

# DUNDEE CITY COUNCIL - FAIRNESS COMMISSION

## Foodbanks and Fuel Poverty

### 1 Foodbanks

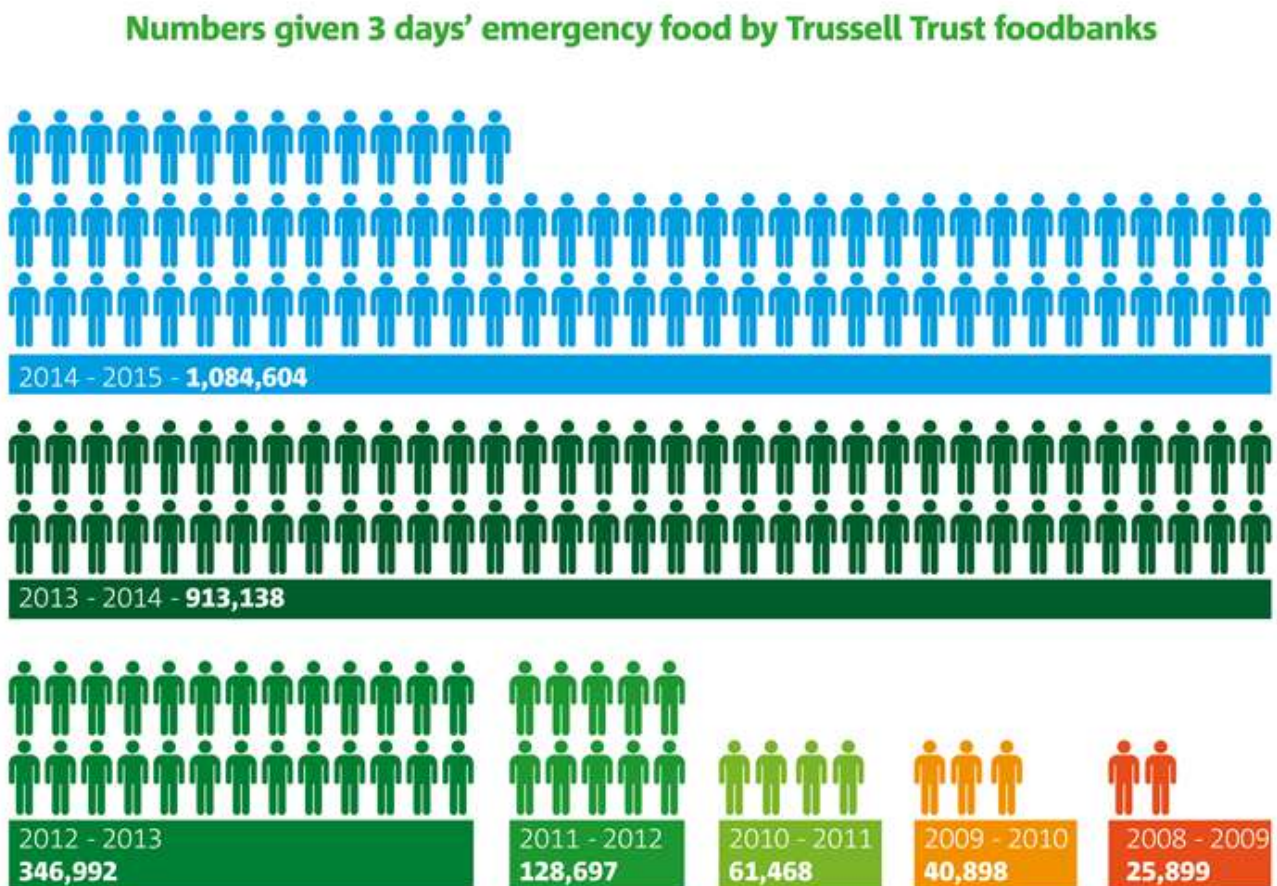
The Trussell Trust is a fast-growing UK foodbank network which provides emergency food, help and support to hundreds of thousands of people in crisis in the UK.

Latest figures published by the Trussell Trust<sup>1</sup> show that over 1,000,000 people have received at least three days' emergency food from the charity's foodbanks in the last twelve months, more than in any previous year.

#### 1.1 Foodbank Users

1,084,604 people - including 396,997 children – in the UK received three days' food from the Trussell Trust's network of over 400 foodbanks in 2014/15, compared with 913,138 in the 2013/14 financial year. This is an increase of 19 percent.

