



Food poverty in London: A submission from Child Poverty Action Group

Child Poverty Action is the leading national charity working to end poverty among children, young people and families in the UK. Our vision is of a society free of child poverty where all children can enjoy their childhoods and have fair chances in life to reach their full potential.

We do not have good estimates of the extent of food poverty amongst families with children. But we know that families in London face a high risk of income poverty, one of the primary drivers of food poverty. London has the highest rate of child poverty of any English region, with as many poor children in the capital as in Scotland and Wales together.ⁱ Thirty-seven per cent of all children in London live below the poverty line, a total of 592,000 children.ⁱⁱ

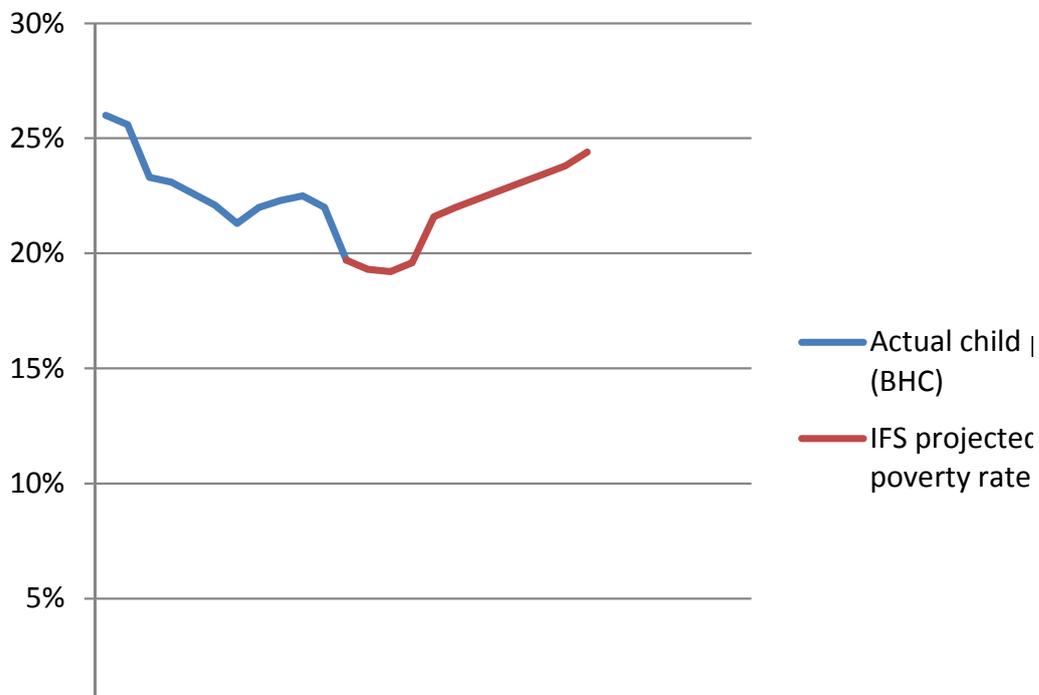
This submission looks at potential future drivers of poverty and income poverty in London, before examining the provision of Free School Meals for children, drawing on CPAG's own research.

Trends in poverty in London

Income poverty is likely to be a significant driver of food poverty amongst families. Child poverty in London is currently at its lowest level since the mid-1990s, although remains higher than in any other region of the U.K.ⁱⁱⁱ

Nationally, child poverty is expected to rise up to 2015. The Institute for Fiscal Studies predict that the number of children in poverty will reach 2.9 million by 2015,^{iv} a significant increase from the current rate of 2.3 million.^v

Figure 1: Actual and Predicted child poverty rates in the UK



Source: figures from Mike Brewer, James Browne and Robert Joyce (2011) *Child and working age poverty from 2010 to 2020 IFS*.

