

# Report to Scrutiny Commission

Neighbourhood Services and Community  
Involvement Scrutiny Commission

Date of Commission meeting: 9th April 2014

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## **Food Bank Provision in the City**

Report of the Director of Finance

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### Useful Information:

- Ward(s) affected: All
- Report author: Caroline Jackson Head of Revenues & Benefits
- Author contact details: 0116 454 2501  
Caroline Jackson@leicester.gov .uk
- Date of meeting: 9 April 2014

## 1. Summary

**1.1** The a report details the provision of food banks within the city, and outlines the work undertaken to identify and support the organisations delivering emergency food aid and develop a strategy for the city as a result of the research undertaken.

## 2. Recommendation(s) to scrutiny

**2.1** To note the impacts and trends highlighted in the report and comment on initial findings if appropriate.

## 3. Supporting Information

### Background

#### Welfare Reform Changes

**3.1** In the current economic climate and with the sweeping welfare reforms brought in through this government's first term in office a great many of the 130,000 households in the city are facing increasing financial pressures and poverty.

**3.2** Over 43,000 households in the city are in receipt of a welfare benefit as their main source of income with 26,000 children in the city growing up in poverty. These households are facing increases in their general cost of living - the majority are now paying some of the highest tariff rates for fuel, contributing a minimum of 20% towards their council tax bill and some 2,500 face the 'under occupancy penalty' ('bedroom tax') reducing Housing Benefit entitlement by up to 25%.<sup>1</sup>

**3.3** There is also a hidden population in the city who are working, usually a couple or family, who were coping financially but with recent increases in food and fuel costs are now on the edge of a financial cliff and no longer able to manage within their budget. Decreases in the national unemployment statistics to 7.1%<sup>2</sup> have masked the problem of 'underemployment,' i.e. those working on zero-hour or part-time contracts who cannot find full time work – a further 9.4% of the working age

<sup>1</sup> See Appendix A Fig.1 for a comparison of food bank demand against the background of welfare reform.

<sup>2</sup> 'Quarterly Labour Market Statistics,' Office for National Statistics January 2014

population. Wages in real terms have declined for the past five years and the minimum wage has not increased above inflation since 2008<sup>3</sup>. It is therefore unremarkable that both benefit households and those on low salaried income are now struggling to afford to feed the household.

**3.4** A number of these households are increasingly turning to food distribution locations across the city to help them cope. From May 2012 to date the number of food banks we have been able to identify in Leicester has tripled<sup>4</sup> in line with national data compiled by the Trussell Trust<sup>5</sup> – it is estimated that over 500,000 people in the UK today are reliant on food aid.

### **Why the research was undertaken.**

**3.5** In April 2013 Leicester's Community Support Grant (CSG) scheme became operational. It replaced the Department for Work and Pensions (DWP) crisis loans and community care grants. The new discretionary funding allowed Leicester the opportunity to be flexible in designing the local emergency provision for vulnerable groups, according to local circumstances, in order to meet severe hardship in crisis situations in the most appropriate way. While researching local requirements, in preparation for its introduction it was identified food would be one of the main requirements of the crisis applicants.

**3.6** Social Welfare Law Advice Partnership Forum (SWAP) is a collaborative partnership with representatives from within the city council, advice providers as commissioned by the city council and voluntary advice services from within the city. The group's main purpose is information sharing and identifying risks and issues that present themselves in the city including poverty, deprivation and homelessness. In the last 9 months the group has reported an increasing demand for emergency food aid following the implementation of the Department for Work and Pensions (DWP) sanctions regime which has left an increasing number of people with little or no income to live on. The group have supported our work to map the current food provision.

**3.7** In addition to this the increasing demand for food aid had been recognised within Leicester's Child Poverty Commission report 2012 and in 2013 the commission recommended that :-

*"In response to the growing demand for emergency food aid, Leicester City Council should work with partners, including Fare Share, to provide citywide co-ordination of food banks with an agreed local referral framework."*

**3.8** The council has also been approached by Leicester MPs and the Bishop of Leicester regarding the provision of food and both offices have engaged with the mapping process.