Figure 1; Foodbank users in the UK

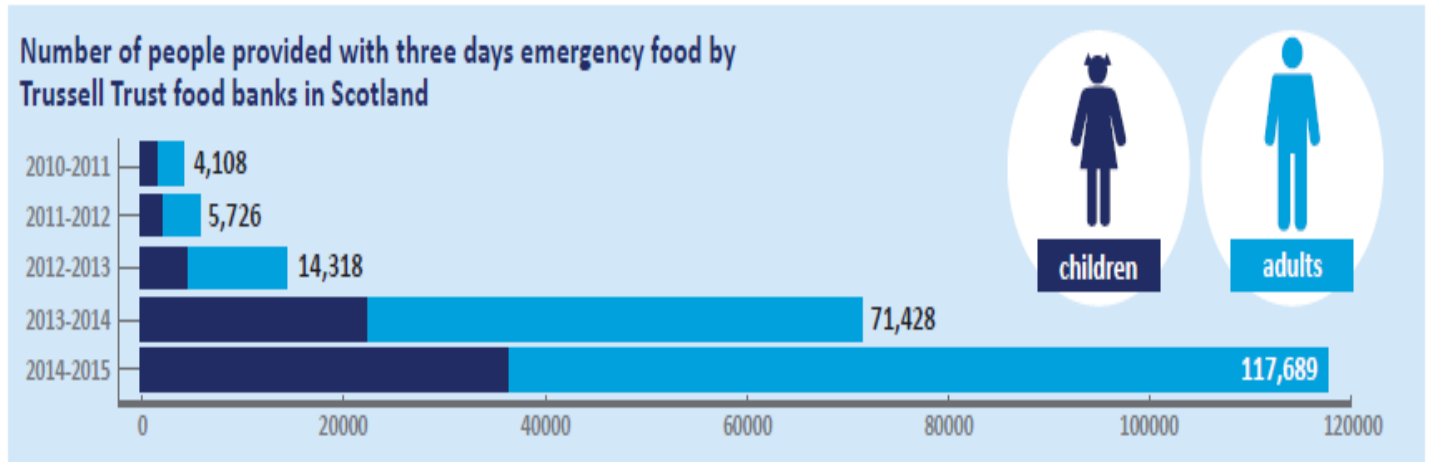


Use of emergency food aid in Scotland has dramatically increased over the last decade. Figures from the Trussell Trust show that, in 2014/15, 117,689 people, including 36,114 children were provided

<sup>1</sup> <http://www.trusselltrust.org/resources/documents/Press/Trussell-Trust-foodbank-use-tops-one-million.pdf>

with three days emergency food by Trussell Trust food banks in Scotland. This is more than 8 times the number of people referred two years earlier at 14,318.<sup>2</sup>

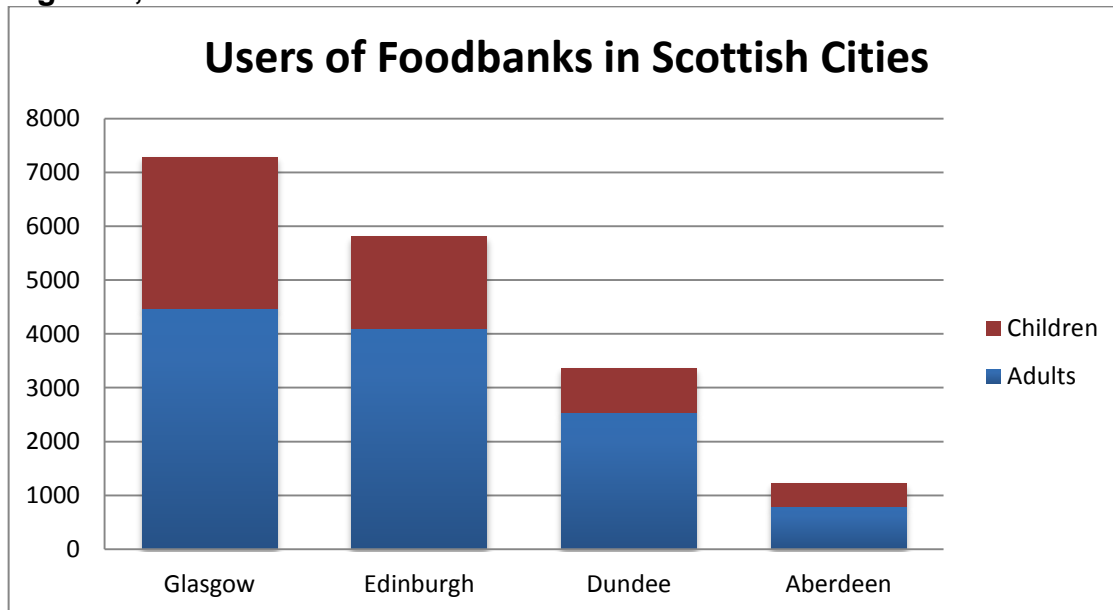
**Figure 2; Foodbank users in Scotland 2010 to 2015**



