



## Why will Hope Food Club charge people for food it supplies?

Hope Food Club will charge people a fee to become members of the club and then for items they buy. This differs from food banks or Junk food cafes, which offer free food or at nominal cost. This note sets out why food club will be different.

There are different levels of poverty; taking out those on low wages or low pension income, who are still poor, but not as acutely, this leaves two categories in more acute food poverty (see figure below):

The most acute in their poverty are people such as the homeless or those with absolutely no income - those sanctioned, for example (Category 1). Hope has forty years' experience of feeding this group and will continue to do so through our day centre.

Food Club aims to meet the needs of people in ongoing, continual, but less acute poverty, who suffer food shortages each week due to continuing lack of income from low or insufficient benefits, but who are not 'destitute' (category 2 poverty). This is a much larger group of people.

There are perhaps 15m people in the UK in category 2. Charity, without funding, through food banks, simply cannot feed this many, and arguably, should not even seek to do so. As early as 1998, Janet Poppendieck's book '*Sweet Charity*' set out the limitations and issues food banks represent. They are not a solution to the complex, wider problem of food poverty and can never be so: they should be about crisis or ongoing inability to support oneself and meeting *that* need. To try to offer a more comprehensive service without any non-charitable source of funding is simply not possible.

Food banks generate no income and no exchange of funds. All costs are borne by the charity, church etc, in the form of staff or volunteer time, donated storage, distribution etc and so require generation of all their funds by donation or peripheral sales/trading (training etc) – the donors of their food don't pay for staff, premises, vans or volunteers. It is simply unrealistic to assume that free food provision, without any external income other than from charitable funds, could ever meet the needs of the wider group in less acute but still pressing food poverty. Food banks need to be focused on those without any means of support rather than those in category 2. To service the needs of category 2, there has to be funding above and beyond grants: in the food club model, as of course in any ordinary food shop, this is provided by *sales income*.

In a normal food retailer, the sales income, after costs, pays shareholders who make a profit. The funds are not re-invested in the local area, other than by wages, which in this sector are often minimum wage, zero-hours employment. All the rest of the income generated by sales leaves the area and enriches external investors.

In the Hope food club, there will be a charge for food. This is not to make profit, but to keep the project alive. The charge will be no more than one third of the normal retail price. This is possible because no-one makes any profit. It's run by a charity and there are no shareholders. All funds raised go towards paying the staff at the real living wage, providing training and investment in personal development, and in funding growing projects which

supply the scheme with veg, fruit and salad at low cost. All funds are used within that area, and benefit the local community.

Food banks, where they claim to see people in all categories of poverty, are also explicitly politicised in that they act as a marker of poverty, and as such are disputed and criticised by politicians on the right/in power. An economic project such as a food club is not visible or open to the same challenges or hostility.

Food clubs like Hope's, known as social supermarkets, are very common in Europe, and they all charge for food, this is accepted, and donors still give.

No-one contests that the most destitute will continue to need free food. But if we are to meet the needs of a wider group of people, some economic element beyond grants needs to be created to make it work. This is possible through Food Club – and that economic element is used to create an asset for its members and for the local community.

**See also:** <https://www.demos.co.uk/project/british-aisles/> and <https://www.dropbox.com/s/gnn6pa3ar3jxc8/University%20of%20Oxford%20report%20on%20foodbank%20use%20-%20embargoed%2029.06.17.pdf?dl=0> for an analysis of food poverty and why projects like Food club are needed.

### Stratification of food poverty

	Ongoing	Temporary	Needs met by:
In Need Group	Pensioners on state pension only; working poor on minimum wage (eg on in-work benefits)		Cheap/discount food shops like Lidl, B&M etc ..... ..... Food Club
	Unemployed families	People experiencing time off work due to long term sickness etc	
	Some disabled, controlled drug users/drinkers		
Destitute	Homeless, uncontrolled drink/drug users, those with some forms of disability	Sanctioned, newly released from prison, domestic abuse crisis, People moving between jobs with no source of income	Food banks/Hope