



**Foodbank Hunger Report  
2014**



# About Foodbank

Foodbank is the largest food relief charity in Australia and the pantry of the country's front line welfare agencies. Foodbank is a non-profit, non-denominational organisation which acts as a conduit between the food and grocery industry and over 2,500 charities that provide emergency relief in the form of food in the community.

Over 700 companies donate food and groceries including primary producers, importers, exporters, wholesalers, manufacturers, retailers as well as the public. Contributions include stock that is close to expiry, has incorrect labeling or damaged packaging, is excess to requirements or from slow-moving and deleted lines as well as just straightforward donations.

Donations also include fresh produce and ingredients that are out of specification or surplus to need. One example of a source of a key ingredient is the grain program. In collaboration with grain traders and handlers, farmers are able to donate grain at silos for use in manufacturing. Similar programs exist with other primary industries to source fruit and vegetables, eggs, rice and meat.

In addition, Foodbank is able to call on food industry assistance for extra supplies of essential items at times of regional disasters such as bushfires and floods.

Product from rescue and donation channels, however, do not ensure a sustainable or consistent supply of essential staple foods. To address this, Foodbank has a Key Staples Program to proactively source what is needed with the assistance of manufacturers and their suppliers. The food manufacturer produces an agreed quantity of product under its own brand name, using standard specifications, donated components where possible and fitting around its commercial production schedules to ensure overall efficiency. Through this method Foodbank is able to collaboratively source breakfast cereal, fresh and long life milk, pasta, pasta sauce and canned fruit and vegetables.

Foodbank sorts and shares all the product it receives within its national network. A comprehensive stock management system enables recording and tracking of all products entering and leaving the warehouses. This system enables agencies to see what's available and order with confidence so they can better plan their food provision knowing what food they will receive and when. The food is either delivered to or collected by the welfare agencies. In some instances, agency orders are aggregated and transported by container to regional centres for distribution.

## Foodbank at a glance

Total kilograms received in 2013/14  
**29.9M**

Estimated value of food  
**\$209M**

Increase on prior year  
**16%**

Total meals 2013/14  
**39.9M**

Charities supplied  
**2,500**

Meals per day  
**109,000**

## Preface

The Foodbank Hunger Report provides an insight into the largely hidden problem of food insecurity in Australia. The report is a summary of two pieces of research undertaken with Foodbank stakeholders in the first half of 2014.

The first is the Foodbank Welfare Agency Survey conducted amongst the organisations and community groups that source food from Foodbank. The aim of the survey is to learn more about the welfare agencies themselves, their food provision activities and the recipients of food relief. It also seeks feedback on the service Foodbank provides. This year 1,197 responses were received and analysis of the results, as well as the economic context surrounding the issue of hunger and food relief in Australia, was provided by Deloitte Access Economics, Australia's pre-eminent economics advisory practice.

The second piece of research is the Social Return on Investment (SROI) forecast analysis undertaken on Foodbank's services using an internationally recognised methodology by Net Balance, Australia's largest sustainability advisory firm. It quantifies the social, environmental and economic value created by Foodbank's food relief activities and builds on the results of a scoping study carried out in 2012, which was co-funded by Foodbank and the Australian Food and Grocery Council. SROI is a framework for measuring and accounting for a broader concept of value than just financial gain. It also incorporates reductions in inequality and environmental degradation and improvements in wellbeing and productivity by factoring in social, environmental and economic costs and benefits. In a nutshell, it is about determining the true benefit to society of Foodbank's provision of food relief.

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Two million Australians seek food relief at some point during the year. This report highlights that for some of those people there is no help because there isn't enough food to give them. It doesn't have to be that way. In this country of abundance it is well within our means to ensure that every person in crisis is provided with the hand up they need to put their life back on track. Foodbank, along with its food industry and welfare sector partners, is showing that ending hunger in Australia is not an impossible dream; it is something we can and should aspire to. The value of doing so is far reaching; providing someone with a meal does more than just fill their stomach today. It helps them and the community in which they live to achieve a brighter future.

”

Enzo Allara AM  
Chair, Foodbank Australia



**ATTENTION**  
WARNING: OPERATORS  
TO CHECK OIL AND WATER  
LEVELS DAILY

**TOYOTA**

15

# Executive Summary

## Demand for food relief continues to rise

- Foodbank agencies assist over 516,000 Australians with food relief each month (almost 35% are children)
- There was an 8% increase in the number of people seeking food relief this year
- More than 60% of agencies faced an increase in demand
- More than 20% of agencies faced increases of over 15% in demand

## Family economic circumstances the main driver of need for food relief

- The most common reasons that cause people to seek food relief are generally low incomes and unexpected expenses or events
- Low income families were, like last year, more prevalent than the unemployed in seeking food relief
- Food parcels were again the most common form of food relief

## Demand for food relief is not being met by supply

- Almost 60,000 Australians seeking food relief each month are unable to be assisted (40% are children)
- Of those assisted, 65% do not receive all they require
- 28% more food is needed by agencies to meet current demand

## Foodbank is essential to the food relief activities of welfare agencies

- Foodbank provides 58% of food utilised by agencies
- 73% of agencies note that food is a significant reason why people seek their services
- 80% of agencies note that food helps staff build trust and provide other services
- Satisfaction with Foodbank has increased compared with last year

## Foodbank services extend beyond satisfying immediate hunger needs

- In a single year the forecasted social return of the activities of Foodbank and its fellow stakeholders is \$571 million
- The social, economic and environmental value created per kilogram of food is \$23





# Economic issues affecting hunger in Australia

## Economic climate

Australia has enjoyed more than two decades of consistent economic growth, with the average wealth of a household continuing to increase. Despite this increase in prosperity, those in disadvantage still live in challenging circumstances. The compelling message from the Foodbank 2014 Welfare Agency Survey is that throughout Australia demand for food relief is rising.

## Government data highlights the issue

To understand why, it is important to look at income inequality in Australia, which has been increasing over the previous two decades. This is not inherently bad, provided that those in low economic resource groups are receiving adequate support and funds, either through self-support or support from the public. If this is the case, then rising income inequality would reflect the top income earners increasing their share of national income, rather than showing that the poor cannot meet day to day needs (Australian Treasury, 2014).

As such, we need to look at groups with both low wealth and low incomes, termed 'low economic resource households'. By looking at low economic resource households, it is possible to determine those that may be at risk of economic hardship. As of 2012, this group included 1.8 million households and over 1 in 5 Australians (ABS, 2013). Typically, the net worth of low economic resource households rises at a much slower pace than for other Australians. Low economic resource households have an average weekly income of \$496 (ABS, 2013), while the weekly minimum wage is \$640.90 (Fairwork, 2014). Even when accounting for inflation since 2012, disposable income for low economic resource households is less than the weekly minimum wage.

The bulk of individuals receiving government support are on pensions, with a significant amount receiving the Newstart Allowance. Individuals on Newstart Allowance receive weekly payments between \$255.25 and \$356.60 while a single person on the Age Pension can receive \$424.40 (Human Services, 2014),

substantially less than the minimum wage. Over time, income disadvantage for individual households may be persistent. This means that those in low economic resource households are likely to stay a low economic resource household for a number of years. The Household Income and Labour Dynamics in Australia Survey indicates that this was the case for as many as 2 in 3 low income households between 2001 and 2009 (ABS, 2013).

Other economic indicators may suggest some cyclical issues in the Australian economy are contributing to the findings of the latest Foodbank Welfare Agency Survey. In particular, the latest unemployment rate figures show an increase of 0.7 percentage points compared to July last year (ABS, 2014), with a slight downturn of 0.1 percentage points in the participation rate. As people transition from being in work into looking for new work, they may lack sufficient income to meet all basic needs in the short term, leading to an increase in the demand for food relief and other related services.

For Australian consumers, the strength of the Australian dollar over the last few years has provided a degree of protection from an increase in food prices, with imported food becoming relatively cheaper. However, 10% of Australians report they cannot afford to buy enough food, and this has increased somewhat over the past years (OECD, 2014). The Australian dollar is expected to remain fairly constant over the remainder of 2014. However, in the medium term the Australian dollar is expected to fall<sup>1</sup>. This would place additional pressure on low income households over the coming years, as the price of imported food and other commodities rises with a fall in the Australian dollar.

Australians do seek to help those in need; 67% of Australians donated money to a charity in 2012. However, Australians reduced donations to charities, reduced time spent on volunteering and helped strangers less over the period 2007-12 (OECD, 2014). In effect, Australia may be prosperous, and we seek to help as a nation, but the most disadvantaged will remain challenged.

*Deloitte Access Economics*

<sup>1</sup> Note that movements in exchange rates are volatile, so whether or not a fall eventuates depends on a large number of unpredictable factors.