Source: Trussell Trust

Figure 3 below outlines the number of people using Trussell Trust food banks between 1st April and 30th September 2014 in cities across Scotland.

**Figure 3; Foodbank users in Scottish Cities**



Source: Trussell Trust

**Table 1; Foodbank users in Scottish Cities 2014**

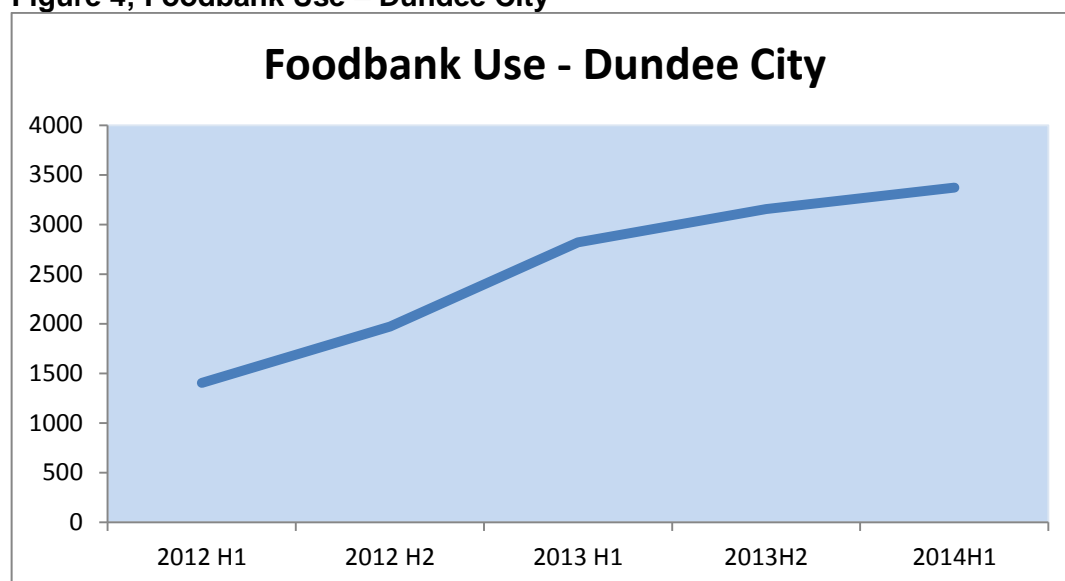
	Adults	Children
Glasgow	4466	2822
Edinburgh	4089	1721
Dundee	2536	835
Aberdeen	795	437

Source: Trussell Trust

<sup>2</sup> <http://www.cpag.org.uk/content/hard-choices-reducing-need-food-banks-scotland>

Figure 4 below shows the increase in use of Foodbanks in Dundee City, the figure rose from 1406 in 2012 to 3371 in 2014.

**Figure 4; Foodbank Use – Dundee City**



Source: Trussell Trust

**Table 2; Foodbank use in Scottish Cities 2012-2014**

	Dundee	Glasgow	Edinburgh	Aberdeen
2012 H1	1406	240	59	n/a
2012 H2	1973	442	580	n/a
2013 H1	2822	2122	1874	743
2013 H2	3155	7493	4894	1325
2014 H1	3371	7288	5810	1232

Source: Trussell Trust

## 1.2 Reasons for use

The Trussell Trust report<sup>3</sup> that the most significant factors in driving demand for foodbanks are: low income, administrative delays in paying social security benefits, benefits sanctions and debt and homelessness

The Child Poverty Action Group report<sup>4</sup> that for many people the immediate income crisis that had caused them to use the food bank was linked to the operation of the benefits and tax credits system with common problems including sanctions, reductions in disability benefits and long waits to access benefits.

The report states that whilst problems with benefits remain the largest driver of foodbank use, there has been an increase in numbers referred due to low income in the last year.