The IFS attribute some of the predicted increase in child poverty to the impact of the current Government’s reforms to benefits and tax credits, finding that: “*there will be 200,000 more children in relative poverty in 2014, 2015 and 2020 than there would have been without the government’s reforms.*”^{vi}

The impact of benefit changes: cuts to support with housing

We can expect some of these reforms to have a disproportionate impact in London, due in part to the high housing costs in the capital. A forthcoming report from CPAG^{vii} looks at the impact of ‘welfare reform’ in London, examining three changes in particular:

Caps to local housing allowance (LHA) restrict the level of support that families can receive with their rents to the 30th percentile of rents within a local area. These began to take effect in April 2011, although many families will not see their level of support reduced until later this year. 17,400 households in London will be affected by this change.

The *benefit cap* will restrict the total amount of support received by a household to £500 a week for families with children and £350 for single people. 27,440 households in London are expected to be affected by the cap.

Under occupation penalties will reduce the level of support for families in social rented housing if they are deemed to have an extra bedroom. This will affect 80,000 households in London.

Research by London Councils suggests that the combined impact of these reforms may leave 63,000 households with children could be left unable to pay their rent.^{viii} CPAG's discussions with local authorities found that many are predicting an increase in homelessness as a result of these reforms, and reductions in family incomes as a result of these changes may result in an increase in food poverty.

The impact of benefit changes: the Social Fund

One further change in social security arrangements in London that may impact on levels of food poverty is the localisation of the Social Fund from April 2013. The Social Fund, currently administered by the Department for Work and Pensions, seeks to meet a range of needs that are not met by regular benefit or tax credit payments. There are two parts of the fund, a regulated and a discretionary scheme, and it is parts of the discretionary scheme that are being devolved to local authorities. From 2013, Local Authorities will have responsibility for meeting the needs for one off items of expenditure for those on benefits that were previously met by Community Care Grants, and for emergency financial support for all local residents through Crisis Loans. The money formerly spent on local areas on delivering this support will be devolved to a local level, but will not be ringfenced; rather, the purposes of this funding will be set out in a settlement letter.

Emergency cash provision, currently provided through Crisis Loans, may in some instances be used to buy food, if families are without other sources of income. When we spoke to Local Authorities about their plans to replace the Social fund, as part of research for a report produced by CPAG in June 2012, we found that some were not planning on providing any cash provision. Some of those local authorities planned to issue payment cards for use at local supermarkets in situations where families needed to purchase food; CPAG is concerned to ensure that such payment methods are not stigmatising, and allow families full choice over what they can purchase with such cards.^{ix}

We are also concerned that the level of funding that has been devolved to London Local Authorities to deliver these schemes will be inadequate to meet need. Programme funding across London will be reduced by £2,416, 267 in 2013/14 compared to that available in 2010/11.^x One use to which Community Care Grants are often put is to purchase a new cooker. There is a possibility that restrictions in this type of support may reduce the ability of some families to cook and prepare healthy food.

The impact of benefit changes: Universal Credit

Finally, the Trussell trust cite changes in benefits as one of the main reasons for people needing to access food banks.^{xi} We hope that the introduction of Universal Credit in October 2013 will proceed smoothly. A recent report by Inclusion for the JRF found that: *'The DWP is confident that the systems will be ready in time for implementation, despite concerns among IT experts that the timetable is unrealistic'* but that *'The consequences of system failure would obviously be serious for recipients of UC; DWP needs to clarify the 'stand-by' arrangements being put in place to ensure that claimants are paid'*.^{xii} We are concerned that an increase in food poverty could be one consequence of any problems in implementing Universal Credit.

Free School Meals

Food poverty can be mitigated among families by the provision of free school meals (FSM) to children during the school day. Young people in the UK are currently entitled to a FSM if their parents receive out-of-work benefits, including:

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Support under Part VI of the Immigration and Asylum Act 1999
- The guaranteed element of State Pension Credit, or
- Child Tax Credit, provided they are not entitled to Working Tax Credit and have an annual income (as assessed by HM Revenue & Customs) that does not exceed £16,190.

Using out-of-work benefits to determine eligibility excludes many children who live below the poverty line from FSM provision. Figures from 2010 show that while 3.8 million children were living below the poverty line (after housing costs; 2.6 million on a before housing costs basis), only 1.2 million children were entitled to FSM. While not all children below the poverty line attend schools or nurseries, research suggests that in England alone, 700,000 young people living in poverty line are not entitled to FSM. This constitutes around a third of school-aged young people living below the poverty line.^{xiii} When Universal Credit, which will replace most out of work benefits, is introduced in 2013, the eligibility criteria for FSM will need to be revised. Government have not yet announced how they intend to assess this.