# The state of food relief in Australia

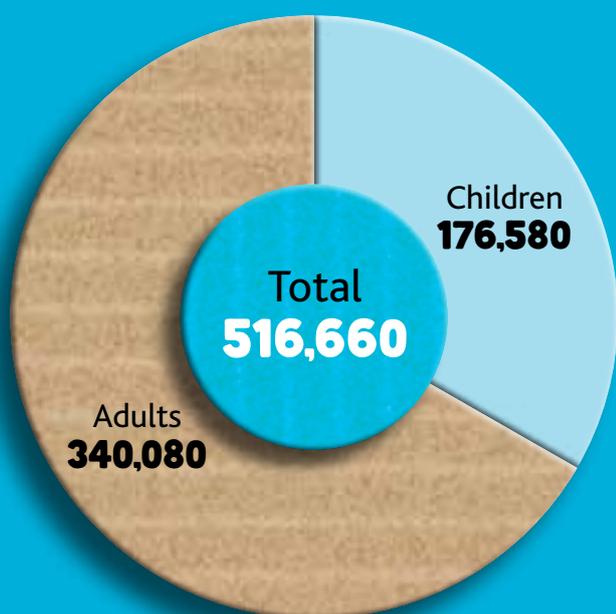
## 1. Demand for food relief continues to rise

**Foodbank agencies assist over 516,000 Australians with food relief each month – almost 35% are children. This represents an 8% increase in the number of people seeking food relief this year versus 2013. 61% of agencies faced an increase in demand with more than 20% of agencies facing increases of over 15%.**

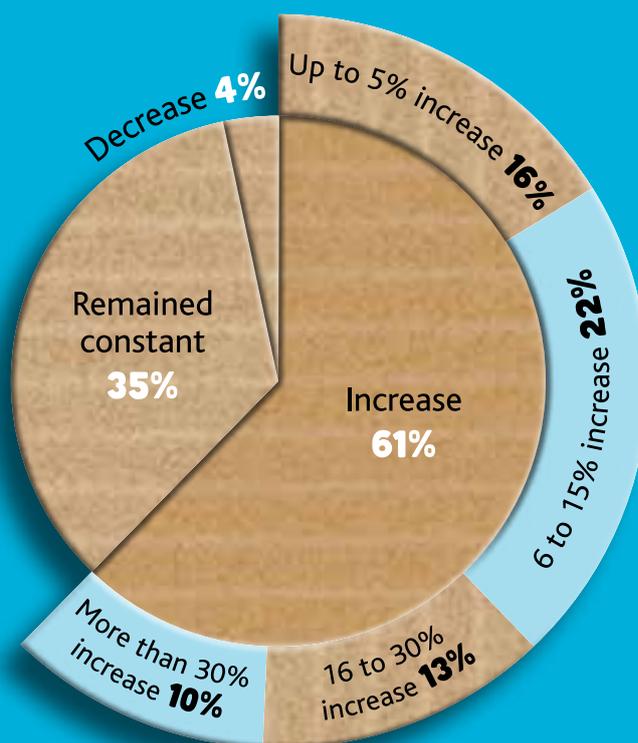
In an average month, the number of people assisted with food relief by each welfare agency was 156 adults and 81 children (the aggregate across all Foodbank agencies is 516,000) which is an 8% increase on 2013 (Chart 1.1).

Of the 516,000 people assisted each month, 357,000 are helped in metropolitan areas of Australia, and a further 159,000 are helped in regional areas.

The number of individuals who approached agencies for food assistance in the past year has risen strongly, with 61% of agencies facing increased demand. In the past year 22% of agencies reported increases in the number of individuals approaching them for help of between 6-15%. Around 13% reported increases in demand of 16-30%, while 10% reported increases of more than 30% over the past year. The weighted average growth was 8%<sup>2</sup> (Chart 1.2).



**Chart 1.1** People assisted with food relief each month



**Chart 1.2** Change in number of individuals that approach for food assistance

<sup>2</sup> The weighted average increase was calculated using mid-points of the ranges, multiplied by the average number of people the agency assisted.

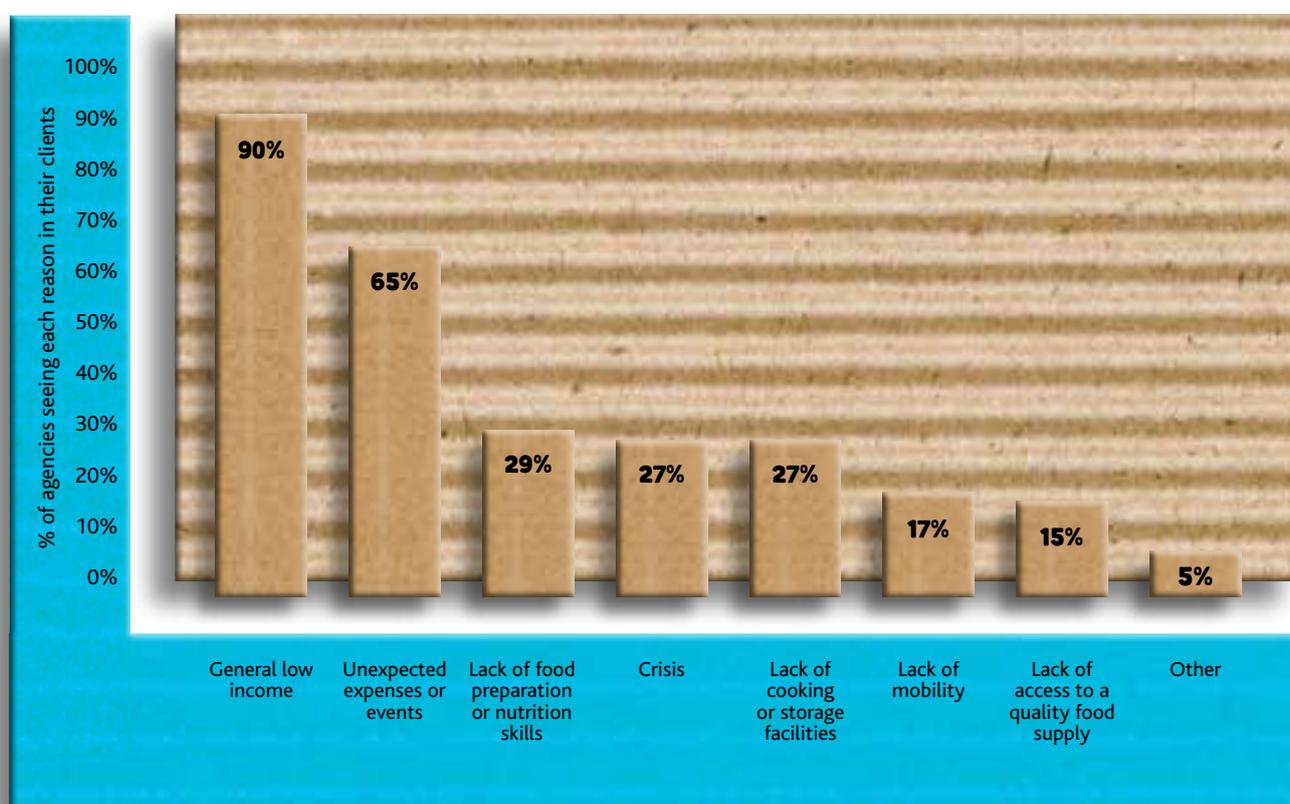
## 2. Family economic circumstances the main driver of need for food relief

**The most common reasons that cause people to seek food relief are generally low incomes and unexpected expenses or events. Low income families were, like last year, more prevalent than the unemployed in seeking food relief. For this reason food parcels were again the most prevalent form of food relief provided.**

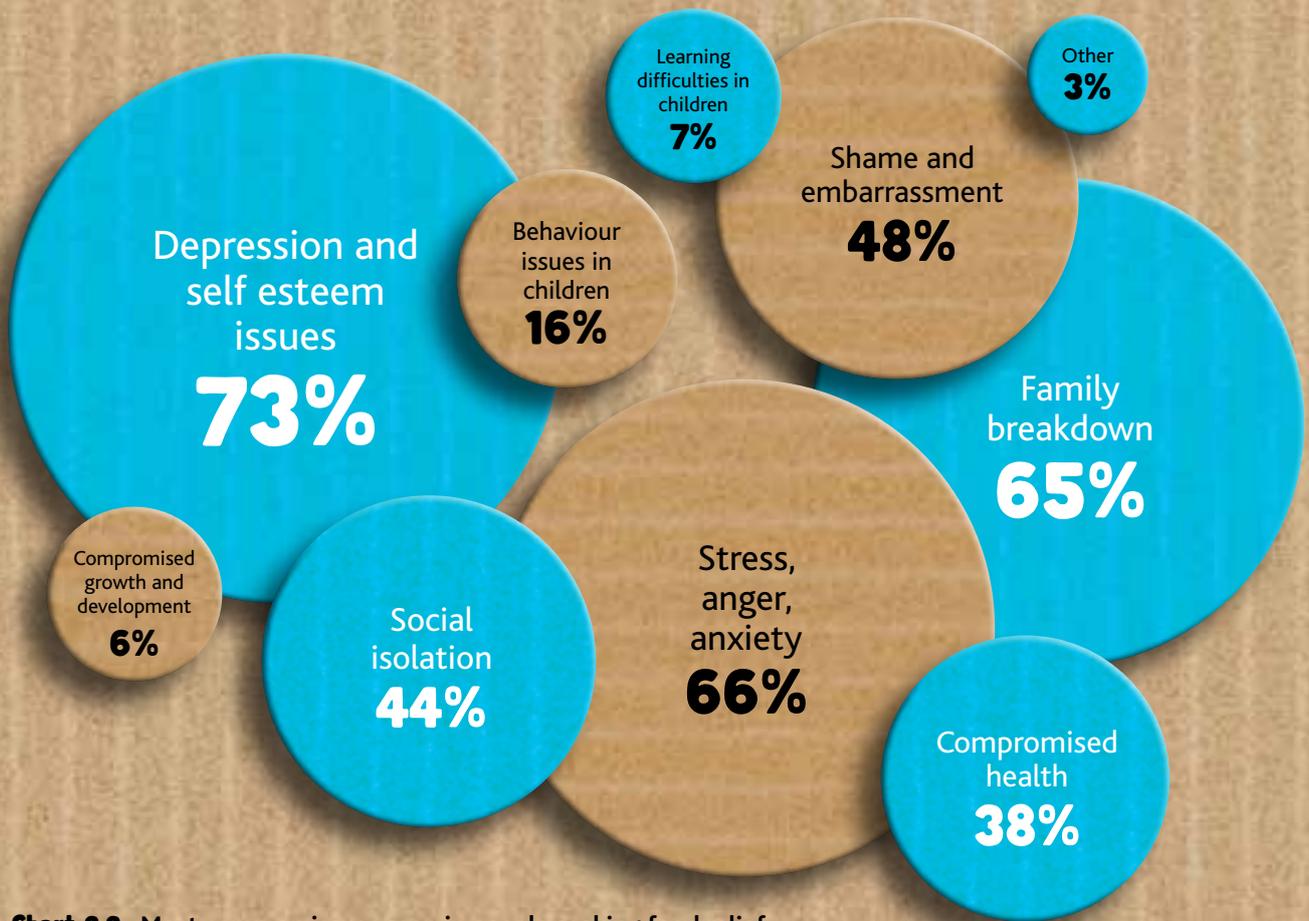
The most common reasons why people seek food relief are general low income and unexpected expenses or events (see Chart 2.1). The most common issues people have when seeking food relief are depression and self-esteem issues, stress, anger and anxiety, and family breakdown (Chart 2.2). These issues may relate to the general situation of the individual or be due to them having to seek food relief in the first place.