'Low income' referrals have grown from 20 percent in 2013/14 to 22 percent of all referrals in 2014/15. Foodbank managers reported that clients who are in work are struggling with insecure work, low wages and high living costs.

<sup>3</sup> <http://www.trusselltrust.org/resources/documents/Press/Trussell-Trust-foodbank-use-tops-one-million.pdf>

<sup>4</sup> <http://www.cpag.org.uk/content/hard-choices-reducing-need-food-banks-scotland>

Table 3 outlines the number of foodbank vouchers issued in Dundee since 2014 and an indication of whether anyone associated with the voucher is in work. This table does not indicate the number of people who are provided for as one voucher could cover one person or a family. However, every 'in-work' response is an indication of work not paying, regardless of the family size. This figure has been monitored since June/July 2014, hence why the response rate is lower in that year.

**Table 3; Dundee Foodbank Vouchers Issued**

Year	Total no. of vouchers issued	No of vouchers for which work question is answered	Sample size	Of the subset where question is answered			
				Vouchers that include at least 1 person in work	% of vouchers	Vouchers where no one is in work	% of vouchers
2014/15	4054	3260	80%	127	3.88%	3142	96.12%
2015/16 (to date)	1833	1782	97%	51	2.86%	1731	97.14%

Source: Dundee Foodbank, Sept 2015

**Low Income;** loss of earnings from employment can occur for a number of reasons including redundancy, loss of work through ill health, caring responsibilities or delayed wages. Around 11-16% of food bank users were in households where no one was currently working but which had experienced job loss, for whatever reason, in the last six months. Income crisis related to job loss seemed to be a particular problem for those with little or no experience of claiming benefits, who were reluctant to claim benefits or found the system difficult to navigate. It could quickly lead to a build-up of arrears and debts, themselves posing a long-term threat to financial stability.

**The benefits system;** difficulty in navigating the benefit system is a common feature of food bank users' experiences<sup>5</sup>. The benefit system was experienced as complicated, remote and at times, intimidating, especially for those trying to resolve problems that had occurred with a claim. Lack of clear communication about what help was available or how to access it was particularly a problem for people who had always worked and never claimed benefits before. A number of reasons for 'acute income crisis' were identified which related directly to the administration of main income replacement benefits or tax credits, as follows:

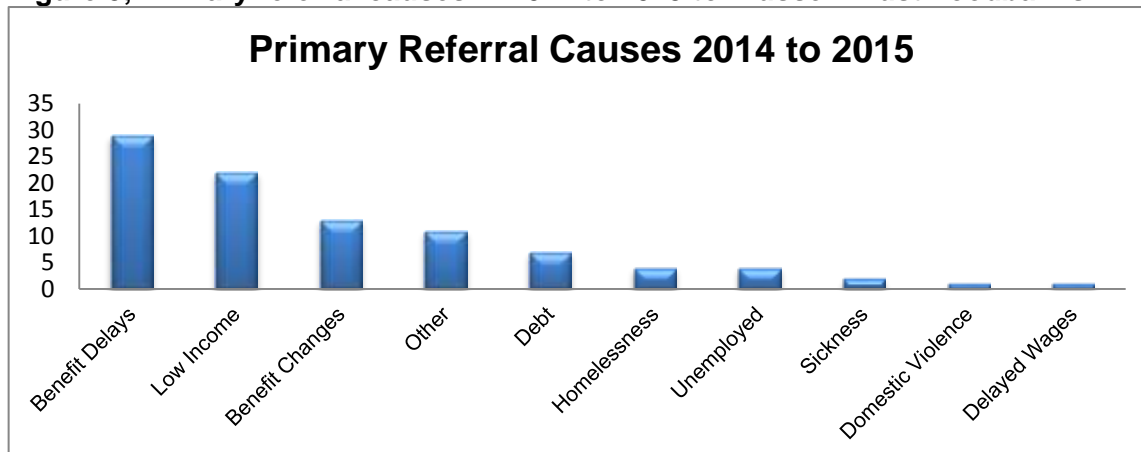
- **Access to emergency payments** – lack of awareness of the Scottish Welfare Fund and difficulty accessing the Scottish Welfare Fund awards<sup>6</sup>.
- **Waiting for benefits** - Evidence from the additional administrative data shows that around a third of foodbank users reported claiming a benefit which had not yet been decided.
- **Sanctions** Of those food bank users for whom additional data was collected, 20-30% said that their household's benefits had recently been stopped or reduced because of a sanction.
- **Problems with disability benefits** - specific problems which can occur with Employment and Support Allowance (ESA), including money stopped because of the claimant being found 'fit for work' in an ESA assessment (this affected 9-16% of food bank users included in the additional data analysis). Other problems included difficulties with submitting medical certificates or application forms, and failure to attend medical examinations. The introduction of 'mandatory reconsideration' before submission of an appeal had also contributed to some food bank users experiencing significant periods without benefit payment.

