

## GENERAL SYNOD

### Food Banks and Inadequacies in Social Security

#### Summary

This paper sets out concerns in the Diocese of Sheffield that food banks are becoming the default safety net in British society for those suffering from deprivation. This is a role for which they are ill fitted. As many food bank practitioners say, people need ‘cash first.’

In recent years, food bank usage has soared, despite extensive temporary Government support for low-income households through the cost of living crisis. This suggests an underlying problem: that Britain’s welfare state is no longer offering an effective safety net. The social security ‘reforms’ of the last decade or so, driven by ‘austerity’, have led to a situation in which many people, including many families with children, simply do not have enough money for the essentials of life. In order to address this problem, the Trussell Trust and the Joseph Rowntree Foundation have proposed an Essentials Guarantee embedding in social security law the principle that people should be protected from going without essentials.

The Church of England has had a long-standing involvement in state welfare policy. Sheffield Diocese urges the House of Bishops to take up the issues in our motion with the Government.

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#### The Sheffield Diocesan Synod Motion and its background

1. In July 2022, Sheffield Diocesan Synod agreed to submit the following motion to General Synod:

‘This Synod, mindful that the fourth Mark of Mission of the Anglican Communion is to ‘transform unjust structures of society’

- a) notes the major contribution to social welfare being made by the churches and others in the provision of food banks;
- b) notes with concern that levels of dependence on food banks have been increasing and that inflation is making the situation even worse;
- c) believes that this dependence reflects serious inadequacies in the social security system;
- d) notes that the Trussell Trust has said: “we stand on the edge of a precipice with a clear decision to make: either we accept food banks as a ‘new normal’ or we work to create a more dignified, compassionate and humane society where everyone has enough money for essentials”;
- e) welcomes the Chancellor’s intervention to help the least well-off households with their energy bills, but notes this will not remove the problem of increased dependency on foodbanks; and
- f) calls on the House of Bishops to urgently engage with HM Government, in particular the Secretary of State, to press it to review the adequacy of current social security provision.’

2. The Diocese of Sheffield includes most of South Yorkshire and a small part of the East Riding. Despite some economic revival, the decline of coal, steel and other industries has left its mark on the region, which has above average levels of deprivation. In the 2010s,

some 15 food banks were established in Sheffield, often by Anglican volunteers or other church people, with similar provision in other parts of the Diocese. In recent years, demand for food bank provision has soared. Figure 1, at the end of this paper, shows the extraordinary increase in demand between 2021 and 2023 in a very active food bank operating in the South of Sheffield.

3. The view in the Diocese is that it will be most unfortunate if food banks become a permanent feature of our region and our society. People need cash, rather than food parcels. They use food banks reluctantly and out of desperation because they simply have not got enough money to support their families. We need to find a better way. Many of those volunteering in food banks would agree with this view.

### **Food bank usage- the national picture**

4. Food banks fall into two categories – those supported by the Trussell Trust and those in the ‘Independent’ Food Aid Network (IFAN).

5. The Trussell Trust has a network of 1300 food bank centres in the UK, offering emergency food to people referred to them as well as support and advice to help lift people out of poverty. In the year ending in March 2023, the network distributed nearly three million emergency food parcels – an increase of 37% on the previous year. More than one million of these parcels were distributed for children. Demand remained high between April and September 2023, with 320,000 people turning to their food banks for the first time. Emma Revie, the Chief Executive of the Trust, commented:

“These statistics are extremely alarming. An increasing number of children are growing up in families facing hunger, forced to turn to food banks to survive. A generation is growing up believing that it’s normal to see a food bank in every community. This is not right.”<sup>1</sup>

6. The Independent Food Aid Network represents most of the 1,172 independent food banks known to exist across the UK. IFAN believes in a cash first approach to food aid security i.e. to reduce the need for charitable food aid by helping people to access any existing financial entitlements and advice on income maximisation. IFAN reported in August 2023 on a survey of 200 of their food banks. Their survey revealed:

