

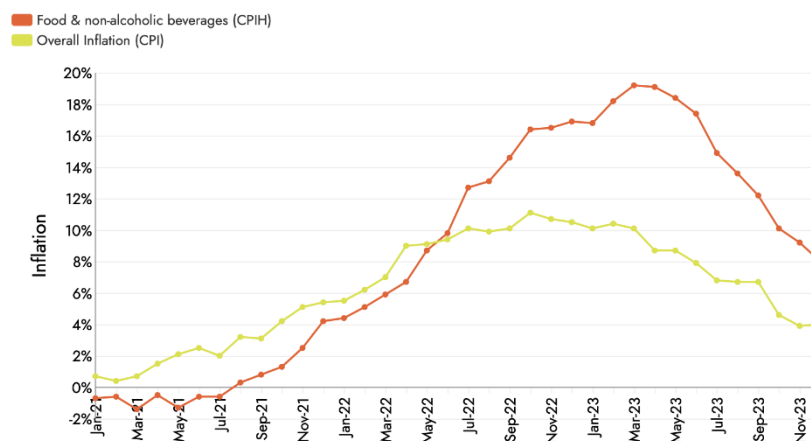
Recommendation 1c: Tackling food insecurity due to insufficient benefit and wage levels

SUMMARY

- Despite inflation decreasing in recent months, Food Foundation data shows a substantial increase in food prices since 2022.
- The National Living Wage and Universal Credit fail to cover the costs of the basic necessities needed to live with dignity, including food. This leaves many at very high risk of food insecurity.
- The Government must monitor the cost of a healthy and sustainable diet to ensure that wages and social security are sufficient to ensure that everybody in our society can eat and live well.

Despite overall inflation decreasing, the affordability of food remains a challenge for many

Annual Consumer Price Index Inflation



Source: [ONS, Consumer price inflation tables](#)



- The Consumer Price Index (CPI) indicates a decline in overall inflation, reaching [4%](#) in the 12 months leading up to December 2023. Although inflation is decreasing, it remains above the Bank of England target of 2%.
- At the same time, the inflation rate for food and drinks is over twice as high at 10.1%, and a weekly food shop remains unaffordable for many. In January 2024, the [Food Foundation's Basic Basket Tracker](#) revealed that the expense associated with a standard food basket that meets broad nutritional requirements has increased by approximately 25.5% compared to its cost in April 2022.
- Even prior to the recent price increases, healthy diets were financially out of reach for many individuals with low incomes. Food Foundation [data](#) showcased that the poorest fifth of the population would need to spend an unrealistic 50% of their disposable income on food to afford the Government recommended healthy diet, the Eatwell Guide.

The cost of living is driving a spiral of diet related inequalities

- The Food Foundation's [Broken Plate 2023](#) revealed that healthier foods are over twice as expensive per calorie as less healthy foods, posing a greater challenge for individuals with lower incomes to eat sufficiently well.
- The ongoing impact of the cost of living, including high food prices, is likely to lead people to depend more on lower-cost foods, often characterised by being calorie-dense and nutrient-poor. This trend may increase diet-related diseases.
- [Data](#) from the Food Foundation indicates that individuals experiencing food insecurity are cutting back on their purchases of fruits, vegetables, and fish – which are essential for a diet that fosters health and helps prevent the development of diet-related diseases.

