Making the case for cash first

Dr Sinead Furey on behalf of the Independent Food Aid Network (IFAN)

Cash First Communities conference
Glasgow, June 2026



IFAN GMPA Joint Event at the Labour Party Conference (October 2023)

INDEPENDENT FOOD AID NETWORK

Cash-first approaches

What do we mean by cash first?

Cash-first interventions



INDEPENDENT FOOD AID NETWORK

Cash First: Ending the need for charitable food aid

Adequate benefit payments, wages and secure work would mean everyone could afford food.

Adequate social security & wages

Ensuring access to cash in a crisis reduces food insecurity and pressure on food banks.

Cash payments via local authority

More dignified, and shifts responsibility away from charitable food aid.

Vouchers/cash via advice agent

Potential for more choice and dignity, still a stop gap measure.

Vouchers/cash via charitable food aid provider

Stop gap measure which does not reach most people in need.

Charitable food aid provider

Such as a food bank, food pantry, social supermarket, larder or soup kitchen.

Advice is key...

Adequate advice and support is fundamental to a cash first approach. Properly funded advice services and referral pathways will ensure everyone can access their full entitlements.

INDEPENDENT FOOD AID NETWORK

www.foodaidnetwork.org.uk

Cuts to social security system alongside introduction of punitive measures

Austerity measures help build narrative that people can't be trusted to make their own decisions

Emergence of food banks distributing emergency food parcels

Household Support Fund Guidance (England) 2025-26 Paragraph 107: *'Although they still carry fraud risks, vouchers should be used instead of cash where possible as this helps to mitigate the risk of the money being spent by the recipient on things outside the policy intent.'*



West Northumberland Food Bank (Mary Turner)

Cash transfers overseas – long-established practice

"Cash transfers are an effective way of directly helping some of the poorest and most vulnerable people in the world, and are good value for money…They empower the poorest and most vulnerable people to make their own decisions and enable them to spend it in their own communities." **UK Department for International Development, 2017**

UK Government co-led the donor working group that jointly advocated for more cash where and when appropriate in humanitarian responses - **Joint Donor Statement on Humanitarian Cash Transfers (March 2019)**



IFAN blog by Jennifer McAteer – Ending mass dependence on emergency food parcels in the UK – why lessons from cash-first assistance overseas are key

‘Direct cash is proven to reduce poverty’

‘More than two thirds of countries run cash transfer programs. This is not by chance – the evidence on positive impacts of cash transfers is overwhelming.’

Cash has the largest and deepest evidence base of all anti-poverty programs (with over 1,000 studies)

Evidence confirms that direct cash given to people in poverty improves multiple dimensions of people’s lives – typically all at the same time.

World Bank *Economic Development and Cultural Change* in 2017, examined 19 studies across 10 countries and found that cash transfers had either no impact or a *negative* impact on spending on alcohol and tobacco.

Hundreds of studies confirm that ‘no strings’ cash…



GiveDirectly

Learning from the British Red Cross Covid-19 Hardship Fund

93% of people stated that they felt it had a positive impact on their lives and enabled them to afford the essentials.

Cash-based support was used by recipients to buy food (78%), other household items (32%), hygiene products (28%) and to pay bills (17%).

Cash transfers can unlock wider benefits beyond supporting people to afford the absolute essentials.

92% felt that the financial assistance they received reduced feelings of stress and anxiety.

BritishRedCross

£20 Uplift to Universal Credit – Cash-first intervention suggesting a reduction in food insecurity

In 2019–2020 - 43 per cent of Universal Credit claimants were food insecure, higher than any other claimant group falling to 27 per cent in 2020–2021.

No apparent change in food insecurity amongst legacy claimants that did not receive the uplift - prevalence remained around 31 per cent.