The majority of agencies provide assistance to low income families, single parent families, and the unemployed, with over 60% of agencies providing services to these groups (Chart 2.3).

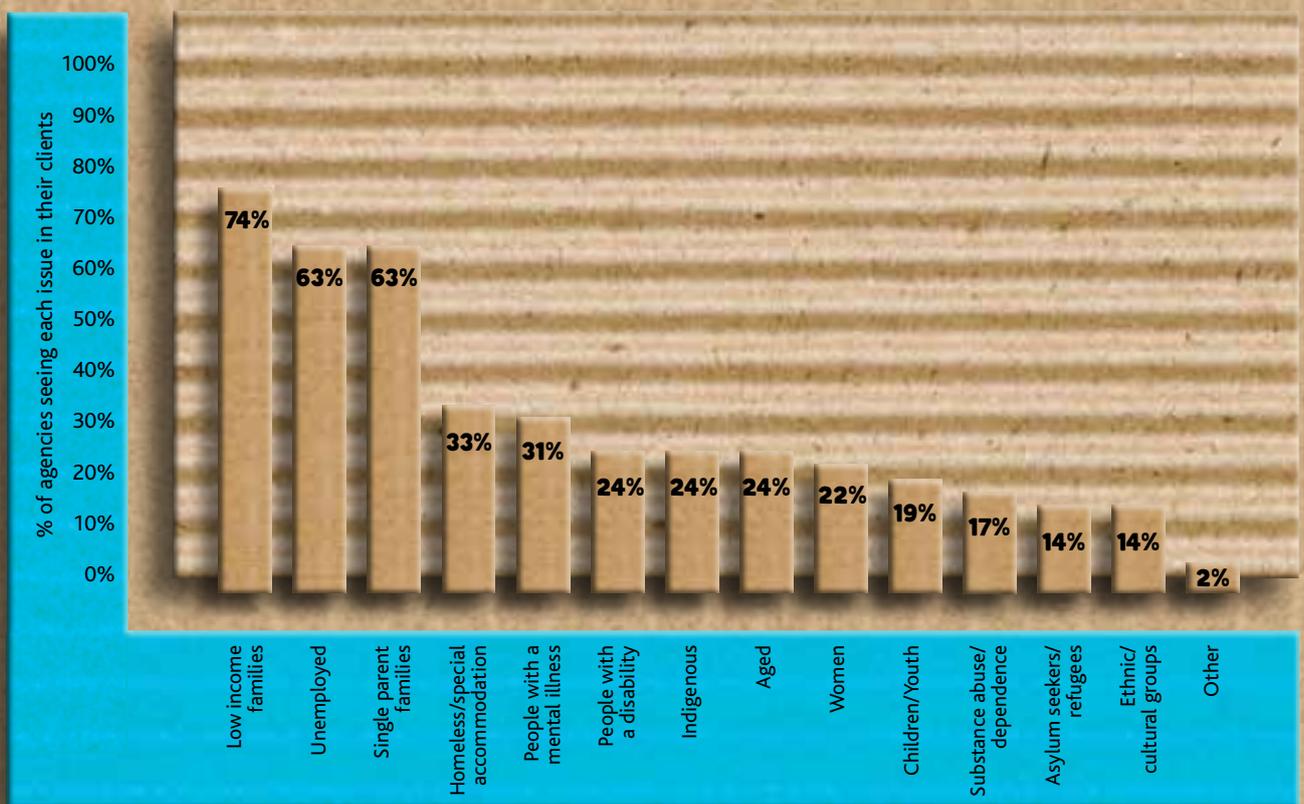
The most common type of food assistance provided was food parcels, followed by meals consumed on site, as shown in Chart 2.4. The high proportion of organisations that provide food parcels reflects the most common client groups (see Chart 2.3). Low income, unemployed and single parent households do not usually need assistance with food preparation but, rather, require the supply of basic ingredients from food parcels with which to make meals. However, those with a mental illness and the homeless are more likely to require prepared meals consumed on site.



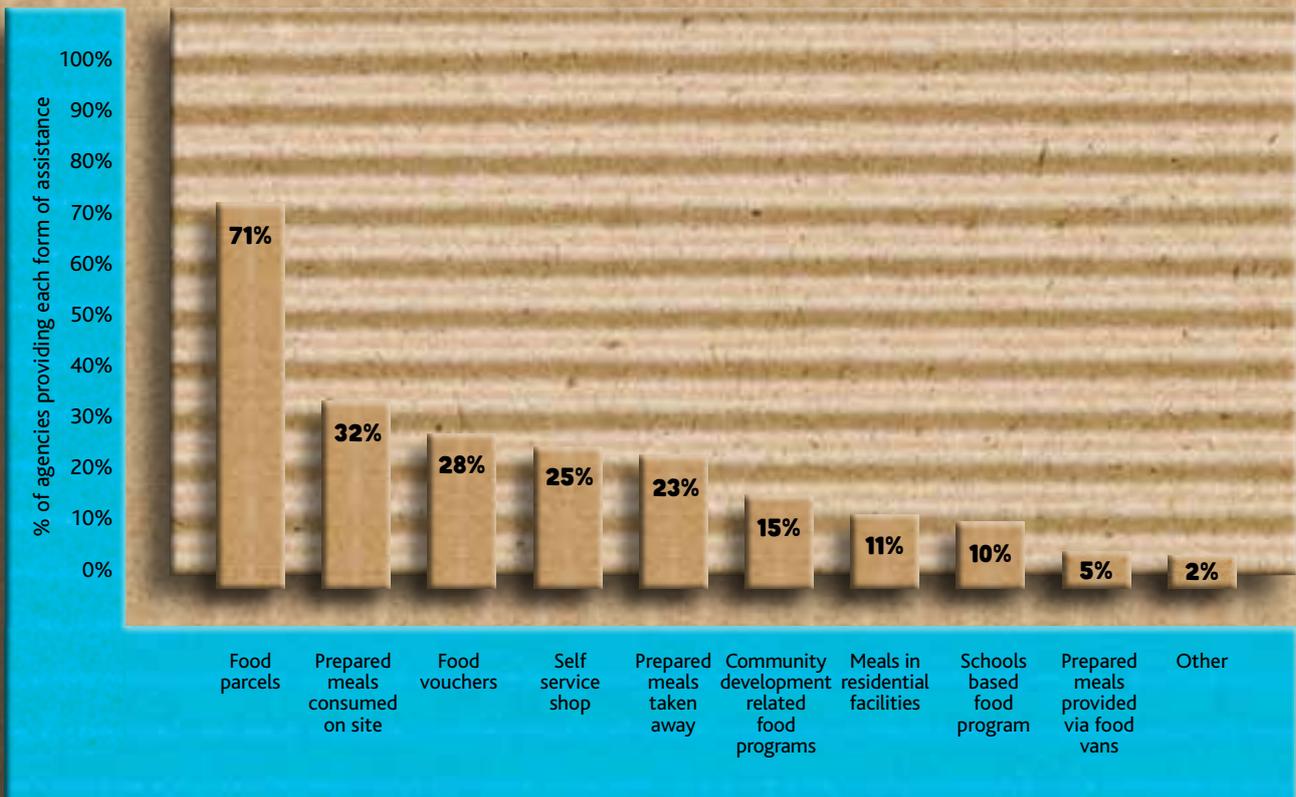
**Chart 2.1** Most common reason people seek food relief



**Chart 2.2** Most common issues seen in people seeking food relief



**Chart 2.3** Types of clients assisted with food relief



**Chart 2.4** Most common forms of food assistance provided



We have only recently renewed our membership after letting it lapse a number of years ago. Our renewal was necessitated by the extreme need of rural and remote farm families who have limited or no income due to the drought - and basically many have no food and are struggling with the decision 'do we feed ourselves or do we feed our few remaining breeding stock'. The assistance Foodbank has given us in approving our membership promptly and assisting us in acquiring bulk food supplies to assist many communities through the west has been greatly appreciated.

