

# **‘YOU HAVE TO TAKE IT BACK TO THE BRICKS’**

**Reforming emergency support to reduce demand for food banks**

**Executive summary**

**March 2022**



## Executive summary

Emergency support plays a small but vital role in the social security system. It is there to help families through one-off shocks that cause a sudden drop in income or increase in costs, such as the onset of a health problem or the washing machine breaking down. But, in practice, many families are not getting the support they need when they need it, and this is contributing to the rising demand for food banks.

Since the abolition of the discretionary social fund in 2013, the type and level of emergency support available in the UK varies across nations and local authorities. While the Scottish welfare fund (SWF), and the discretionary assistance fund (DAF) provide some form of emergency assistance in Scotland and Wales respectively, provision in England has collapsed in most local authority areas. Freedom of Information requests by End Furniture Poverty found that at least 32 local authorities now have no scheme (an estimated one in five).<sup>1</sup> Per capita spending on the SWF and the DAF is much higher than on the local welfare assistance (LWA) schemes in England.<sup>2</sup>

The arrival of the Covid-19 pandemic put the vital role of emergency support in the spotlight. Between 2020 and 2022, the UK government provided additional funding for local authorities to support households struggling to pay for essentials in England, with consequential funding allocated to the devolved administrations. The final instalment of this funding package, the £500 million household support fund, is due to end on 31 March 2022.<sup>3</sup>



*“My partner changed jobs earlier in the month and without the household support fund we would have had to rely on family/friends or would have needed to go to a food bank which I don’t like doing. My partner works full time and more often than not we have to rely on family and friends to help out with food. I don’t like relying on them and I am planning to work once I have passed my driving test with the help of Your Work, Your Way. We cannot live off my partner’s working wage and UC for much longer due to the cost of living increases – it isn’t working.”* – CPAG Your Work, Your Way client, Taunton, two children

This summary is the culmination of two years of research and analysis by CPAG funded by abrdn Financial Fairness Trust. It brings together two years of research and analysis to outline the role emergency support should play, and what needs to change to make this a reality. It includes short- and long-term recommendations for England, Scotland and Wales.

The research included literature reviews, expert workshops, citizens’ juries and in-depth interviews with people who had sought emergency support in the past. It also engaged with participants of other CPAG projects such as Covid Realities, the London Calling family panel, and the Your Work, Your Way work support programme. Direct quotes from those involved in the research are included in this summary.

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<sup>1</sup> A Nichols, [The State of Crisis Support: Local Welfare Assistance through Covid and Beyond](#), End Furniture Poverty, February 2022

<sup>2</sup> See note 1

<sup>3</sup> UK government, [Household Support Fund: final guidance for County Councils and Unitary Authorities in England](#), November 2021

## A health shock impacts family income: Leo’s\* experience

**Leo is in his 50s, and had been in work without a break in contracts from the age of 16 until he was made redundant in 2019.** Leo lives with his wife and children. His wife is a teaching assistant, which brings in a steady income, but not enough to support the whole family. Leo is well qualified and very experienced so he was confident he could find another job soon. He was not worried at all as he felt his redundancy package would keep him going until a new job came up; he also had savings he could use if he needed to.

**At the start of 2020, Leo had a heart attack.** Luckily, he received excellent and timely treatment, but he needed an extensive period of recovery which restricted the type of work he could apply for. Leo was still confident he could find suitable work because of his level of experience.

**Leo was ready to start applying for jobs when the first lockdown happened.** The uncertainty caused by the pandemic meant many of the organisations Leo wanted to apply to were no longer hiring. **There were fewer job opportunities and a lot of highly qualified people chasing anything that did come up.**

**By the summer of 2020, Leo had used up all of his savings and redundancy pay, so he applied for UC. In September, there was a mistake with Leo’s energy direct debit. Instead of taking £300, the energy company took £3,000.** This wiped out everything in the family’s joint account and took them well over their agreed overdraft, meaning they then faced financial penalties and high interest rates on the debt.

The energy company apologised, and immediately agreed to refund the money and fines and interest payments associated with their mistake. However, they said **it would take a month to process the payment. This left Leo and his wife with no money or lines of credit to cover basic bills or, more importantly, food for the family.**

In Leo’s words: *“I have never felt so desperate. I felt like a failure as a father and a husband. I felt so stressed with nowhere to go and nobody to ask for help.”*

Leo called the UC team, the local authority and Citizen’s Advice, but he was unable to get through to anyone as many of the teams were on furlough or working from home so only operating online. They were dealing with so many queries that the websites all said there would be a considerable delay in response times.

**Leo had a breakthrough when his UC work coach saw a message on the online platform** he used saying Leo needed help urgently but didn’t know where to turn. Going far beyond his job description, the work coach leant on his contacts within the UC team to get someone to call Leo to help.

With the continued support of the work coach chasing people up and stressing the urgency of the situation, Leo finally received a budgeting loan through UC. This covered his food bills until he received a refund from his energy supplier and was able to pay everything back.

**Leo only has praise and thanks for his work coach but he feels the system let him down badly.**

*“I’ve been paying tax all my life until 2019, and we almost went under. Nobody apart from my coach was interested in helping – and that wasn’t in his job remit, he did that because he is a good person. I felt everyone else just ignored me. I was treated like a scrounger, like it was my fault, like I’d made bad choices and now had to live with the consequences. What I’d say to the people in charge is walk a week in our shoes and learn about the people you are meant to be supporting.”*

Leo doesn’t like telling people about his experience because he feels ashamed of needing benefits, and that an unexpected mistake meant he almost couldn’t feed his children. **He feels emergency support should be something that we should all be able to rely on without being judged but at the moment, the shame and complexity of it makes it hard to access** – at a time when there are probably more people than ever in need of it.