<sup>5</sup> "Emergency Use Only" The Trussell Trust

<sup>6</sup> Making the Connections; A study of emergency food aid in Scotland, The Poverty Alliance

- **Problems with tax credit payments** - These had led to dramatic reductions in income for some interview participants, causing real hardship because they had previously been relied upon as a significant proportion of income. These tax credit problems could be difficult to rectify, often resulting in long waits before missing payments are repaid.
- **Change in family circumstances** - Although rarely given as the main reason for turning to the food bank, changes in the family (adults forming or leaving relationships, new babies, or older children moving into or out of the family) can threaten previously established livelihood strategies and trigger a challenging period of change in the process of re-establishing a household (finding new accommodation, securing financial arrangements and registering for changes in benefits).
- **Bereavement** -. Death of a loved one can have a direct financial impact, through loss of income from the deceased but also job loss (because of time taken to care for the dying person or because the emotional impact on the bereaved leaves them unable to work). Bereavement can also have an indirect effect through its impact on a range of other previously established social networks and survival strategies.
- **Debt** - Experienced against a backdrop of ongoing severe shortage or insecurity of income. Aside from immediate income crisis, many interview participants described the ongoing impact of living on a low income. Long term low income was sometimes a product of wages being low or unreliable, but was also attributed to low benefit levels. Some families were not receiving benefit they were entitled to, either because they had failed to claim or because they had had claims refused. For others, their income from benefits had been reduced through deductions for repayments or because of recent reforms. Most participants described how using credit and debt formed part of their immediate coping strategy, but also how repayments of long-term debts had a significant impact on their households
- **Identifiable vulnerabilities** - The Trussel Trust report revealed a number of specific factors which appeared to make individuals or families either more likely to be hit by significant life-shocks or less likely to be able to cope with them;
  - Experience of living in the particular local area, including lack of access to jobs, shops and services.
  - Impact of physical and mental illness on individuals and the wider household, with illness and/or caring responsibilities affecting not only ability to work but also capacity to deal with other crises.
  - Difficulty obtaining or proving educational qualifications or skills.
  - Problems with housing.
  - Isolation or lack of family support.
  - Large debt repayments which reduce disposable income at source and potentially lead to spiralling financial difficulties
  -

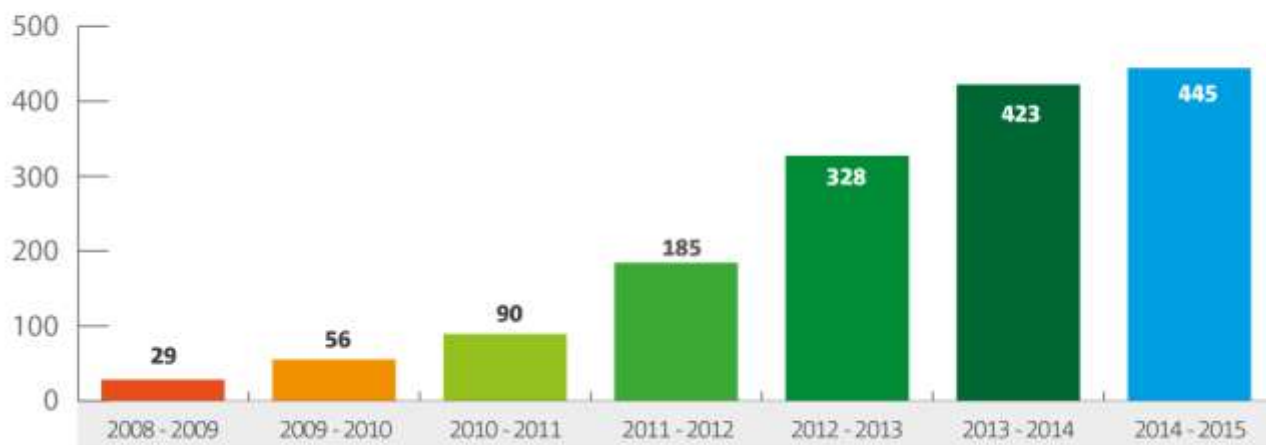
**Figure 5; Primary referral causes in 2014 to 2015 to Trussell Trust Foodbanks**



### 1.3 Foodbank growth

In the last year, total numbers of foodbanks launched across the UK rose by five percent.