Foodbank helps to provide some start up food for clients who enter our residence with no food or money. It also allows us to provide top-ups for clients experiencing unforeseen expenses or who are still learning about appropriate budgeting. Having a range of basic healthy food supplies also helps us with educating clients around how to build a meal with basics and what makes up a healthy meal. Having supplies from Foodbank also helps to broaden the range of communal meal offerings we can provide - these meals are valuable in developing a sense of community, role modelling, social skills and encouraging clients to participate in fun, positive social occasions, which are a break from other stressors. Foodbank's supplies are very much appreciated at our service.



### 3. Demand for food relief is not being met by supply

**Almost 60,000 Australians seeking food relief each month are unable to be assisted – 40% are children. Of those who are assisted, 65% do not receive all they require in fact 28% more food is needed by agencies to meet current demand.**

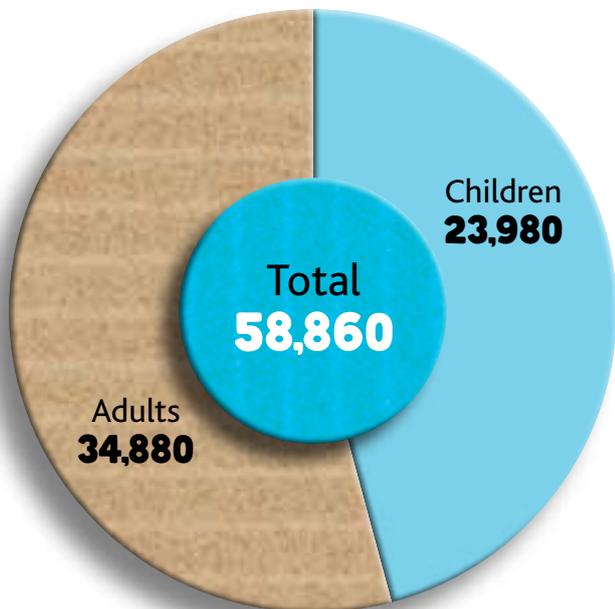
At least 16 adults and 11 children (aggregate almost 60,000) at each welfare agency who requested food relief could not be helped<sup>3,4</sup> (Chart 3.1). That inability to assist represents a gap between the demand for and supply of food relief services by welfare agencies – a gap that Foodbank aims to fill.

As the growth in the number of agencies reporting significant increases in demand for food provision has slowed only marginally compared with 2013, it is unsurprising that there is a matching need for increasing resources to meet potential client needs. 21% of organisations note that they are unable to

assist all clients due to insufficient funding, 16% due to insufficient food and 11% due to insufficient staff/volunteers. Over 65% of agencies reported not having enough food to meet current demand and respondents said that they would need 28% more food to meet current demand.

The types of food demanded tended to be staples such as cereals, fresh and shelf stable fruit and vegetables<sup>5</sup>, tea, coffee, rice, pasta, noodles, bread, meat and milk. Demand for staples and 'long life' food is significantly higher than for non-food related products, prepared meals, seafood and confectionery (Chart 3.2).

Average agency demand for all products was positive, with the demand for most products greater than 2.5 on a range of 0 (no demand) to 5 (highest demand). However the relative need was substantially different, with breakfast cereal (the highest ranked product) being ranked at almost 3.6, while soft drinks and confectionery were ranked at 1.96. This reinforces the message that it is staples which are in greatest demand.



**Chart 3.1** People not being assisted

<sup>3</sup> Note issues regarding sampling and non-sampling error, as outlined in section 0, may apply to these estimates.

<sup>4</sup> Estimated using the total number of active Foodbank agencies in Australia (2,180) (Foodbank, personal communication, August 14, 2014).

<sup>5</sup> Fruit and vegetables that have been processed and can be stored at room or ambient temperature.

Amount of more food agencies need to meet potential demand **28%**

Number of agencies that do not have enough food to meet potential demand **65%**



Chart 3.2 Agency demand by food product

## 4. Foodbank is essential to the food relief activities of welfare agencies

**Foodbank plays a crucial role in moving vulnerable people toward a longer term solution. 73% of agencies note that food is a significant reason why people seek their services and 80% of agencies note that food helps staff build trust and provide other services. Overall satisfaction with Foodbank's services has increased compared with last year.**

Foodbank is by far the largest source of supply for agencies, providing around 58% of the food required every month, while 7% was provided by other food relief organisations. Donations from other sources accounted for 10% of food required, while agencies purchased, on average, 23% of their food<sup>6</sup>. The supply sources are shown in Chart 4.1. Organisations spent 74% of their emergency food relief funds on the provision of food, 17% on food vouchers and 9% on other activities.

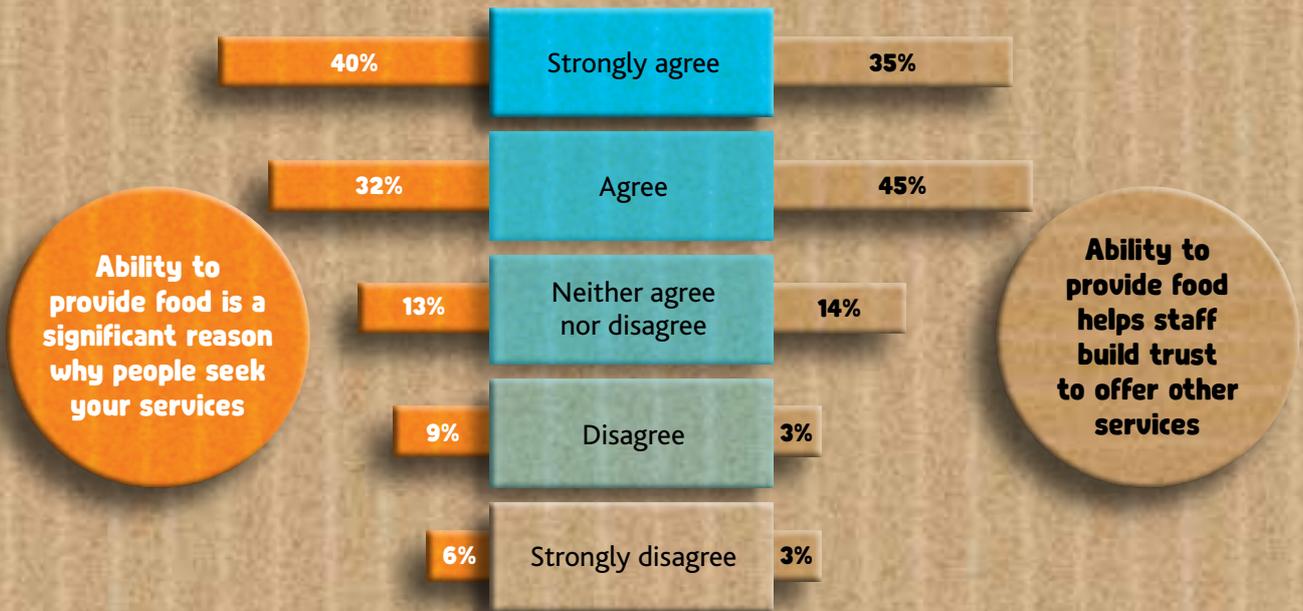
Agencies overwhelmingly agreed that food is a significant reason why people seek the services offered (73%) and it helps to build trust to offer other assistance (80%) as shown in Chart 4.2.

Overall, welfare agencies indicated that they were satisfied with the service provided by Foodbank. Chart 4.3 shows that more than 90% of agencies report being either satisfied or neutral across all categories, except for consistency of availability and variety of products. In addition, more than 50% of agencies report being either very satisfied or satisfied across all categories except for cost of freight, where most agencies report being neutral. The greatest opportunity for improvement for Foodbank is in the consistency of availability and variety of products.