### **How we undertook the mapping**

<sup>3</sup> 'Underemployment in the UK,' D. Blanchflower & D. Bell, National Institute Economic Review, May 2013

<sup>4</sup> See Appendix A Fig.2 for analysis of food bank proliferation May 2012 – date.

<sup>5</sup> 'Food Banks & Food Poverty,' All-Parliamentary Poverty Group 16 December 2013

**3.9** Since June 2013 the Revenues & Benefits service has worked with Voluntary Action Leicester (VAL) to organise a series of events for the food bank providers for them to identify the scope of their provision and the demand experienced. With the assistance of this group we were able to identify a limited number of new food outlets but also became aware of other wider issues regarding sustainability. More recently we have undertaken site visits to each food bank in the city to collect more detailed information.

**3.10** During January – February 2014 each food bank was visited in order to collate data on provision covering the sources of food distributed, the longevity and suitability of food received, access criteria, changes in user demographic, experience of demand and long-term viability.

**3.11** It should be recognised that this is a snap shot of provision as at February 2014 as the provision landscape regularly changes.

### Research findings

**3.12** We have identified there are broadly three main types of provision:-

- **Emergency food** (*i.e. providing several days of non-perishable food to those in crisis*).
- **Hot meals** (*services aimed primarily at homeless or disadvantaged groups*)
- **Surplus food distribution** (*fresh, chilled and close-to-expiry food provided to eliminate food waste from wholesale/retail outlets*)

<b>Emergency food provision in the city</b>				
	<b>Hot meals only including lunch clubs</b>	<b>Food parcels</b>	<b>Meals and food parcels</b>	<b>Total</b>
<b>North</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>8</b>
<b>West</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>6</b>
<b>East</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>10</b>
<b>Central</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>11</b>
<b>South</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>Total</b>	<b>13</b>	<b>23</b>	<b>6</b>	<b>42</b>

**3.13** The geographical location of each scheme has been transferred onto a map of the city.

**3.14** This information provided a clear picture of the uneven distribution of the food bank provision in the city, particularly in relation to ward areas and areas of deprivation.<sup>6</sup>

**3.15** It was very clear in June 2013 that there was no coordinated provision for food assistance. We found that the provision was extremely varied, with some schemes

<sup>6</sup> See Appendix A Fig. 4 for current food bank locations compared with the National Deprivation Index assessment for each area.

providing food parcels only, while some combined this with a hot meal provision and other provisions such as budgeting advice. In addition each had its own specific access criteria, opening times and delivery model.

**3.16** While all food banks were happy to register their details with us as a provider there were concerns that their inclusion in any published list would generate increased demand which they would not be able to meet and could jeopardise their current provision.

**3.17** Historically the majority of the food banks were set up by community groups and volunteers to prevent food going to waste; they were not opened with the intention to provide an emergency food provision. Therefore their only access criteria had been for users to be living in that community. These schemes often run for just a few hours each week or fortnightly to support their community on a strictly *local* basis.

**3.18** Many of the original schemes were set up in conjunction with an organisation (FareShare) who distributes ambient excess food (and other non-food goods) from supermarkets to avoid this resource going to landfill. For an annual membership fee the organisation provided a pre-agreed tonnage/ package of food, fortnightly or monthly for each outlets distribution. FareShare has expanded its operations considerably over the past 12 months and now currently supplies 86% of the city's operational food banks.<sup>7</sup>

**3.19** There has been a steady and sustained increasing demand for the food in the past year, with an increasing number of new schemes being set up. The emphasis for the new schemes has changed to that of an emergency food provision.