#### Growth of The Trussell Trust Foodbank Network 2008 - 2015



Source: Trussell Trust

## 2 Fuel Poverty

**"A household is in fuel poverty if it would be required to spend more than 10% of its income (including Housing Benefit or Income Support for Mortgage Interest) on all household fuel use." – Scottish Government.**

Fuel poverty is defined as the inter-relationship between fuel prices, income and energy efficiency. Fuel debt is increasingly becoming a contributory factor. A household is deemed to be in fuel poverty if 'in order to maintain a satisfactory heating regime, they would need to spend more than 10% of their income, including housing benefit, on household fuel use'.

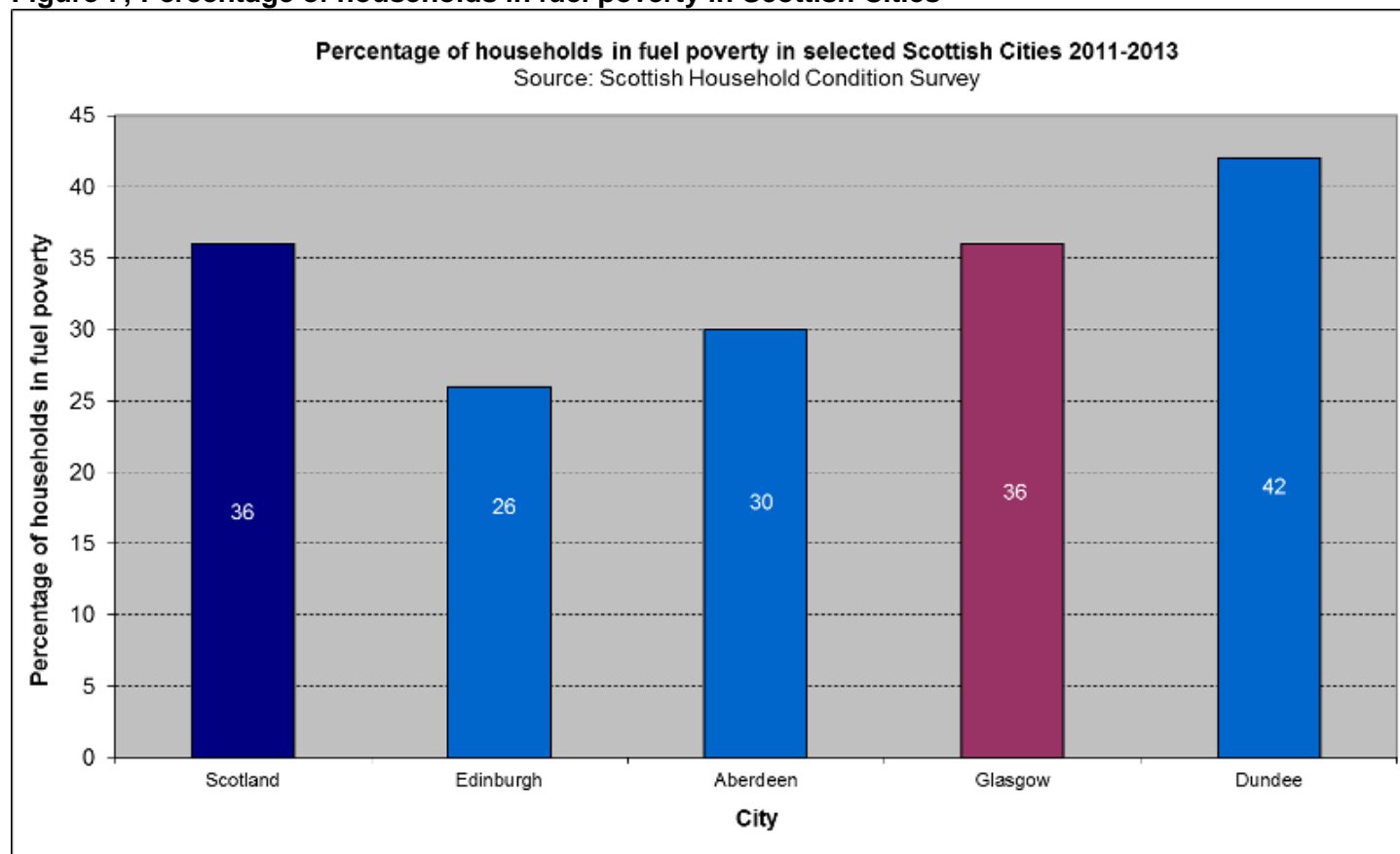
Fuel poverty is most likely to affect<sup>7</sup>;