The living wage falls short in meeting the cost of nutritional basic needs of the UK population

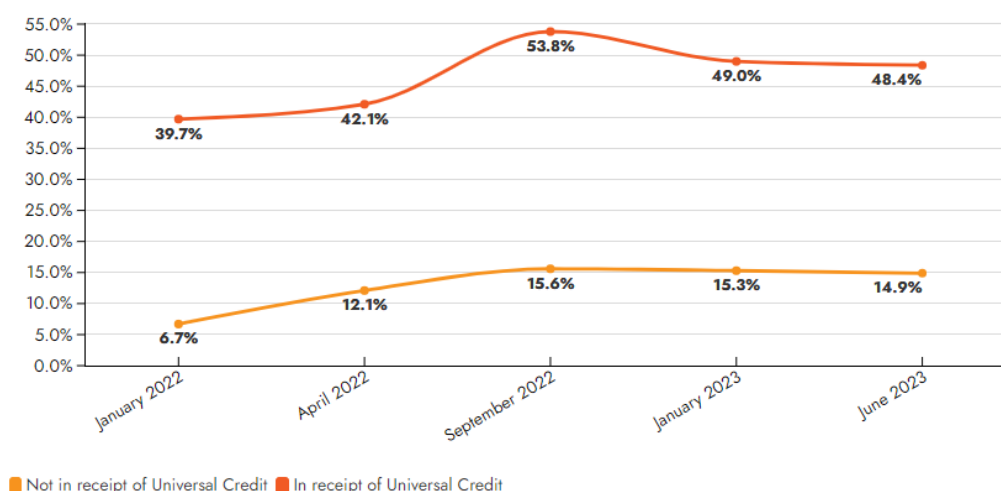
- In November 2023, the Government announced that the [National Living Wage rate](#) for 2024 will be £11.44 per hour. This change will take effect from April 2024.
- However, based on calculations conducted by the [Living Wage Foundation](#), which considers the best available evidence on living standards, the 2023-2024 UK Living Wage for outside of London is £12.00 per hour and the London Living Wage is £13.15 per hour.
- This means that the gap would amount to £1,092 less annual income than a full time UK worker from outside London would earn on the Real Living Wage, and £3,334 less than a full-time worker in London on the Real Living Wage. This [substantial difference](#) could impact a household's ability to afford enough nutritious food.
- It is crucial for the Government to consider wages rates that cover the true cost of a healthy and sustainable diet.

Households in receipt of Universal Credit are at high risk of food insecurity

- The [Family Resources Survey](#) conducted by the DWP for the 2021-22 period, revealed that 27% of households in receipt of Universal Credit experienced food insecurity, in contrast to the 7% average.
- Since the DWP data were collected, levels of food insecurity have further increased. [More recent data](#) from a nationally representative survey conducted by The Food Foundation in June 2023 reveals that among households in receipt of Universal Credit, nearly half (48%) reported experiencing food insecurity in June 2023.

Nearly half of households in receipt of Universal Credit (48.4%) reported experiencing food insecurity in June 2023

Percentage of households experiencing food insecurity*:



* 1-month recall period

- [The Summer 2023 – Cost of Living Tracker](#) conducted by the Joseph Rowntree Foundation highlighted that benefit levels are not aligned with the cost of essentials, including food. Consequently, 87% of low-income households on Universal Credit are presently unable to afford essentials.
- The Universal Credit standard allowance for 2023-2024 is £85 a week for a single adult. According to the [analysis](#) conducted by the Joseph Rowntree Foundation and Trussell Trust for the 2023-2024 period, a single adult would require a minimum basic rate of Universal Credit of £120 per week to cover the cost of essentials, including food, utilities, and vital household goods. This results in a substantial gap of £35 per week.
- It is important for the Government to ensure that Universal Credit rates provide a sufficient income for vulnerable families to attain a socially acceptable minimum standard of living.

What change do we want to see?

The cost of healthy and sustainable diets needs to be taken into account when setting benefits levels and the living wage in order to ensure that everyone has sufficient income to afford an adequate diet, as one step towards nourishing the nation.

As the UK approaches a General Election, The Food Foundation is urging all candidates and political parties to recognise the importance of improving the food system for achieving many societal goals. The Food Foundation's manifesto 'Nourishing the Nation' presents a range of policy priorities aimed at transforming the current food system, reshaping the nation's well-being and future.

You can find our Nourishing the Nation manifesto [here](#).

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