**3.20** The increased demand, according to feedback from the groups, has resulted in the established schemes having less food delivered and they now have to rely on supplementary sources such as organising food drives, direct contact arrangements with local stores or using own resources to supplement the food to be able to make up the food bags for distribution. A majority of established schemes set up for specific client groups are also increasingly providing a more general emergency provision in response to demand.

**3.21** An assumption could be made where an area is deprived and subject to welfare reform impacts these households would be facing increasing financial hardship and likely to require assistance from food aid. However the expansion of the food bank provision has been of an ad-hoc nature, with no co-ordination, this has resulted in some areas having no provision despite the location being within the deprivation indices; therefore this information could be used to inform decisions as to where the provision of a new food bank would be best supported.<sup>8</sup>

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<sup>7</sup> See Appendix A Fig. 3 for a breakdown of current food bank resources.

<sup>8</sup> See Appendix A Figs. 5, 6 & 7 for analysis of the reasons given for referral requests to the CSG Team Jan-Feb 2014 and overall demand experienced across LCC-sponsored sites – a majority of claimants were experiencing either welfare benefit changes or delays.

**3.22** Some operate an access criteria based on LCC referrals only whilst others allow unlimited access without assessment.<sup>9</sup> Most food banks ask recipients to pay a nominal charge of 50p to cover admin costs and some ask you bring along your own bags to reduce their costs.

**3.23** There is no prescribed delivery offer – such as what goes in a food bag- within the food banks themselves. They all offer something different. This means that a person presenting at a food bank could receive a very different experience depending on which one they attend. Some food banks offer ‘added value’ such as recipes reflecting the food on offer in the bags or a clothing bank operates at the same time as the food bank. Others are able to offer the opportunity for a hot meal or a cup of tea while others include advice/support or signposting for help.

**3.24** Most providers indicated a willingness to expand their provision, if possible to include practical necessities such as toiletries, baby items and furniture, as well as better systems of referral to support agencies and the development of in-house advice provision. During March as part of the ‘*start smart*’ campaign included in the bags will be toothbrushes and toothpaste, fruit pouches and promotional literature about healthy eating. Although this is targeted towards young children the council has secured adult toothbrushes and toothpaste for distribution.

**3.25** There are no clearly agreed standards of provision within the food banks, many are run by volunteers who are unable to pay for training themselves, or the group has little or no budget to finance training for those volunteers.

**3.26** A sizeable minority of food banks expressed concerns regarding their ability to continue to operate their existing delivery model, and existing resources are inadequate to meet the level of demand experienced. Over 80% of food banks have reduced their average distribution from 3 days of food to between 1 and 2 days per referral.

**3.27** Three of the providers we had previously identified ceased trading due to funding withdrawal or the collapse of distribution agreements at the end of 2013, and over 40% of those operating today are either due to close or are at risk of closure within the next 12 months.<sup>10</sup> The main reason provided for this was a lack of funding, particularly in light of the increasing cost of FareShare membership subscriptions, as well as pressure on voluntary resources, the cost of venue hire and capital investment in storage resources.

**3.28** As raised above, 86% of Leicester’s food banks are now primarily or solely dependent on FareShare Leicester (FSL) for the supply of their emergency food provision. Despite its rapid expansion, FSL has struggled to source the long-life food requested by food bank customers. Concerns have been raised by numerous subscribers as to the sporadic nature of provision, the varying nutritional quality of food delivered and the insufficient quantity of staples such as rice and pasta which

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<sup>9</sup> See Appendix A Fig. 9 & 10 – volume of distribution varies significantly dependant on the access criteria adopted, raising concerns as to whether some of the models employed ensure provision to those in the greatest need.

<sup>10</sup> See Appendix A Fig. 11 for considerations of long-term viability.

groups have often had to purchase supplementary stock (or carry out regular food drives) through their own funds where possible.