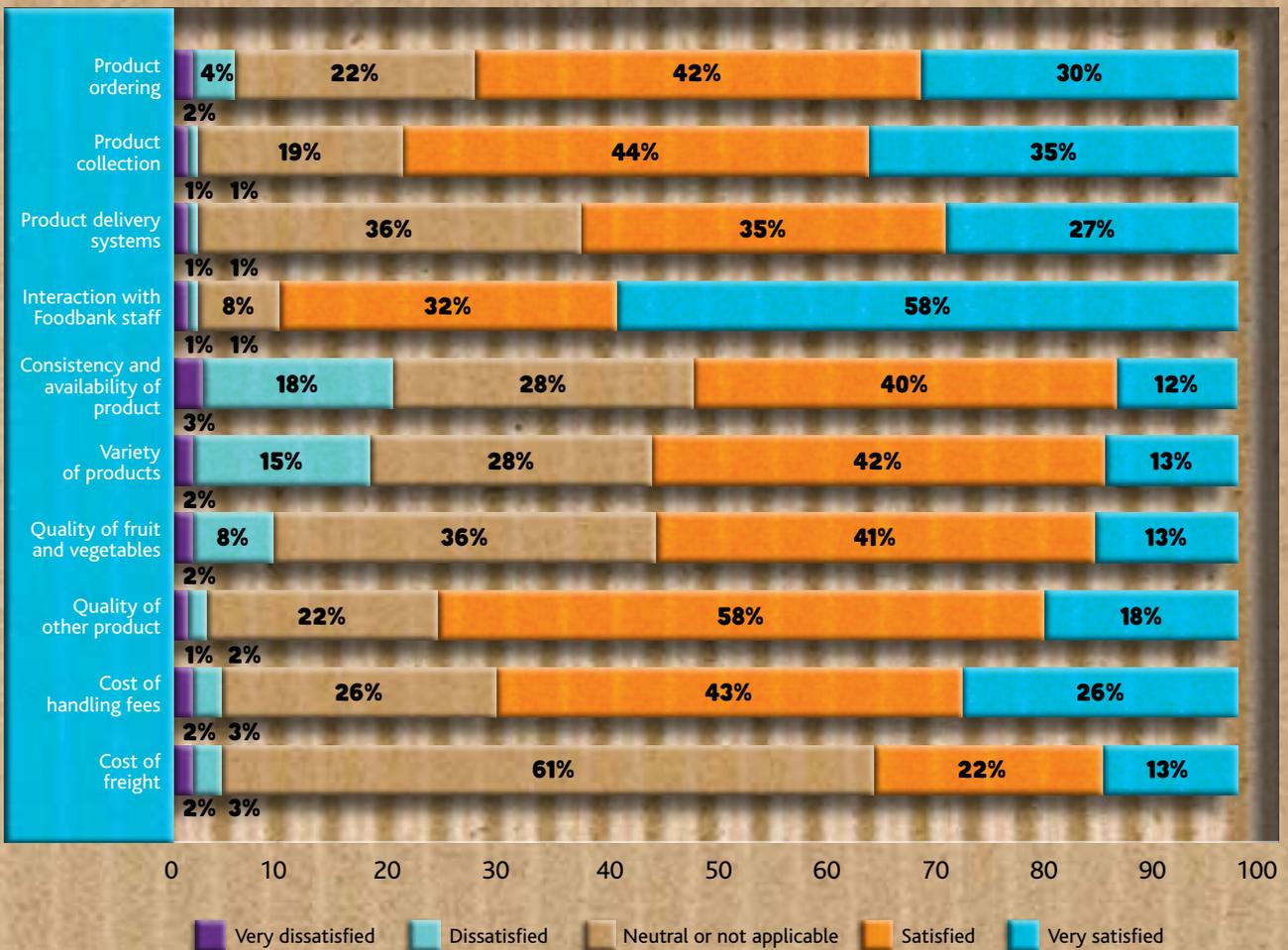


**Chart 4.1** Sources of food

<sup>6</sup> Note this question asked "What is your organisation's demand for all the following products? (1 being lowest demand, 5 being highest demand)".



**Chart 4.2** Significance of food provision



**Chart 4.3** Agency satisfaction with Foodbank



Foodbank has become the vehicle enabling many of the individuals and families we are in contact to bridge the gap between hopelessness and renewed hope. Our experience has been seeing families benefit in their most difficult hour from the food we receive from Foodbank and because of that they have been able to get back on their feet and again become self-sufficient.

We have been told by some pensioners that they had been surviving on sandwiches before we came. With Foodbank's provision, we are able to provide quality nutrition to those who may otherwise not afford it.

We couldn't provide the 1200 food parcels a year that we do without Foodbank. It is an integral part of the service we provide. With what we source ourselves as well, we are able to provide well balanced meals to those requiring assistance through the CWC Café or the welfare office. This meets the need of not only ending hunger and providing relief from the effects of poverty, misfortune and distress, it also provides relief from social isolation, loneliness and encourages community strengthening and connectedness.

To be able to make clients feel that they are human beings and able to eat good quality food at an affordable price that without Foodbank they would never be able to afford. Foodbank makes it possible for 95% of our clients to be able to put a meal on the table each and every night for themselves and their family and not to go without.

Many of our members say that our service has changed their lives and they are now able to afford to pay their household bills and rent as well as a few small luxuries for their families because they are not spending as much on their groceries.



Having food available at low cost allows us to build a sustainable community and helps deal with other issues such as social isolation. It facilitates peer support amongst those who gather. People often come for tea and cake up to two hours prior to the Food Pantry being open and find this to be a weekly social outing in a safe place.



Foodbank gives peace of mind to our clients, knowing there will always be food on the table. It helps to lift self-esteem and adds to a better quality of life for a family or individual.





# The social return of Foodbank's activities

## 5. Foodbank services extend beyond satisfying immediate hunger needs

The forecasted social, economic and environmental value created per kilogram of food distributed by Foodbank is \$23. This means in a single year the social return of the activities of Foodbank and its fellow stakeholders is forecasted to be \$571 million.

The Social Return on Investment study has found that Foodbank's services extend beyond satisfying immediate hunger needs. In addition to environmental gains and reduced waste, the provision of food addresses the nutritional and physical health needs of disadvantaged people and also contributes to improvements in their emotional wellbeing, sense of self-worth, social relationships, academic achievement and standard of living.

