

The Healthy Start Scheme and First Infant Formula

December 2023

SUMMARY

- The Healthy Start scheme provides pregnant women or pre-school aged children in low-income households with a weekly payment to spend on healthy foods and infant formula.
- During the cost-of-living crisis, the scheme has failed to keep up with inflation and price rises, with no standard tins of first infant formula affordable within the Healthy Start allowance. The scheme is therefore no longer able to guarantee basic nutritional needs of babies born in low income families

What is the Healthy Start scheme?

- The scheme offers funds worth £4.25 per week to pregnant people and parents of children under 4 who are in low-income families, as well as to all pregnant people under the age of 18. The value is £8.50 for children from birth until first birthday in England, Northern Ireland and Wales.
- Funds can be used to purchase fruit, vegetables, pulses, cow's milk and infant formula. The scheme operates in England, Wales, and Northern Ireland. A separate scheme, Best Start Foods, operates in Scotland.
- Historically funds were distributed as paper vouchers, but the scheme has recently been digitised, with recipients now receiving money via a prepaid card.
- The scheme provides a vital nutritional safety net to ensure that low-income children have access to healthy food in the crucial years before they start school. This is particularly important given over a quarter of households with babies and pre-school children are food insecure.¹
- Good nutrition in childhood is essential for improving the long-term health and resilience of the population, reducing obesity, and improving children's academic performance and long-term economic contributions.

¹ <https://foodfoundation.org.uk/publication/healthy-start-needs-urgent-improvement-tackle-food-insecurity-early-years>

Issues and challenges with the Healthy Start scheme

Healthy Start has great potential to help many more low-income families access better diets during the cost of living crisis, but its impact is currently hampered by the following issues:

Uptake rates remain low:

- Approximately two thirds of eligible households are claiming their Healthy Start allowance, meaning many low income families are missing out. This is due to various factors such as lack of awareness of the scheme, not knowing if they are eligible, and the administrative burden of applying.
- Ongoing data sharing delays are currently preventing the Department of Health and Social Care, which manages the scheme from contacting the relevant families to inform them of their eligibility, as the data on who is eligible is currently held by the Department of Work and Pensions.
- Many retailers promoted the scheme during the pandemic and introduced schemes to add value to the paper vouchers, but the new digital card doesn't allow them to continue to add value in this way. Retailers do however have an opportunity to promote Healthy Start to help raise awareness of the scheme; for example promoting the scheme by labelling of food products which are within scope² (e.g. milk and fruit and veg) , running targeted in-store and online communication to promote the scheme in areas with low levels of uptake, and using loyalty schemes to promote Healthy Start to low income customers.

The value of the scheme has not kept pace with rapid food price inflation:

- In April 2021, the Government increased the value of Healthy Start from £3.10 to £4.25 – the first increase since 2010. Since then, food price inflation has risen very rapidly. Some products which can be purchased through the scheme, such as infant formula, have seen price rises that significantly outstrip average inflation and mean that Healthy Start funds aren't enough to cover the cost³.
- Scotland's Best Start scheme is at £4.95 per week and is due to be increased in April to keep up with inflation.
- No first infant formulas are affordable with the Healthy Start allowance: Between March 2021 (before food prices started to rise) and April 2023, the most widely available and purchased powdered infant formulas increased in cost by an average of 24% and the only 'own-brand' infant formula increased 45% over the same two-year period⁴.

Restrictive eligibility criteria result in children falling through the gaps:

- The thresholds mean that many families experiencing food insecurity do not benefit – only those with a household income of £408 per month or less excluding benefits are currently eligible.
- The scheme is only available to families with children under 4 years old, leaving a gap between Healthy Start ending and Free School Meals starting.
- Though the scheme has been temporarily expanded to some children from households with No Recourse to Public Funds (NRPF), not all children from these highly vulnerable families are eligible.

² with the exception of formula as this would contravene the Code

³https://static1.squarespace.com/static/59f75004f09ca48694070f3b/t/63a318429073c02491ab6dee/1671632963625/Cost+of+living+briefing+note_December+2022final.pdf

⁴<https://static1.squarespace.com/static/59f75004f09ca48694070f3b/t/6462575da539fa597ba486d4/1684166494259/First+Steps+Nutrition+Trust+Cost+of+Living+Briefing+May+2023+final.pdf>

Infant formula in the cost-of-living crisis

Formula prices have been increasing at a faster rate than food inflation.

- First Steps Nutrition has [reported](#) that between March 2021 and April 2023, the cost of seven standard powdered first infant formulas sold by market leaders increased by an average of 24%. The only own-brand infant formula on the market (ALDI's Mamia brand) increased by 45%.
- [Food Foundation data](#) shows that prices of first infant formula range from £9.39 to £15.25 for a standard tin of regular powdered first infant formula.
- This means that the Healthy Start allowance of £8.50 per week, or £34 per month for those with children aged under one, is not even enough to cover one tin per week. Parents often need to buy more than one tin per week to adequately feed their baby.

There are national and international policies in place to protect parents from marketing of formula

- The International Code of Marketing of Breastmilk Substitutes (the Code) is an international health policy framework to regulate the marketing of breastmilk substitutes in order to protect breastfeeding and help ensure that decisions about infant feeding are not affected by commercial interest.
- Promotions on formula are not the solution to the cost of living crisis. Families should not have to shop around between different products, especially when the nutritional composition is tightly controlled and all formula has to meet the same minimum nutritional requirements. Instead, price, affordability and access to infant formula needs to be addressed.