£20 uplift removed in October 2021 – ‘Our analyses suggest that the extent of food insecurity in the UK would probably fall if the generosity of the social security system increased’ Dr Rachel Loopstra et al April 2025

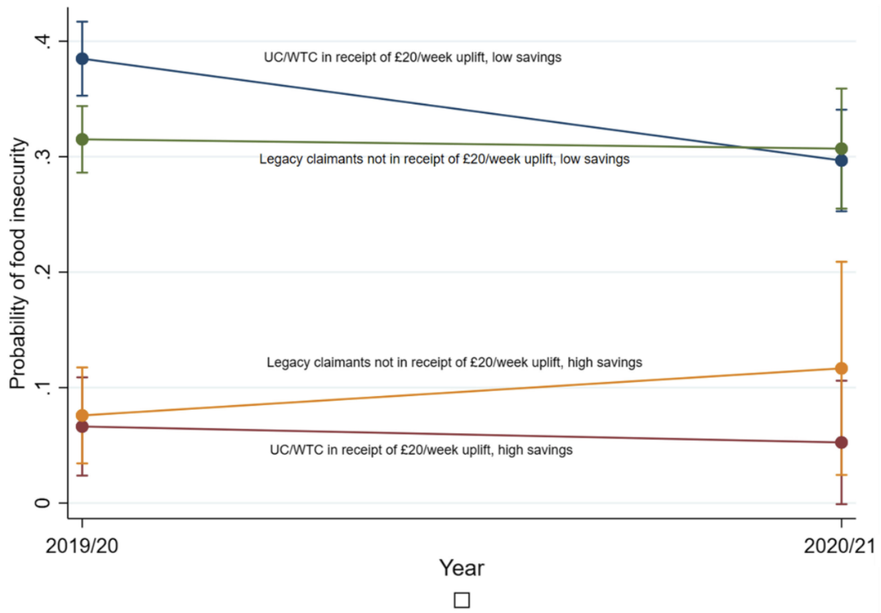


Figure 1. Change in food insecurity for UC/WTC claimant and legacy claimant benefit units from 2019–2020 to 2020–2021, split by level of savings. *Notes:* Authors’ analysis of Family Resources Survey, 2019–2020 and 2020–2021.

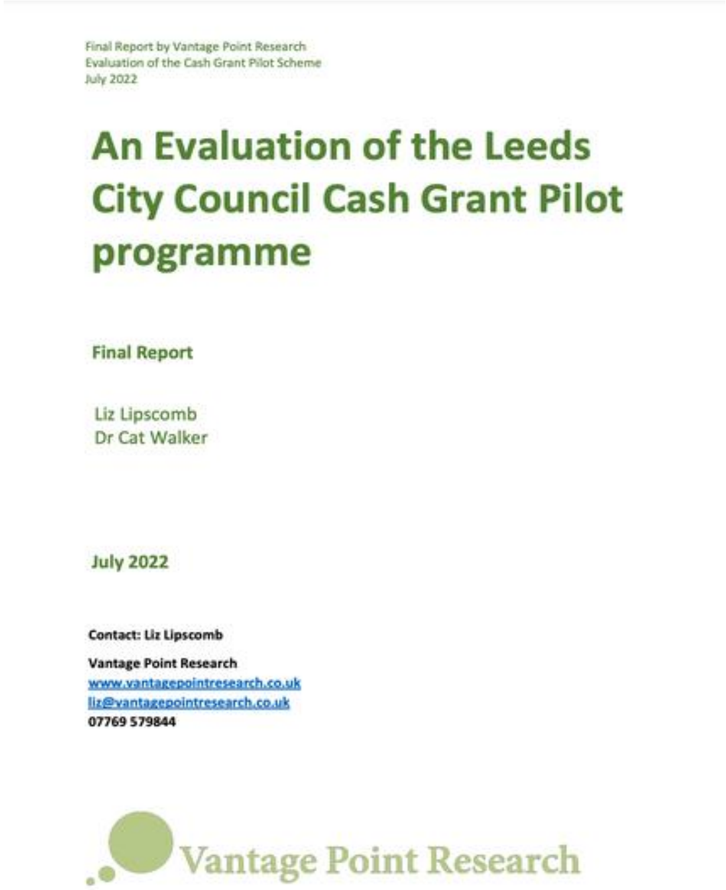
Dr Rachel Loopstra et al - *Did increasing the UK’s Universal Credit and working tax credits by £20 per week in 2020–2021 reduce food insecurity?*

Leeds City Council Cash Grant Pilot (2022)

Evaluation found cash grants:

- have an immediate impact on a person's financial situation
- are a more dignified form of support
- can also unlock additional benefit

- 'People use cash to buy the essential items, particularly food, gas, and electricity' and there was no evidence of misuse of the cash grants'.