- a) ‘an ever alarming picture of charitable food aid demand continuing to soar as frontline teams struggle to cope’
- b) ‘Most organisations said that people are now seeking their help in the long term because of inadequate wages and financial entitlement’
- c) ‘Donations have fallen and, if demand increases further, over half the contributing organisations said that they would need to reduce the support they offer or would have to turn people away’
- d) ‘The scale and complexity of the cases volunteers and staff are trying to deal with are extremely distressing’<sup>2</sup>

<sup>1</sup><https://www.foodaidnetwork.org.uk//www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/>

<sup>2</sup>[https://www.foodaidnetwork.org.uk/\\_files/ugd/81e3d7\\_9d0a2965d96d4f8aa26bd614aadce548.pdf](https://www.foodaidnetwork.org.uk/_files/ugd/81e3d7_9d0a2965d96d4f8aa26bd614aadce548.pdf)

## Why has food bank demand increased so much?

7. The soaring food bank demand of the last two years is, of course, connected with the **cost of living crisis**. The annual rate of inflation peaked at 11.1% in October 2022. Households with the lowest incomes have experienced a higher than average inflation rate, because of their greater dependence on food and energy spending. Food price increases have been much higher than general inflation. Over the two years ending October 2023, food prices rose by 28%. Similarly, energy price increases have placed great pressure on household budgets. Even after the Government's Energy Price Guarantee, typical energy bills increased by 27% in October 2022.<sup>3</sup> Rent increases have been another important pressure on low-income households.

8. It would be wrong to suppose that people use food banks simply because they find food too expensive. Food bank teams find that people face a complex range of financial problems, such as increasing debt, rent increases, high energy bills and difficulties with state benefits, as well as soaring food prices. Many food banks offer advice on benefits, housing and debts and do their best to make sure that clients are able to move on from foodbank use. Some people do not want to use food banks or seek help and instead borrow to 'get by'. By the time they come to a food bank, their indebtedness can be so great as to be very difficult to deal with.

9. The Government has taken various steps to alleviate financial pressure on those on lower incomes caused by the cost of living crisis, including the following:

- a) In 2022/23, working age households on Universal Credit and other means-tested benefits got £1200 additional help – a £400 reduction in energy bills, a £150 reduction in council tax and two lump-sum payments totalling £650 (plus a further £150 for those with disabilities). In 2023/24, there was further help, including three lump sum payments totalling £900;
- b) A £300 Pensioner cost of living payment;
- c) A Household Support Fund to enable local authorities to make discretionary payments to households most in need;
- d) From April 2024, inflation-linked benefits and tax credits will be uprated by 6.7% (in line with the annual CPI inflation rate in September 2023); and
- e) From April 2024, a 9.8% increase in the National Living Wage and National Minimum Wage to £11.44 for those 21 years and older.

10. The Government's support for households at the height of the cost of living crisis made a big difference in a potentially disastrous situation. However, despite these payments, food bank usage still soared. How can we explain this? Clearly the timing and coverage of Government support measures can never be perfect and some people will simply have fallen into cracks between the various schemes. But the scale of additional food bank usage was so great as to suggest that we face a more fundamental problem – **that Britain's welfare state no longer has an effective safety net**. This is the result of social security policy changes over the last decade.

11. Our welfare state aims to provide a safety net to protect citizens from severe deprivation. But this safety net has gradually been undermined as a result of recent 'austerity' policies. Examples include the following:

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<sup>3</sup><https://commonslibrary.parliament.uk/research-briefings/cbp-9428/>

- a) the Government froze the level of Universal Credit (UC), child benefit and a range of other benefits for four years from April 2016. As a result, the purchasing power of these benefits declined each year with inflation. This loss of purchasing power has never been restored. It has intensified a problem identified by the Institute for Fiscal Studies: “Compared with most developed nations, the UK’s benefit system provides little income protection against job loss.”<sup>4</sup> The Government’s £20 a week increase in UC during the pandemic suggested a recognition that the level of UC was no longer adequate, but this uplift was abolished once the pandemic receded.
- b) For children born from April 2017 onwards, benefits have been restricted to two children for each family. There is evidence that this has increased poverty in larger families. The Resolution Foundation has estimated that nearly half of families with three or more children were in relative poverty in 2021/22, up from a third in 2012/13.<sup>5</sup>
- c) Local housing allowances (LHA) rates govern the maximum of support that a private renter can receive. These rates were frozen for 4 years April 2020, whereas rents for new lets have risen by more than a fifth on average. The proportion of new rental properties affordable within Housing Benefit has fallen to from 23% to 5% - the lowest level ever recorded.<sup>6</sup> From April 2024, the freeze will end with a new system for calculating household entitlements.
- d) In recent years, sanctions for failure to observe social security requirements have become much more severe and have been applied much more frequently than hitherto. This has intensified problems of deprivation and debt.
- e) When Universal Credit was introduced, there was built into the scheme a five-week waiting period between making a claim and receiving money. This has increased indebtedness.