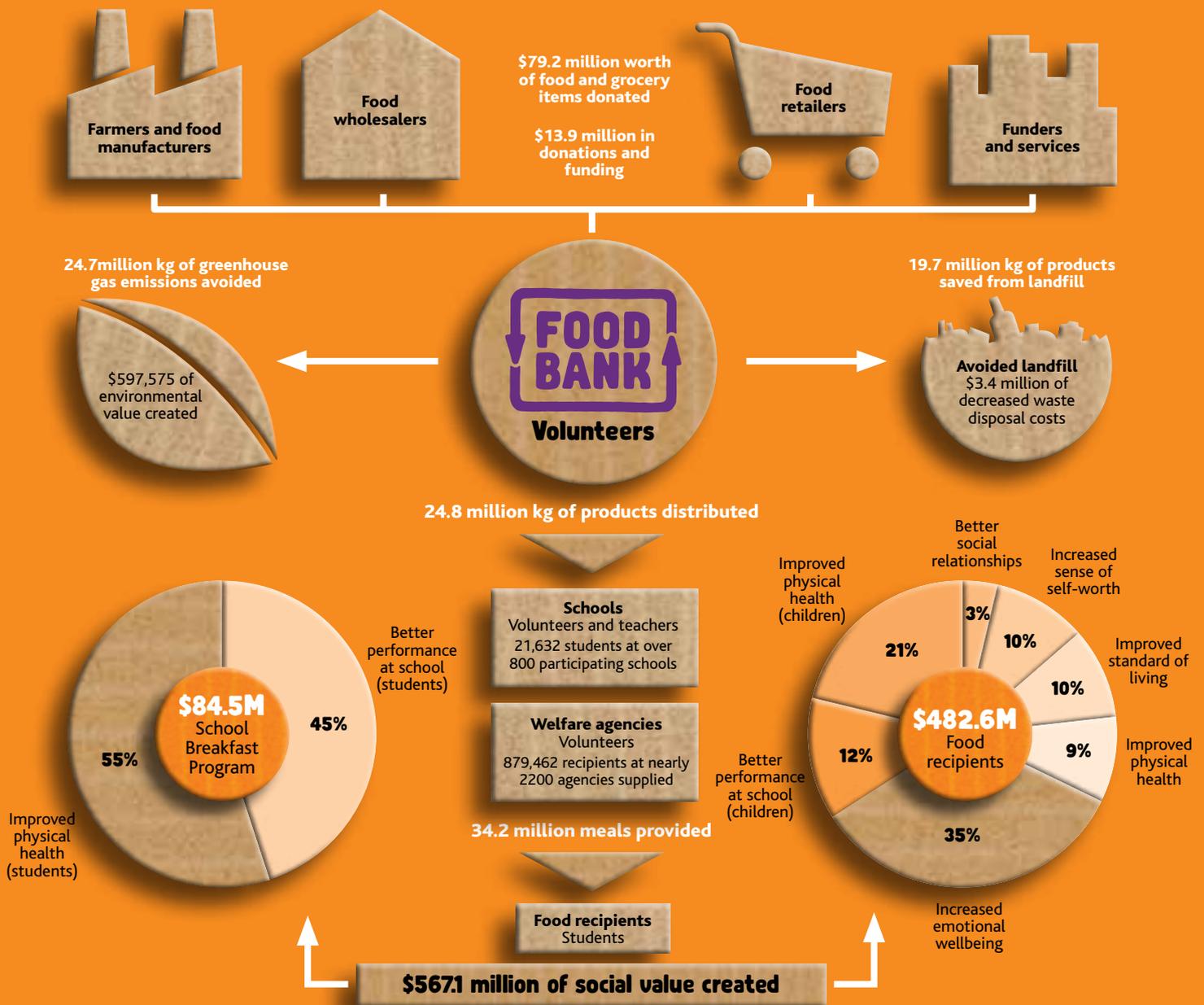


Chart 5.1 Value in the Foodbank Supply Chain



**Total value created 2012/13 = \$571.1M**

**Total food and grocery items delivered in 2012/13 = 24,830,281kg**

**Total number of food recipients in 2012/12 = 901,094**

**Average food and grocery items received per person = 27.6kg**

**Chart 5.2** Forecasted social, economic and environmental value created per kilogram of food

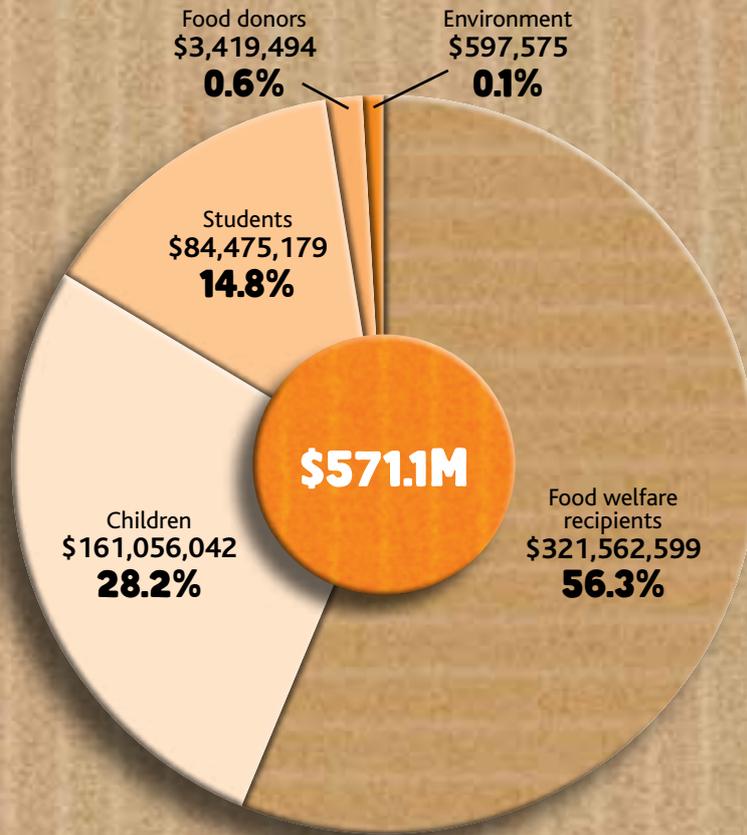


Figure 1 Value created per stakeholder

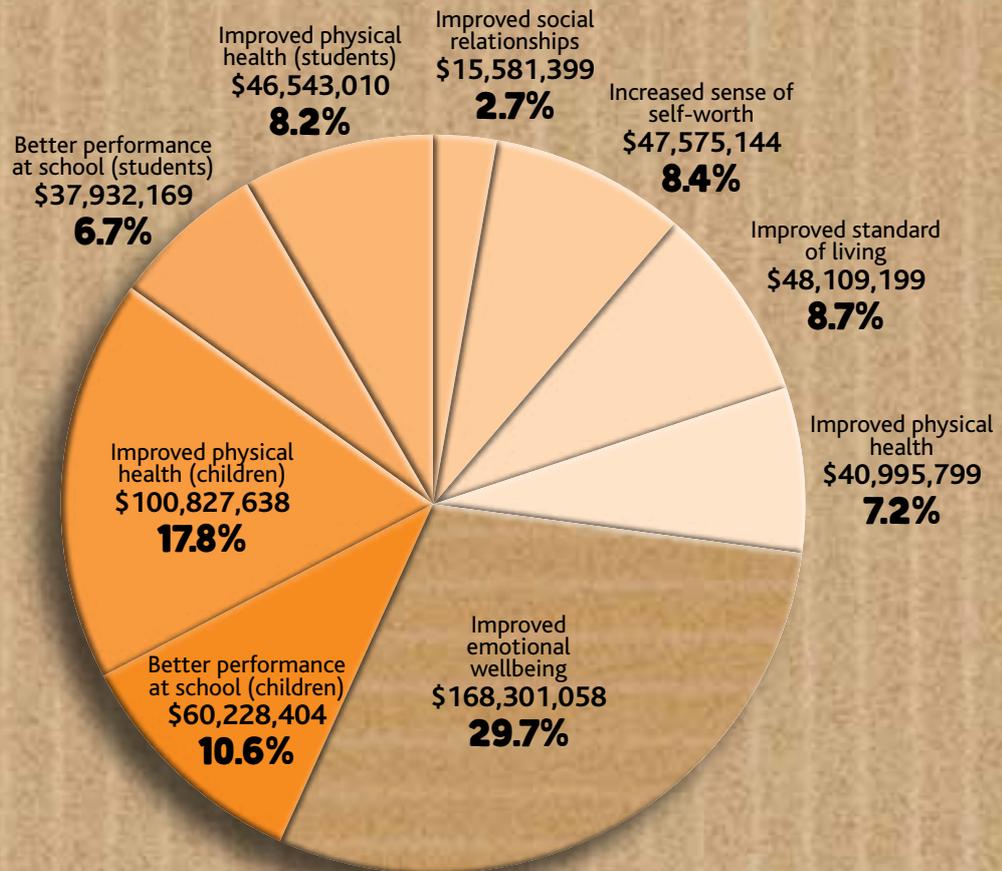


Figure 2 Social value created per outcome

Chart 5.3 Distribution of value across the stakeholder groups and outcomes



# NEW SOUTH WALES & ACT



Our belief is that everyone should have access to safe, nutritious and healthy food every day of the year. Through tenacity and innovation we are slowly winning the battle in supplying increasing amounts of good nutritious food to feed those who need help. In NSW & ACT this is not happening as fast as it should because the rate of demand is increasing beyond our capacity to meet it. This coming year we will be building a new, larger warehouse with enough capacity to enable us to provide up to four times the amount of food we currently distribute.



1. People assisted each month	Agency	Total
Adults	158	68,400
Children	52	22,500

2. People not assisted each month	Agency	Total
Adults	12	5,200
Children	3	1,300

3. Average percentage change in number of individuals seeking food relief over the past year:	10%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	3%
Number has remained constant	36%
Number has risen by up to 5%	13%
Number has increased by 6% to 15%	18%
Number has increased by 16% to 30%	16%
Number has increased by more than 30%	13%

4. Most common forms of food relief provided by NSW agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	66%
Prepared meals consumed on site	30%
Food vouchers	18%
Self service shop	38%
Prepared meals taken away	22%
Community development related food programs	14%
Schools based food program	10%
Meals in residential facilities	10%
Prepared meals provided via food vans	4%
Other	1%

Total kilograms distributed in 2013/14  
**5.06M**

Meals per day  
**18,500**

% of agencies that generally meet the full demand for food relief  
**32%**

Average additional food agencies estimate they would require to meet current demand  
**34%**

# NORTHERN TERRITORY



For the disadvantaged of the Northern Territory the first step to a brighter future is the provision of a nutritious meal. To ensure that the hard-working front line agencies in and around Darwin, as well as further afield, are able to provide this simple yet life-changing assistance, Foodbank NT was established in 2010. We have grown rapidly since then and will continue to do so in an effort to get ahead of the need in our community.



1. People assisted each month	Agency*	Total*
Adults	116	2094
Children	79	1417

2. People not assisted each month	Agency*	Total*
Adults	9	160
Children	8	145

3. Average percentage change in number of individuals seeking food relief over the past year:	11%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	6%
Number has remained constant	33%
Number has risen by up to 5%	6%
Number has increased by 6% to 15%	22%
Number has increased by 16% to 30%	22%
Number has increased by more than 30%	11%

4. Most common forms of food relief provided by agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	56%
Prepared meals consumed on site	39%
Food vouchers	39%
Self service shop	6%
Prepared meals taken away	11%
Community development related food programs	17%
Schools based food program	0%
Meals in residential facilities	11%
Prepared meals provided via food vans	11%
Other	0%

Total kilograms distributed in 2013/14

**155,770**

Meals per day

**570**

% of agencies that generally meet the full demand for food relief

**22%**

Average additional food agencies estimate they would require to meet current demand

**33%**

\* These figures only represent the actual responses of agencies who answered the survey and are not representative of all Foodbank agencies in the state as sufficient responses were not received to allow extrapolation of these figures for all NT agencies.

# QUEENSLAND



There is no greater gift you can give someone than food when they don't have it. At Foodbank Queensland the single focus which drives our actions every day is to ensure that more food reaches the people who need it. Through the ups and downs of food availability we work to find new and innovative ways to source the increasing volumes needed to address the growing demand in our communities.



1. People assisted each month	Agency	Total
Adults	365	93,000
Children	286	72,900

2. People not assisted each month	Agency	Total
Adults	48	12,200
Children	42	10,700

3. Average percentage change in number of individuals seeking food relief over the past year:	10%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	2%
Number has remained constant	32%
Number has risen by up to 5%	17%
Number has increased by 6% to 15%	24%
Number has increased by 16% to 30%	15%
Number has increased by more than 30%	10%

4. Most common forms of food relief provided by agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	88%
Prepared meals consumed on site	24%
Food vouchers	22%
Self service shop	30%
Prepared meals taken away	22%
Community development related food programs	7%
Schools based food program	21%
Meals in residential facilities	9%
Prepared meals provided via food vans	9%
Other	7%

Total kilograms distributed in 2013/14  
**11.86M**

Meals per day  
**43,300**

% of agencies that generally meet the full demand for food relief  
**35%**

Average additional food agencies estimate they would require to meet current demand  
**32%**

# SOUTH AUSTRALIA



Foodbank SA's fundamental belief is that no one should go hungry. We are the largest food relief organization in the state, sourcing and distributing essential food supplies via 750 welfare agencies and schools to 150,000 South Australians each year. We operate in the Adelaide metro area and through 3 regional distribution centres, and in 2013 we have just opened a new storage facility at the Adelaide Produce Market to handle fresh fruit and vegetables donated by the growers and wholesalers. We are committed to working with all stakeholders to improve our service and program delivery and, in doing so, to improve the lives of all South Australians.