Final Report by Vantage Point Research
Evaluation of the Cash Grant Pilot Scheme
July 2022

An Evaluation of the Leeds City Council Cash Grant Pilot programme

Final Report

Liz Lipscomb
Dr Cat Walker

July 2022

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Vantage Point Research

North Paddington Foodbank cash-first pilot

North Paddington Foodbank's recent cash-first pilot saw cash payments twinned with income maximisation support result in:

- 53% of households not returning to the food bank



Cash First Trials in Lewisham

Three cash-first delivery mechanisms tested and participants reported:

- Flexibility and choice
- Stigma avoided
- Disability barriers reduced
- Stress reduced
- Food parcels limiting



Cash First

The LCC Trial 2025



Giving people cash rather than food parcels would empower them

Rachel H Tribe

People should be trusted to choose how to feed themselves, but instead the government relies on food aid

"It gives you the choice of where…You're not cap in hand… You've got the autonomy to choose what you need, rather than be grateful for things." Participant in the Legendary Community Club's 2025 Cash First Trial in Lewisham

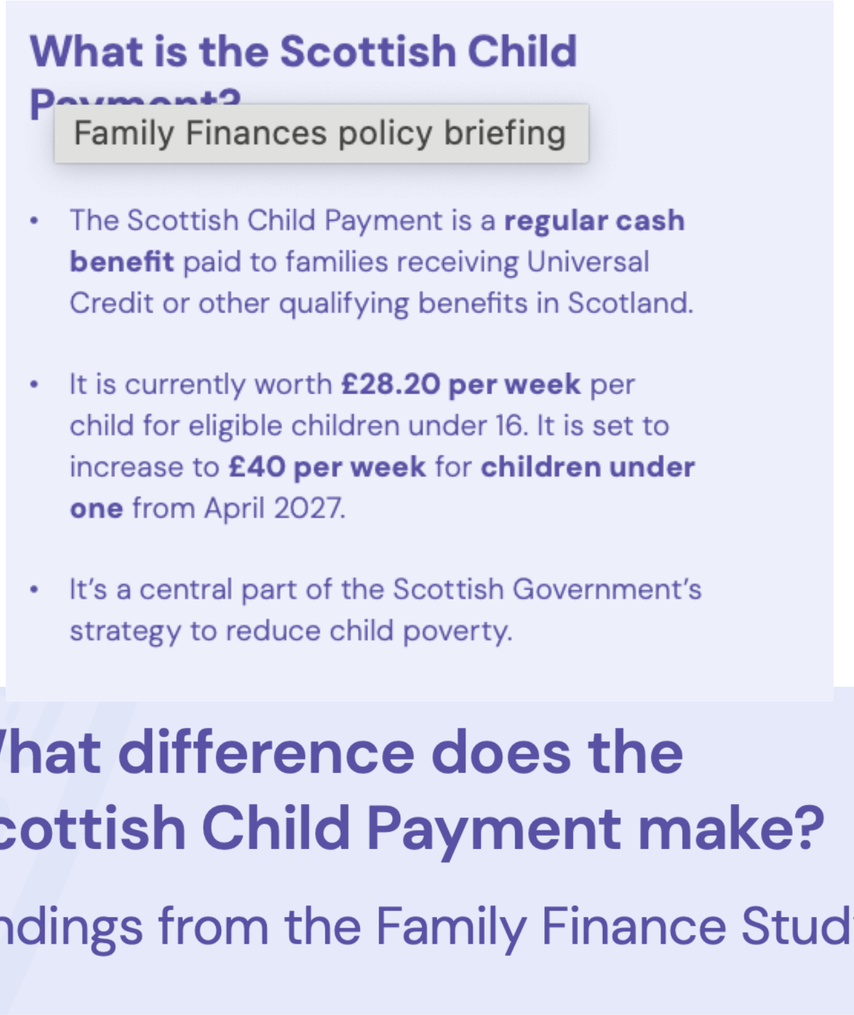
Cash-first interventions for families

Family Finance Study Policy Briefing published last week on the Scottish Child Payment:

- Direct cash transfers for children have substantial positive impacts, and the UK Government should draw on Scotland's experience.