12. These examples show how the financial position of many low income households has become much more fragile as a result of Government policy changes in the last decade. This means that sudden economic shocks (such as energy price increases) or family pressures (such as sickness, redundancy or relationship breakdown) can easily tip a family into a financial crisis.

### **What is the remedy?**

13. Our view that soaring food bank usage reflects inadequacies in social security is shared by:

- a) the Trussell Trust, who say: “We stand on the edge of a precipice, with a clear decision to make: either we accept food banks as a ‘new normal’, or we work to create a more dignified, compassionate, and just society where everyone has enough money for the essentials.”
- b) the Joseph Rowntree Foundation, who say: “A key driver behind more food parcels being handed out is that Universal Credit - our system for supporting people in hard times - is, for the vast majority, simply not providing enough to cover the cost of core essentials like food, hygiene products or electricity. In

<sup>4</sup><https://ifs.org.uk/publications/benefits-and-tax-credits>

<sup>5</sup><https://commonslibrary.parliament.uk/research-briefings/cbp-9301/>

<sup>6</sup><https://ifs.org.uk/news/housing-benefits-have-been-frozen-while-rents-have-sky-rocketed-only-1-20-private-rental>

many cases, levels of support are being pulled far below what is needed to cover the essentials.”<sup>7</sup>

14. The Trussell Trust and Rowntree propose an **Essentials Guarantee**, embedding in social security law the widely supported principle that, as a minimum, Universal Credit should protect people from going without essentials. There would be an independent process to regularly determine the Essentials Guarantee level, based on the cost of essentials (such as food, utilities and vital household goods). Universal Credit’s standard allowance would have to meet this level, regardless of any deductions.

### Why should the church get involved?

15. The Church of England has long been involved in Britain’s social welfare policy. William Temple, later Archbishop of Canterbury, actually coined the expression ‘welfare state’ in his Henry Scott Holland lectures in 1928.<sup>8</sup> In 1942, he and another Anglican, Professor Richard Tawney, greatly influenced William Beveridge’s famous report on social policy. In the same year, Temple ended his influential book *Christianity and Social Order* with a set of ‘objectives’ including the following:

1. Every child should find itself a member of a family housed in decency and dignity, so that it may grow up as a member of that basic community in a happy fellowship unspoilt by underfeeding or overcrowding, by dirty or drab surroundings ...
2. Every child should have the opportunity of an education till years of maturity...
3. Every citizen should be secure in possession of such income as will enable him to maintain a home and bring up children in such conditions as are described in paragraph 1 above.<sup>9</sup>

16. Our society today is many times wealthier than it was in 1942, yet we have fallen short of Temple’s objectives. Among those affected by the problems discussed in this paper are many thousands of children.

17. Finally, the fact that many food banks rely on church support means that the Church has every right to express views to Government on long term solutions to Britain’s welfare problems.

Diocese of Sheffield  
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<sup>7</sup><https://www.jrf.org.uk/news/hunger-on-this-scale-isnt-normally-associated-with-a-society-in-peace-time>

<sup>8</sup><https://www.theosthinktank.co.uk/comment/2017/12/08/the-church-the-welfare-state-and-the-future>

<sup>9</sup>William Temple: *Christianity and Social Order*. Shephard-Walwyn. First published 1942. 1976 Edition. Pages 96-97.

**Figure 1:** People helped each month by the Grace Food Bank in the South of Sheffield 2021-23



**Figure 2:** Emergency food parcels given by Trussell Trust food banks 2017/18-2022/23