Even those who do receive Free School Meals may not receive sufficient funding to enable them to buy a nutritious meal. Research by CPAG and the British Youth Council in 2012^{xiv} found that one in seven young people currently in receipt of FSM suggested that the allowance they received to buy a meal did not allow them to buy a full meal. Further youth-led investigations produced case studies from around the country that confirmed this finding, with only two case studies (out of eight) suggesting that a full meal could be purchased under existing FSM provision.

Recommendations

- CPAG recognises that food banks are providing a valuable source of assistance to many families in need. But we believe that ensuring that children are well nourished is a task that should not be left to charitable enterprise, but one that will only be addressed by a concerted effort by national, regional and local government to tackle family poverty.
- The evidence suggests that the impact of 'welfare reform' will be particularly keenly felt in London. We believe that the Mayor and London Assembly could play a valuable role in monitoring local authority responses to welfare reform and their impact on preventing food poverty, and in sharing examples of best practice. We believe that this fits naturally with the Mayor's role chairing the London Health Improvement Board, given the clear associations between low income, food poverty and poor health (as set out in the call for evidence).
- We believe that this inquiry could play a valuable role by establishing the extent to which the level of support with Free School Meals in London is adequate to enable children to buy a healthy lunch. If shortfalls are found between the level of funding for Free School Meals and the price of a healthy lunch, we believe that the Mayor should use his influence to encourage Local Authorities to address the gaps.

- The London Borough of Newham currently provides Free School Meals to all primary school pupils. We recommend that this inquiry examine the impact of this policy in tackling food poverty, and the potential to encourage other London Boroughs to adopt this approach.

For further information please contact Kate Bell, London Campaign Co-ordinator, CPAG on kbell@cpag.org.uk or 020 7812 5210.

ⁱ Department for Work and Pensions, *Households Below Average Income 2009/10* published 2011

ⁱⁱ Figures for 2010/11. Defined as living below 60 per cent of the equivalised median income after housing costs. The figures before housing costs are 304,000 children, or 19 per cent.

ⁱⁱⁱ Kate Bell et al (forthcoming) *We can work it out: Parental employment in London* Child Poverty Action Group.

^{iv} Mike Brewer, James Browne and Robert Joyce (2011) *Child and working age poverty from 2010 to 2020* IFS.

^v Department for Work and Pensions (2012) *Households Below Average Income 1994/05-2010/11*, DWP.

^{vi} Mike Brewer, James Browne and Robert Joyce (2011) *Child and working age poverty from 2010 to 2020* IFS.

^{vii} CPAG (2012, forthcoming) *Between a rock and a hard place: the early impacts of welfare reform on London* CPAG.

^{viii} Navigant Consulting, *Does the cap fit? An analysis of the impact of welfare reform, commissioned by London Councils* London Councils, 2011

^{ix} CPAG (2012) *Delivering the Social Fund at London Level: Opportunities and Risks* CPAG.

^x CPAG analysis of DWP figures available at: <http://www.dwp.gov.uk/local-authority-staff/social-fund-reform/localisation-data/> and <http://www.dwp.gov.uk/docs/social-fund-settlement-funding-allocation.pdf>

^{xi} See <http://www.trusselltrust.org/latest-news#FoodbankIncrease>

^{xii} Amy Tarr and Dan Finn (2012) *Implementing Universal Credit: Will the reforms improve the service for users?* JRF.

^{xiii} Royston, S., Rodrigues, L.& Hounsell, R. 2012 A Policy Report of the Future of Free School Meals The Children's Society London.

^{xiv} In February and March 2012 the British Youth Council (BYC) and the Child Poverty Action Group (CPAG) ran an online survey of 1,026 young people to find out what they thought about FSM, and conducted a focus group with 13 young people from Calcot, Gateshead, Redbridge and North East Lincolnshire to supplement the survey. Of the thousand young people surveyed, 190 were students on, or previously in receipt of, FSM. No such identifying information was collected in the focus groups to maintain anonymity.