- To reduce child poverty, the UK Government should increase Universal Credit and Child Benefit, which remain insufficient to meet basic living costs.

Lifting of the UK-wide two-child limit expected to 450,000 children lifted out of poverty by 2030



Cash-first crisis support

Menu for Change project identified the role Scottish Welfare Fund could play in acting as a gateway for further support which could prevent future hardship, and the need to increase the budget for awards to improve the response available to people.

Scottish Welfare Fund Review March 2023 – More could be done to raise awareness of the Fund

Discretionary Assistance Fund in Wales - The analysis shows DAF awards allocated to individuals in areas of greatest need.

Independent review of Discretionary Support in Northern Ireland – February 2022 – ‘Discretionary Support has a profound impact on recipients and can make the difference between someone living in or escaping from destitution.’

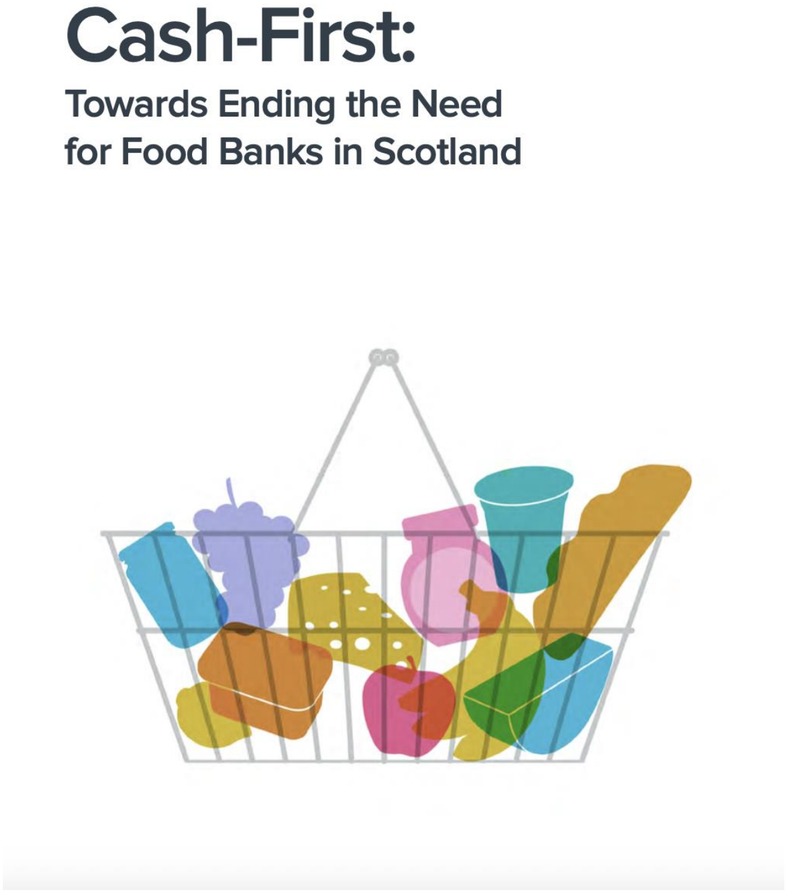


Cash-First: Towards Ending the Need for Food Banks in Scotland

Scottish Government
Riaghaltas na h-Alba

Focus of Action One – Cash-first partnerships: Final evaluation to be published later in the summer

Eight other actions including Action Six focused on IFAN's Worrying About Money?' resources to help people to find local cash-first options – ScotCen evaluations in 2021 and 2024



Find out more:

www.foodaidnetwork.org.uk