\* Name has been changed.

## Long-term vision for emergency support



*“Sudden expenses or challenges can happen to anyone – so we need to make sure there is help out there. It’s not just about making poor decisions or being irresponsible, it’s for emergencies. The death of a spouse, loss of a job, losing your home; all of these can happen to anyone and we need to make sure there is the right support there.” – CPAG London Calling family panel member*

Emergency support should step in to provide families with support for recurring or short-term events that bring additional costs, and act as a stabiliser when unpredictable life events lead to income shocks. It should be regulated and demand-led so that families can know what they are entitled to and in which circumstances.

Emergency support should include four types of payment:

1. **Key stage development payments** for short-term cost increases associated with raising children that can push families into financial crises. These include costs associated with the birth of a child, school transitions and meals during the school holidays. These would complement and learn from already existing payments such as Sure Start maternity grants in England and best start grants in Scotland.
2. **Lumpy costs payments** to cover one-off costs that are difficult to save up for if you are on a persistently low income. They would cover things such as purchasing and replacing essential household white goods, advance rent payments, and childcare deposits. Unsuccessful applicants could then be referred for budgeting advances and no-interest loans.
3. **Transitional payments** to cover the costs associated with a life shock or transitional phase that can cause a sudden income drop or increase in costs such as: homelessness, relationship breakdown, leaving care or prison. Payments might include, for example, help with furniture once re-housed in a part-furnished or empty property.
4. **Emergency payments** to cover the cost of essentials following an unexpected crisis that can cause a sudden drop in, or loss of, income or an increase in costs. Circumstances that qualify someone for an emergency grant would include, for example, being made redundant, the onset of a health condition, bereavement, separation or divorce.

## How do we move towards a better system?

### Recommendation 1: review emergency support provision



*“We don’t know how effective local authorities are at getting to the most disadvantaged groups, with council tax relief, discretionary housing payments and LWA.” Workshop participant*

The UK government should commit to a review of LWA, and the Welsh government should include the DAF in its review of the Welsh benefits system. The Scottish government has already commissioned a review of the Scottish welfare fund. All three reviews should:

- Consider how administrative data already held by different levels of government<sup>4</sup> can be utilised to identify whether families are eligible for other support.

<sup>4</sup> Eg, Department for Work and Pensions, Social Security Scotland, local authorities

- Examine how emergency support can complement other parts of the social security system and services delivered nationally and locally.
- Outline a roadmap for change.

### Recommendation 2: improve emergency support delivery in line with best practice



*“Quite a lot of the feedback we’re getting from food bank managers is about confidence, about how the system works. If they suggest to someone that they apply, that they can be confident that person might get a grant. There’s a lot of confusion [around what the criteria and decision-making processes are].” – Workshop participant*

Similar delivery issues with emergency support have been identified across England, Scotland and Wales. A number of best practice examples show that emergency support provision could be improved by:

- Providing awards that reflect each family’s circumstances, including how long the financial crisis will last and family size.
- Informing applicants about the reason for an award rejection, and providing them with information on subsequent support. This will help food bank managers and referral agencies to better understand the rationale behind decisions and when an award might be given.
- Advertising emergency support in places people go regularly (eg, supermarkets and schools).
- Improving relationships between emergency support staff, third sector organisations and advice agencies to create strong referral pathways and divert those eligible for financial support away from food aid.
- Reducing the time between an application for emergency support being made and the award being given.

### Recommendation 3: improve consistency across local authorities in England



*“It feels quite murky. I appreciate each local council has its own approach but it’s hard to get a sense of it if they talk about it in different ways in different places. Can’t they have a template which they all use to explain where to go, who to talk to and what the criteria are?” – Citizens’ jury participant*

In order for LWA to work effectively in England, the system must be better coordinated and more consistent. Across England, LWA has different names, eligibility criteria and per capita spend, and in some cases doesn’t exist at all. In Scotland and Wales, the name and criteria are more consistent.

To ensure support is available in every local authority in England, the UK government should introduce a statutory duty on local authorities to offer emergency support alongside a national strategy for local welfare in England that outlines minimum standards. It should also publish data annually on the delivery of local welfare from each local authority. Local authorities would be responsible for delivery and determining local need.

In the short term, the Department for Work and Pensions should work with the Local Government Association and local authorities to produce a shared outcomes framework for local emergency assistance. A nationally-set framework would improve consistency across England while allowing local authorities to determine how best to achieve it.



#### Recommendation 4: deliver a long-term funding settlement for emergency support



*"There needs to be assurance that the funding is not just a one-off or short term, as that makes it really hard to plan longer-term solutions."* – Workshop participant

In order for local authorities to deliver a more coordinated and coherent system in England, a multi-year funding commitment is needed rather than the ad-hoc short-term funding that was provided during the pandemic. Funding allocation for local emergency support should align with need to ensure any claimant who satisfies the conditions for an award can access a payment.

While per capita funding for local emergency support is higher in Scotland and Wales compared to England, both the SWF and DAF could be improved through strategic investments in administration and delivery.

#### About Child Poverty Action Group

Child Poverty Action Group (CPAG) works on behalf of the more than one in four children in the UK growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good. We provide training, advice and information to make sure hard-up families get the financial support they need. We also carry out high profile legal work to establish and protect families' rights.

#### About the abrdn Financial Fairness Trust

The abrdn Financial Fairness Trust works to tackle financial problems and improve living standards for people on low-to-middle incomes in the UK. It is an independent charitable foundation registered in Scotland, which funds research, policy work and related campaigning.

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