**3.29** Throughout 2013 FSL has increasingly shifted its emphasis towards chilled and fresh food, a resource far more readily available from its wholesale partners. Following enquiries, FSL has now disclosed it will no longer take on new food bank subscribers and intends to cease to supply long-life food from April 2014, encouraging existing subscribers to instead provide hot meals and cookery budgeting advice as the alternative.

**3.30** This combination of factors has led to food poverty being identified as an area of concern within “Leicester’s Food Plan” 2014 – 16 with the recognition that there has been a steady and sustained increase in demand for help with aid over the past years resulting in an increase in the number of outlets. The aim is to provide a better co-ordinated provision in conjunction with other holistic support.

#### **What other food bank models are available nationally?**

**3.31** The largest national food bank organisation is the Trussell Trust, which runs over 400 outlets but is not currently operating within Leicester. This successful model depends on developing corporate relationships with supermarkets, charities and churches, drives to obtain funding and food from private donors and a high and sustained level of visible publicity. Existing food banks would need an intensive level of support to adopt a very different model of operation in order to continue to provide their existing services. Current ‘ad-hoc’ local arrangements with large retailers and religious organisations are very limited in nature.

#### **Social or community supermarkets.**

##### **3.32**

Residents who are in receipt of a means tested benefit can register to become a member of a social or community shop. At these shops you are able to buy good quality, branded goods for a fraction of the usual shelf price, such as a Warburtons loaf for just 20p, or a tin of Heinz beans for 29p. This cut price stock comes from major manufacturers such as Asda, Morrison’s that otherwise would have been thrown away. They are sold on at 30% of the usual retail price.

The shop operates as subsidiary of a parent company. The parent company has a relationship with the manufacturers that mean they can get access to large volumes of residual food. They have brought this from maybe the manufacturer, or from one of the primary suppliers because maybe they have got too much, maybe there's a problem with the labelling, maybe there's a problem with the distribution of it. They buy it for just a few pence, because otherwise the company is going to have to pay a lot of money in landfill tax to dispose of the waste/excess food. There is nothing wrong with the product itself, it has all the necessary labelling and meets all food retail standards.

This form of outlet for large volumes of surplus food is very unpredictable and the parent company cannot guarantee the range of stock the shop will be selling because they don't know what's going to be residual next week. (Similar to the limitation of the FareShare offer.)

However there is estimated to be around 50 of these shops emerging nationally in the coming 12 months.

### **3.33 New Fund for European Aid.**

An article appeared in the Mirror newspaper on 24th February 2014. The article outlined a decision to be taken in the European Parliament in Strasbourg where the British government were set to vote against a £3m fund which the article indicated could 'pump millions of pounds into food banks for the needy'. Councillor Waddington contacted the Revenues & Benefits Service and asked: "I wonder if you could tell me if the City Council is registered with the EU for the Social Enterprise Fund for food banks? I am told by Feed the Hungry that Northamptonshire CC receives £1.5 mill for this purpose from this fund." We contacted Northamptonshire County Council who was unable to help us further and did not recognise this description as one of their programmes of activity in this sector.

We wrote to the DWP on 20<sup>th</sup> March 2014 and asked "if the European Social Fund (ESF) exists primarily to promote job creation and skills as various elements of our current draft strategy do relate to this – directly in terms of creating job clubs and employment advice to individuals accessing existing food banks, and indirectly through the formation of a dedicated network of signposting to appropriate voluntary and corporate partners. Whilst food poverty is a significant concern in Leicester, a holistic approach at policy level is preferred to address the causes of long-term unemployment and deprivation. If there were any means we could potentially access funding from yourselves to assist with this, we would be interested in obtaining further information regarding criteria and the bidding process.

Additionally, we have also been made aware of the new Fund for European Aid to the most Deprived (FEAD) which was formalised by the Council for Europe on 11<sup>th</sup> March. This is also a fund which we would be interested in learning more with regard to access and criteria. We would be grateful if you could provide any further details on UK policy for the allocation of this fund, and contact details should this funding stream not be allocated directly by yourselves."