- Those living in terraced houses (43% of people living in terraced houses are fuel poor).
- Those living in older properties (almost half of households in pre-1919 houses are fuel poor, whereas 23% of people living in post-1982 builds are living in fuel poverty).
- Households in dwellings with lower energy efficiency (87% of people living in dwellings with EPC F-G ratings are living in fuel poverty compared with 27% living in the most energy efficient dwellings).
- Those reliant on electricity, oil or fuel types other than gas (half of all people living in houses off the gas grid are fuel poor).
- Rural households (55% of households in rural areas suffer from fuel poverty, compared to 36% of urban households).
- Elderly households (two-thirds of single pensioner households suffer from fuel poverty).
- Single parent families of those households with children (38% live in fuel poverty).
- Lower income households (for example 94% of those with a household disposable income of less than £200 per week are fuel poor).

<sup>7</sup> Scottish Housing Condition Survey

Fuel poverty, measured within the Scottish House Conditions Survey, is rising across Scotland and the most recent statistics provided at the end of 2014 show fuel poverty across all housing tenures has risen in Dundee City to 42% against the Scottish average of 36%. The percentage of households living in fuel poverty rose from 26% in 2013/14 to 42% in 2015/15. This is in line with national trends due to heating bills and continuing pressures on household incomes. Figure 7 shows that Dundee City has the highest level of households in fuel poverty across all Scottish cities.

**Figure 7; Percentage of households in fuel poverty in Scottish Cities**



Source: Scottish House Condition Survey

Research findings recently submitted to the Scottish Government<sup>8</sup> showed that fuel poverty affects health and educational attainment, and increases winter deaths in the UK. Welfare reform, combined with the effects of rising household fuel bills, will continue to increase the pressures on household incomes for Dundee's poorest households.

Fuel poverty in Dundee is most severe within the private rented sector;

- 51% of households in the private sector are affected by fuel poverty
- 49% of households in social housing are affected by fuel poverty
- 33% of households within the owner occupied sector are affected by fuel poverty

Fuel poverty affects mainly;

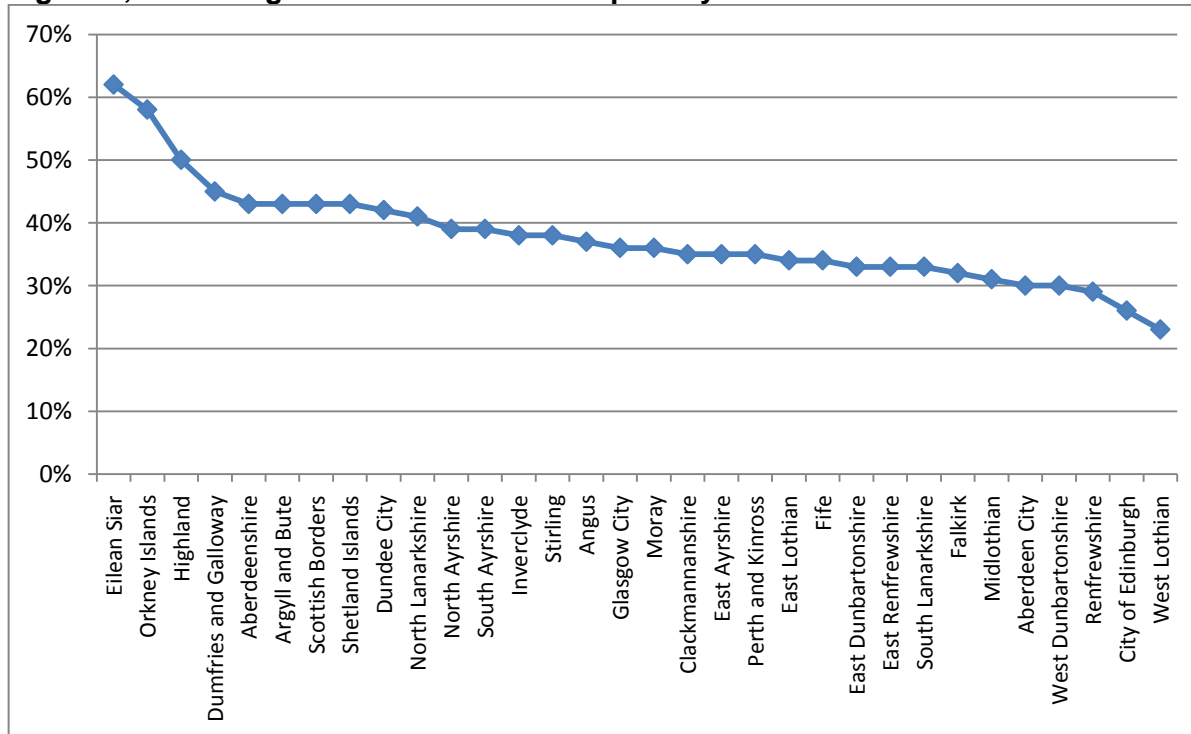
- 43% of pensioner households
- 36% of adult only households
- 22% of family households.

