities for emergency food when there isn't enough money for the essentials. Welsh government should support a cash-first approach through the benefits system wherever possible, instead of relying on the distribution of emergency food. This means using its powers to improve the sufficiency, accessibility and responsiveness of benefits and cash-based crisis grants available in Wales.
- Specifically, this should include:
 - o Targeting households on low incomes, defined as being eligible for Universal Credit, and treating them with dignity and respect
 - o Ensuring a single point of access for Welsh benefits, using online, phone or postal methods
 - o Ensuring access to support is based on clear criteria which is effectively communicated to applicants
 - o Reforming the DAF to a crisis support fund that is based on eligibility and entitlement rather than discretion
 - o Aligning the administration of UK and Welsh benefits where access criteria is the same.

¹⁶ 1846 people referred to food banks in the Trussell Trust network surveyed in late 2018 or early 2020 as part of the State of Hunger Research programme - for full details please contact the Trussell Trust's research team.

- This should come alongside efforts to help local and national services to better work together to ensure people get the right support at the right time. This should include investing in the support services that help to address the underlying needs in their communities.

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