The reply from Tony McMahon ESF Policy Manager on the 25<sup>th</sup> March 2014 was: Thank you for your query about the European Social Fund. I apologise for the delay in replying.

As you say, the ESF is used to improve employment and skills levels, particularly for disadvantaged people. Foodbanks are not eligible for support from ESF.

The Government has agreed to take 3.5m euro (the minimum amount) from the FEAD. This will be transferred from the total amount of EU structural funding allocated to the UK. i.e this is not additional money. The Government has not yet decided how this money is to be spent in the UK.

### **Issues & Risks Identified**

**3.34** The information gathered during this exercise has helped to get a better understanding of the provision in Leicester. The main issues and risks are:



1. Whilst virtually all sites reported demand is not being met through their current capacity<sup>11</sup>, it is possible the food poverty needs of a number of deprived inner-city areas are not being met potentially because of a lack of provision in their locality. However another perspective is what these communities' are doing differently that has not required the local response to be to set up a food bank.
2. Improved communication and internal referrals between food banks would increase efficiency and further reduce food waste.
3. It is clear that the provision would benefit from the setting up of a clear structure of standards in key areas to ensure that the current provision adhere to all the necessary standards in relation to Health and Safety, such as food handling, food storage etc. This would improve the current provision but would also assist with the setting up of any new provision giving a clear framework on which to operate.
4. Funding of scheme memberships, running costs and other associated costs is increasingly difficult.
5. Sustainability of the outlets is under threat. As 86% of the providers rely on one single resource to provide the bulk of their produce this means should this provider change their delivery model a significant number of sites would need to source an alternative supply or in some instances may be forced to close.
6. Assuming the food poverty needs identified earlier in this report will persist into 2014 at comparable levels, urgent action will be required to source alternative suppliers of emergency food. No other UK suppliers are known to operate on the 'warehouse model' employed by FareShare.

### **Support and networking.**

**3.35** The food banks generally operate on an individual basis, working closely with their local communities. In July FareShare hosted a meeting to discuss the issues, supply verses demand and share problems food banks faced. The group have met twice over the last 8 months; a further meeting is planned for May 2014. The council will facilitate and support the continuance of this networking meeting.

**3.36** The council is exploring the opportunities that are available in communities and the voluntary sector to support the need for better co-ordination and effective operating standards of emergency food delivery including the possibility of utilising local welfare assistance funding where applicable and/or appropriate.

Described below are some of the possibilities the council is currently exploring based on the meetings and site visits we have undertaken:

1. A co-ordinator to support this community activity facilitating volunteer activity, supporting fund raising and alternative resources (food drives, other food sources). The council is exploring where this activity may fit within existing job tasks/roles, in particular within the community support function provided by the Community Engagement Officers (CEO's)
2. Cooking skills training offer: the council could offer two options for groups from

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<sup>11</sup> See Appendix A Fig. 8 for an analysis of current demand versus supply.

existing contracts.