<sup>8</sup> <http://www.scottish.parliament.uk/parliamentarybusiness/87559.aspx>

**Table 4: Percentage of households in fuel poverty by local authority**

	Fuel Poor		Fuel Poor
<b>Aberdeen City</b>	30%	<b>Highland</b>	50%
<b>Aberdeenshire</b>	43%	<b>Inverclyde</b>	38%
<b>Angus</b>	37%	<b>Midlothian</b>	31%
<b>Argyll and Bute</b>	43%	<b>Moray</b>	36%
<b>Clackmannanshire</b>	35%	<b>North Ayrshire</b>	39%
<b>Dumfries and Galloway</b>	45%	<b>North Lanarkshire</b>	41%
<b>Dundee City</b>	<b>42%</b>	<b>Orkney Islands</b>	58%
<b>East Ayrshire</b>	35%	<b>Perth and Kinross</b>	35%
<b>East Dunbartonshire</b>	33%	<b>Renfrewshire</b>	29%
<b>East Lothian</b>	34%	<b>Scottish Borders</b>	43%
<b>East Renfrewshire</b>	33%	<b>Shetland Islands</b>	43%
<b>City of Edinburgh</b>	26%	<b>South Ayrshire</b>	39%
<b>Eilean Siar</b>	62%	<b>South Lanarkshire</b>	33%
<b>Falkirk</b>	32%	<b>Stirling</b>	38%
<b>Fife</b>	34%	<b>West Dunbartonshire</b>	30%
<b>Glasgow City</b>	36%	<b>West Lothian</b>	23%

Source: Scottish House Condition Survey

**Figure 8; Percentage of households in fuel poverty all Scottish authorities**

Source: Scottish House Condition Survey

Table 5 below outlines that those in the private rented sector in Dundee are most likely to be experiencing fuel poverty, 51% of those in fuel poverty are living in the private rented sector. This differs from other Scottish cities where those living in the owner occupied and social rented sector are more likely to be in fuel poverty.



**Table 5; Households in fuel poverty by tenure**

	<b>Owner Occupied</b>	<b>Social Housing</b>	<b>Private</b>
<b>Aberdeen City</b>	26%	39%	*
<b>Dundee City</b>	33%	49%	51%
<b>City of Edinburgh</b>	28%	26%	18%
<b>Glasgow City</b>	32%	43%	27%

Source: Scottish House Condition Survey

Table 6 shows that in all Scottish cities pensioner households experienced the highest amount of fuel poverty.

**Table 6; Households in fuel poverty by household type**

	<b>Families</b>	<b>Pensioners</b>	<b>Adult Only</b>
<b>Aberdeen City</b>	27%	64%	31%
<b>Dundee City</b>	22%	43%	36%
<b>City of Edinburgh</b>	32%	79%	61%
<b>Glasgow City</b>	39%	69%	35%

Source: Scottish House Condition Survey

Table 7 shows that dwellings built pre 1945 experience the highest levels of fuel poverty and those which are flatted properties.

**Table 7; Households in fuel poverty by house type**

	<b>Total</b>	<b>Pre-1945</b>	<b>Post 1945</b>	<b>House</b>	<b>Flat</b>
<b>Dundee City</b>	42%	54%	35%	33%	50%

Source: Scottish House Condition Survey