1. People assisted each month	Agency	Total
Adults	93	41,900
Children	35	15,780

2. People not assisted each month	Agency	Total
Adults	11	4,960
Children	7	3,150

3. Average percentage change in number of individuals seeking food relief over the past year:	5%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	5%
Number has remained constant	39%
Number has risen by up to 5%	18%
Number has increased by 6% to 15%	22%
Number has increased by 16% to 30%	9%
Number has increased by more than 30%	7%

4. Most common forms of food relief provided by agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	64%
Prepared meals consumed on site	32%
Food vouchers	28%
Self service shop	12%
Prepared meals taken away	18%
Community development related food programs	17%
Schools based food program	6%
Meals in residential facilities	6%
Prepared meals provided via food vans	3%
Other	2%

Total kilograms distributed in 2013/14

**1.98M**

Meals per day

**7,200**

% of agencies that generally meet the full demand for food relief

**41%**

Average additional food agencies estimate they would require to meet current demand

**25%**

# TASMANIA



With the highest unemployment rate and highest percentage of socially and economically disadvantaged people in Australia, Tasmania is really struggling. Food demand has dramatically increased with some of our agencies unable to cope and others closing due to the withdrawal of Government funding. One agency would open at 10 am to provide food to 22 families. They now have closer to 58 families trying to access their service with people arriving at 5 am waiting for the doors to open. There is so much more we need to do.



1. People assisted each month	Agency*	Total*
Adults	51	2096
Children	52	899

2. People not assisted each month	Agency*	Total*
Adults	12	473
Children	3	107

3. Average percentage change in number of individuals seeking food relief over the past year:	11%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	5%
Number has remained constant	25%
Number has risen by up to 5%	11%
Number has increased by 6% to 15%	34%
Number has increased by 16% to 30%	14%
Number has increased by more than 30%	11%

4. Most common forms of food relief provided by agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	78%
Prepared meals consumed on site	22%
Food vouchers	39%
Self service shop	20%
Prepared meals taken away	26%
Community development related food programs	28%
Schools based food program	11%
Meals in residential facilities	2%
Prepared meals provided via food vans	2%
Other	0%

% of agencies that generally meet the full demand for food relief

**35%**

Average additional food agencies estimate they would require to meet current demand

**29%**

\* These figures only represent the actual responses of agencies who answered the survey and are not representative of all Foodbank agencies in the state as sufficient responses were not received to allow extrapolation of these figures for all TAS agencies.

# VICTORIA

“ At Foodbank, we have seen a staggering 42% increase in the amount of food that has been distributed in the past year, supporting the findings of this report that demand for emergency relief is increasing. Foodbank will use our position as the largest and most experienced emergency food supplier in the state to advocate the issues facing the most vulnerable in our community. We are committed to ensuring everyone has access to healthy and nutritious food and intend to tackle the problem head on. Foodbank will be implementing innovations that will allow us to source and distribute even more of the food Victorians need to be healthy and active members of their communities. ”

1. People assisted each month	Agency	Total
Adults	168	76,400
Children	71	32,300

2. People not assisted each month	Agency	Total
Adults	13	5,900
Children	6	2,700

3. Average percentage change in number of individuals seeking food relief over the past year:	10%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	3%
Number has remained constant	27%
Number has risen by up to 5%	16%
Number has increased by 6% to 15%	27%
Number has increased by 16% to 30%	15%
Number has increased by more than 30%	12%

4. Most common forms of food relief provided by agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	69%
Prepared meals consumed on site	33%
Food vouchers	36%
Self service shop	32%
Prepared meals taken away	21%
Community development related food programs	19%
Schools based food program	10%
Meals in residential facilities	9%
Prepared meals provided via food vans	6%
Other	3%

Total kilograms distributed in 2013/14  
**7.2M**

Meals per day  
**26,300**

% of agencies that generally meet the full demand for food relief  
**35%**

Average additional food agencies estimate they would require to meet current demand  
**26%**

# WESTERN AUSTRALIA



Everyday, Foodbank WA supplies enough food to provide 16,000 meals for people doing it tough. In partnership with over 1000 welfare agencies and schools, Foodbank WA provides desperately needed food relief to people in times of crisis and operates Australia's largest School Breakfast Program. We are also committed to improving the lives of disadvantaged communities and nutrition education programs to build capacity and improve health.



1. People assisted each month	Agency	Total
Adults	84	35,300
Children	38	16,000

2. People not assisted each month	Agency	Total
Adults	11	4,631
Children	10	4,210

3. Average percentage change in number of individuals seeking food relief over the past year:	5%
<b>Breakdown:</b>	<b>% of agencies</b>
Number has fallen	4%
Number has remained constant	47%
Number has risen by up to 5%	16%
Number has increased by 6% to 15%	16%
Number has increased by 16% to 30%	10%
Number has increased by more than 30%	6%

4. Most common forms of food relief provided by agencies are:	
<b>Breakdown:</b>	<b>% of agencies</b>
Food parcels	73%
Prepared meals consumed on site	35%
Food vouchers	28%
Self service shop	16%
Prepared meals taken away	31%
Community development related food programs	12%
Schools based food program	8%
Meals in residential facilities	20%
Prepared meals provided via food vans	6%
Other	0%

Total kilograms distributed in 2013/14

**3.11M**

Meals per day

**11,360**

% of agencies that generally meet the full demand for food relief

**37%**

Average additional food agencies estimate they would require to meet current demand

**26%**





Because we can access food, we can hand it out. Because we can hand it out, we can build community. Because we build community, we bring hope. What you provide is priceless.

We get to see the faces and hear the stories of those who come to us and are desperate. We get to build relationships and be in a position to see the difference a little security gives to people who have so much against them physically, mentally and emotionally. We and Foodbank make a great team.

Being able to get food from Foodbank has made a huge difference to our clients. Many women who pick up food or have food dropped off to them speak of the 'relief'. Many who have children feel very guilty about not being able to afford much food and say they feel as though they are better mothers when there is sufficient food in the house.

Foodbank provides access to high quality, fresh products enabling people on low incomes who use our services to supplement their grocery budget. It is much more than food relief for families, it can provide significant emotional relief - particularly for families who are struggling to meet the cost of feeding their children.

If it wasn't for Foodbank we would not be able to provide the amount of food we give out each month. We would not be able to help as many people as we do. We have had the opportunity to build relationships with clients as we care for them and give them food. Often we are the only people that show such love and support to these people.

The provision of such an array of food as Foodbank offers allows them to use what money they have for rent, utilities, petrol, school fees, children's clothing, etc. If we cannot assist with the payment of rental arrears or utility bills, at least we can save them the cost of feeding their family, allowing them to focus on better financial outcomes.

Food from Foodbank is used as a medium to engage with our marginalised young people and helps to build rapport thereby offering us a better chance of working with them at a more meaningful level e.g. housing, drug and alcohol and crisis support.



Foodbank gives us the ability to ensure no family or individual goes hungry in their time of need. We work closely within the Aboriginal community where the need is extremely high for these services. It is only getting worse and this is families who work but are really struggling with the cost of living. We can help these families and reduce the burden of shame and helplessness they are feeling, therefore minimising the mental and social impacts this has within homes.



We provide crisis accommodation and short-medium term supported housing to women and children escaping domestic violence. Foodbank hampers are an important part of our welcome packs for these women, who may have left their family home during a crisis situation and find themselves without adequate food provisions during a time of severe financial hardship.



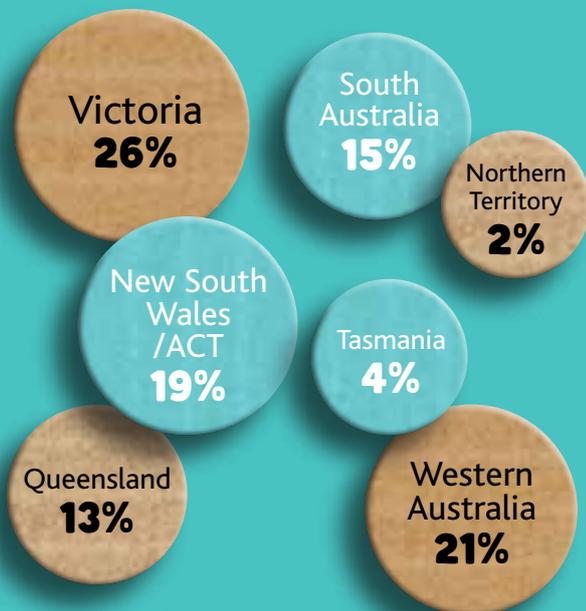


# Methodology

## Foodbank Welfare Agency Survey

Foodbank Australia conducted the survey between February and June 2014 for all states and territories. The survey sought responses across a range of questions from welfare agencies that receive food and groceries from Foodbank. The respondents did not include schools providing school breakfast programs.

The survey received 1,197 responses from organisations that provided food relief (excluding schools). The breakdown is as follows:



**Table 1.1** Responses to Foodbank survey by State

The survey data was cleaned to ensure the analysis was as robust as possible, including standardisation of responses for analysis, filtering of results to only include organisations that provided food relief, and confirming any outliers with additional sources to ensure that implausible responses that could significantly alter the overall results were excluded.