- A. *Let's get cooking*, which a Children's Food Trust is cooking course run a 3 – 4 hour taster session for food bank volunteers and/or workers. The session will include some basic fundamental cooking skills and examples of what and how to cook on a budget. The participants will also be invited to use the session to further develop a course that will particularly meet the needs of food bank volunteers and workers.
  - B. The Children's Food Trust can deliver their full 2 day *Let's get cooking* training to groups in Leicester. It is an excellent, comprehensive and practical course that has been very highly evaluated by the children centres where the trained staff now run *Let's get cooking* courses for local families. See their website including a section on food poverty <http://www.letsgetcooking.org.uk/> .
3. Food hygiene and food safety standards training. The council is exploring what the Regulatory Services Business Training Unit can offer. A sample of the courses offered are:
- a. Award in Food Safety in Catering Level 2 – 1 day course
  - b. Award in Managing Food Safety in Catering Level 4 – a 6 day course for managers of food establishments
  - c. Award in Supervising Food Safety in Catering – 3 day course
  - d. Health and Safety in the Workplace Level 2 – 1 day course
  - e. Emergency First Aid at Work Level 2 – 1 day course.
  - f. Setting up a Food Bank –They can offer a bespoke course for the food bank staff including some of the above courses and encompassing a workshop on risk assessment and Food Standards (labelling, allergens, traceability of food stuff).
4. Expansion of the luncheon club model across communities in part to meet the changing profile of the FareShare delivery model from April 15 including exploring the possibility of funding if appropriate Capital Expenditure for food storage equipment (freezers and refrigerators).
5. Volunteer training in Money Advice.
6. Volunteer Expenses (such as training, travelling and subsistence)
7. Membership fee for each group – for organisations which supply food such as Thrussel Trust, Community shops, FareShare, etc. dependant on the delivery model choice of the organisation.

There may be financial implications for this support and to establish what this financial support may look like the Revenues and Benefits service has begun its soft market testing for this provision from Wednesday 19th March 2014 and closes on 7th April 2014. Conclusion of this procurement exercise is expected late June 2014.

## 4. Financial, legal and other implications

### 4.1 Financial implications

There are no significant financial implications arising from this report.

Colin Sharpe  
Head of Finance  
37 4081

### 4.2 Legal implications

There are no direct legal implications arising from this report

Kamal Adatia  
City Barrister & Head of Standards  
Leicester City Council  
37 1401

### 4.3. Climate Change implications

The most significant climate change implication from this report is around the prevention of food waste going to landfill. Where food is landfilled, the decomposition process leads to methane being generated – which is a powerful ‘greenhouse gas’. So wherever the goal of alleviating food poverty can successfully be combined with reducing food waste, there could be positive implications for preventing climate change. Cooking skills courses can fall within this category by helping families to reduce food wastage at home (although it should be noted that the vast majority of Leicester’s household food waste is separated at the ‘Ball Mill’ and doesn’t go to landfill). Food bank provision can also help where a suitable and sustainable supply of surplus food is available for distribution as part of their offer.

Duncan Bell, Senior Environmental Consultant, Environment Team. Ext. 37 2249.

### 4.4 Equality Impact Assessment

There is no monitoring information collected on the profile of those using food bank provisions in the city. National research on food bank usage has focused on the reasons for their use: for example, the Thrussel Trust has found the most common drivers for use are: benefit delays (30%); low income (18%); benefit changes (15%) and debt (10%), with the majority of households served being working age families. It is likely that the range of protected characteristics affected, based on benefit take-up and other related financial hardship information, are: age (particularly children – Thrussel Trust say 37% of their users are children), sex/gender (women have been cited in many studies as being disproportionately affected by the impact of welfare reforms), disability (particularly arising from disability welfare reform changes and the relatively lower incomes experienced by disabled workers), and race (where numbers are known, a greater proportion of White people are affected).

The report cites a number of positive impacts for users of food banks – the provision of food in a variety of formats, along with other forms of practical and social support. The main negative impact cited in the report is the lack of local provision in some areas of identified need within the city, as presented in the maps featured in the appendix. Another negative impact cited in research on food banks is that their provision does not adequately address longer term food insecurity by those households. Council proposals to provide training in cooking skills will mitigate some barriers such as households not being aware of how to support themselves on available inexpensive and nutritional food.

Irene Kszyk, Corporate Equalities Lead, ext. 374147

#### 4.5 Other Implications

(You will have considered other implications in preparing this report. Please indicate any which apply?)

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5. **Background information and other papers:**  
<http://www.leicester.gov.uk/your-council-services/ep/theenvironment/leicesters-food-plan/>

6. **Summary of appendices:**

**Appendix A – Food Bank Consultation 2014 statistics and analysis.**

7. **Is this a private report?**  
**(If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)**