A recent review by the Competitions and Market Authority highlighted concerns about the price of formula and profiteering

- The CMA [noted](#) in its report on price inflation and competition in food in November 2023 that "manufacturers have increased their unit prices for infant formula by a higher amount than their costs have increased, leading to increasing unit profitability (in £ per kg). Some suppliers have seen modest reductions in overall profitability in recent years, but as a share of revenue, margins of major suppliers in infant formula remain among the highest of all the product categories we have considered."
- The CMA report also [noted](#) that 'while the regulations prevent promotional activity around infant formula (including price promotions), nothing in them prevents manufacturers from reducing their list price to retailers, nor retailers making unpromoted cuts to the prices offered to consumers.'

What is the impact on struggling families?

- Even before the cost-of-living crisis hit, the All-Party-Parliamentary-Group-on-Infant-Feeding-and-Inequalities (APPGIFI) published [an inquiry](#) in 2018 into the cost of infant formula.
- It found that when families are unable to buy infant formula milk, they are forced into unsafe feeding practices such as watering down formula, increasing times between feeds, bulking up milks, inappropriate milks and starting solids early.
- The nutritional composition of infant formula is tightly controlled and must meet certain minimal nutrition standards, thus highlighting that it is not necessary to purchase the more expensive products to feed babies well.



In 2022, the charity Feed UK, published [an inquiry](#) which further demonstrated the growing problem first identified by the APPGIFI. The inquiry spoke to health and care professionals, service users and other members of the public.

“...the Healthy Start vouchers only supply parents with one and a half tubs a month, also most parents have older children have to make a choice over whether to feed older children or buy formula”
- Molly, Non-Service User, Scotland.

“...we find this especially challenging [non provision of formula due to UNICEF guidelines] especially when we know a mum is watering down formula or accessing it on the ‘black market’. This makes the UNICEF guidelines dangerous and unhelpful to families living in poverty - they could be starving a baby living ten minutes from me as I write this.”
- Kate, Baby Bank CEO, Scotland.

“We have supported families who have been unable to afford formula and who have fed their young babies cow’s milk, watered down formula and begun weaning before 6 months so they can feed their baby something”
- Sarah, Baby Bank Trustee, England.

Actions for retailers

1. Introduce own brand formula

- In November 2023, the CMA [noted](#) a lack of cheaper own brand products sold by major retailers as a potential barrier to competition which may be keeping prices high.
- Own-brand or own-label products are carried exclusively by the supermarket that owns them and are generally cheaper than branded goods despite being of comparable or identical quality. There is currently only one own-brand first infant formula available in the UK (ALDI's Mamia brand).

2. Continue to promote the Healthy Start Scheme

The Food Foundation's [Kid's Food Guarantee](#) suggests actions to support increased uptake could include:

- Labelling products included within the scope of Healthy Start⁵ (with the exception of first infant formula) with information about the scheme, directing customers towards the NHS website for further information.
- Running targeted in-store and/or online communication campaigns to promote the scheme to low-income customers and those using stores in areas where there are high numbers of families eligible for the scheme.
- Exploring the potential to use loyalty card schemes to promote the scheme and incentivize the use of funds on healthy foods.

Actions for the Government

1. Increase uptake of Healthy Start, to ensure no eligible families miss out

- Increase uptake of Healthy Start. The Government should commit to a £5m promotional campaign, as recommended in the [National Food Strategy](#), which targets eligible families and the healthcare professionals who work with them.
- Resolve data sharing issues between the DWP and DHSC to ensure that all those eligible are informed and given opportunity to apply and benefit from Healthy Start
- Introduce auto-enrolment, with an "opt-out" rather than the current "opt-in" system to remove barriers faced by families applying online or by post.

2. Increase the value of the Healthy Start allowance in line with inflation and price increases

- The failure to uprate Healthy Start in line with inflation and price increases has meant that no first infant formulas that are affordable with the Healthy Start allowance.
- In contrast, the value of the Scottish equivalent of the scheme - Best Start Food - was increased in line with inflation by 10.1% in April 2021.

3. Expand eligibility of Healthy Start to more families in need

- Expand eligibility to all families on Universal Credit and equivalent benefits with children under 5 years old, as recommended in the National Food Strategy. This would ensure that more children at risk of food insecurity can benefit and would close the gap in support for 4-year-olds before they start school.
- Consult immediately on the permanent extension of Healthy Start to all children in families with NRPF, as has been called for in a November 2023 [letter to the government](#) from The Food Foundation, Sustain, and 148 signatories from NGOs, local authorities and medical bodies.

⁵ with the exception of formula as this would contravene the Code

4. Introduce pricing policies that ensure formula is affordable for those that need it

- The government should establish pricing policies and practices to ensure infant formula is provided at lower prices on a long term basis to ensure that formula is affordable for all those who need it.

5. Clarify the law around the use of cash equivalents and loyalty cards for infant formula.

- The Government must provide clarity on whether the use of cash equivalents such as gift cards which are sometimes provided by food banks to buy infant formula in supermarkets, are permissible within the Code. Similarly, clarity is needed on the use of points accrued through retailer loyalty card schemes on formula is permissible.

6. Promote improved communication and information about infant formula to parents

- Given that all first infant milk formulas are nutritionally comparable, health care professionals should clearly communicate and signpost that there is no need for families to buy more expensive products.

About The Food Foundation:

We are a young, dynamic, and impactful charity with a mission to change food policy and business practice to ensure everyone, across the UK, can afford and access a healthy diet, supplied by a sustainable food system. We are independent of all political parties and business.

For further information please contact Joss MacDonald, Public Affairs Lead at the Food Foundation: joss.macdonald@foodfoundation.org.uk