Some degree of error is inevitable in any survey due to sampling and non-sampling errors that could impact on the estimate of aggregate demand and need to be taken into account when interpreting these figures. Deloitte Access Economics acknowledges the potential impacts and has sought to put procedures in place to address any impacts as best possible.

### Sampling Errors

There is the potential for agencies to report estimated results on different time periods (e.g. rather than average month, they may estimate it on the closest available month), and while taking into account outliers it is impossible to truly assess the accuracy of all estimates provided. The survey sample of agencies could also be different from the actual makeup of agencies in Australia (e.g. larger organisations may have been better equipped to answer the survey, or individual agencies may report to a head agency and therefore the most organised/largest providers may have decided not to provide individual results to the survey). While there was a strong sample taken in the survey there is still the potential for these to affect the estimate.

### Non-sampling Errors

Inaccuracies in reporting due to survey respondents misunderstanding or misinterpreting a question may influence the results. The survey, being in its third year, and still having questions adjusted, may increase the chance for non-sampling errors. Deloitte Access Economics manually checks the survey responses to ensure they are accurate, and cleans data where appropriate.

### Limitations

#### General Use Restriction

This Foodbank Welfare Agency Survey report was prepared solely for the use of Foodbank Australia. This report is not intended to and should not be used or relied upon by anyone else and Deloitte Access Economics accept no duty of care to any other person or entity. The report was prepared for the purpose of reporting findings from the 2014 Foodbank Welfare Agency Survey. Deloitte Access Economics name or the advice herein should not be used for any other purpose.

# Foodbank Social Return on Investment

The SROI project with Foodbank was conducted in two phases; Phase 1 was a scoping study completed in July 2012, while Phase 2 is the SROI analysis (focus of this Report) and was conducted between December 2012 and June 2014.

The objective of the scoping study was to explore the feasibility of carrying out an SROI analysis of Foodbank's activities and to begin to construct the theory of change to show how value is created.

The results of the scoping study (Phase 1) fed into the SROI forecast and an overview of the methodology employed is provided in Figure 1 right. Further detail on the outcomes of Phase 1 are available in the scoping study report<sup>1</sup>.

## Scope of forecast

The SROI has been modelled to forecast the social value<sup>2</sup> created by Foodbank's services in a typical year of operations. It is based on an analysis of qualitative input and quantitative data from stakeholders that accessed Foodbank's services in the 2012/13 financial year.

## Identifying stakeholders and material outcomes

The stakeholders of Foodbank were identified in consultation with the advisory group<sup>3</sup> set up for this project in Phase 1. Only those stakeholder groups for whom outcomes were deemed material, following discussions with the advisory group and interviews with a selection of stakeholders, have been included in the SROI calculation.

Table 1 outlines the stakeholders and associated outcomes that were analysed as part of the scope of this SROI forecast.

## Engaging stakeholders

Where Phase 1 focused on the perspective of welfare agencies and food donors, the focus of Phase 2 was on the food recipients being served. As part of the stakeholder engagement, face-to-face and phone interviews with clients of welfare organisations and schools were arranged, averaging 3-4 individuals per organisation/school. The aim of the interviews was not only to gain valuable first-hand insights into the experiences of individuals using the service but also to further refine and add to the initial list of outcomes identified above.

Table 2 right provides a breakdown of the name of the welfare organisation/school that participated in the stakeholder engagement, the state that they are located in, the number of individuals from each organisation that were interviewed, and the background of the interviewees.

<sup>1</sup> Neitzert, E. (2012), SROI Scoping Study – Foodbank, July 2012, Net Balance.

<sup>2</sup> An SROI analysis calculates the value to society, the economy and the environment and we refer to this collectively as 'social value' throughout the report

<sup>3</sup> The steering group included representation from Foodbank: John Webster & Sarah Pennell/AFGC: Angela McClowry & Tanya Barden/ACOSS: Tessa Boyd-Caine/Anglicare: Michelle Waterford



**Figure 1** Overview of methodology

Stakeholder	Area of value quantified and valued
Food welfare recipients	Social value created
Students (School Breakfast Program)	Social value created
Food donors	Economic costs avoided
Environment	Environmental impact of avoided greenhouse gas emissions

**Table 1** Areas of value quantified for stakeholders

State	Organisation	Demographic served	Number of interviewees
Queensland	Calvary Care	Urban, provides food parcel meals (youth/homeless/single parents)	5
Queensland	Suncoast Christian Care	Urban area (serve all people, especially 55+)	2
New South Wales	Exodus Foundation	Urban, provides cooked meals (disadvantaged and poor families)	7
New South Wales	Ozzie Care	Rural School Breakfast Program Single unemployed parents	6
Victoria	St Albans Heights Primary School	Rural School Breakfast Program	4
Victoria	Seaford Primary School	Rural School Breakfast Program	1
Victoria	Healesville Interchurch Community Care	Urban, provides food parcel meals (youth/homeless/single parents)	3
Victoria	Baw Baw Combined Churches Food Relief	Rural, provides food parcels (low-income families)	2
			30

**Table 2** Number of individuals interviewed in each welfare organisation/school

## Data collection and analysis

### Evidencing the change

SROI relies on primary data collected directly from stakeholders to indicate the occurrence of an outcome for each individual. In order to evidence the incidence and magnitude of outcomes identified through the stakeholder engagement phase, an exploratory survey was devised. Statements relating to each outcome were grouped and sorted into a 10 point scale of incremental outcome achievement. These scales were used to measure the magnitude of change, or 'distance travelled', by the individual in each outcome.

The survey was sent to a selection of welfare organisations/schools that reflected the diversity of the Foodbank network and they were requested to administer them to individuals on a random selection basis.

Table 3 provides a list of organisations that were able to provide completed surveys.

### Determining impact

Data was also collected on other essential aspects of SROI (in the SROI methodology, these are collectively used to calibrate outcomes to determine 'impact'):

**Deadweight:** To what extent the stakeholders thought they would have experienced the outcome if they had not accessed the service

**Attribution:** What proportion of the outcome occurrence they would attribute to the service

**Displacement:** This aspect assesses to what extent an outcome displaces other outcomes. For the Foodbank services, displacement was not deemed to have occurred to the outcomes that were valued.

**Benefit Period:** How long the individuals felt that the outcome would last for them after they stopped accessing the service. There was no longitudinal data available so a conservative approach was taken of no benefit period as the outcomes were all tied to the provision and access to food.

**Drop Off:** The rate at which the effect of the outcomes decrease over time. Drop-off is usually calculated by deducting a fixed percentage from the remaining level of outcome at the end of each year. As there was no benefit period for outcomes beyond the period of service use, drop-off is not applicable.

### Survey responses

A total of 155 survey responses were received. This represents a smaller sample size than would be ideal but given the exploratory nature of the survey and the target client groups, it is considered reasonable and that any non-response bias would be accommodated by the subsequent sensitivity analysis. A very limited number of responses were acquired from the 'elderly' client group in particular.

### Modelling the number of individuals accessing Foodbank's services

Net Balance estimated the number of people serviced by Foodbank under demographic categories suitable for calculating the SROI. This pool of users includes both those who use Foodbank's services to subsist and those who use it for emergency relief.

Organisation	State	Organisation	State
The Exodus Foundation	New South Wales	Healesville Interchurch Community Care Inc.	Victoria
Ozzie Care	New South Wales	Baw Baw Combined Churches Food Relief	Victoria
Suncoast Christian Care	Queensland	Collingwood Cottage	Victoria
Calvary Care	Queensland	Asylum Seeker Resource Centre	Victoria
Salvation Army Whyalla	South Australia	St Albans Heights Primary School	Victoria
Anglicare Family Centre Elizabeth	South Australia	Seafood Primary School	Victoria
Clarendon Vale Primary School	Tasmania	Busselton Uniting Church	Western Australia

**Table 3** List of participating organisations, by State

## Valuing outcomes

The forecasted social value created through Foodbank is calculated by combining the results of the outcome survey and assigning financial proxies to represent the values created through each outcome.

The forecasted value created through each outcome is captured in the movement on the outcome scales, and self-reported responses to deadweight, attribution and benefit period dictate what proportion of each proxy are assigned to individual food recipients while valuing the change. The complete value of a proxy is only attributed to an outcome when an individual experienced a 100% change along the outcome scales (i.e. a 10-point distance travelled measure, from a 0 to 10). Where there is only a marginal change in an outcome reported by a client, the appropriate proportion of the proxy is used to value the outcome (i.e. a 2 point distance travelled measure equates to 20% of an outcome valuation).

We have attempted to understand deadweight by asking individuals directly and while people are often well-placed to give views on what they felt would have happen otherwise, it is difficult to ask people to reliably assess the counter-factual. As such, it is possible that the self-reported deadweight values provided and discussed in this section are understatements or overstatements for certain groups (these scenarios are later tested in the sensitivity analysis section of the report).

With lack of longitudinal data, we have used evidence gained during stakeholder engagement to conservatively estimate the benefit period of outcomes.

All of these values were combined with a financial proxy to model and forecast the social value created per outcome for each sub-stakeholder group. An overview of the calculations involved is presented right and further detail is provided in the scoping study.

The SROI ratio presented in the 'Findings' section is derived from the investment required to deliver Foodbank's services for a typical calendar year and the forecasted value of the outcomes experienced by the material stakeholders involved.

A more detailed explanation of the methodology used in the SROI project can be found in Net Balance's final report "The Social impact of Foodbank Australia's services - A Social Return on Investment (SROI) forecast June 2014".

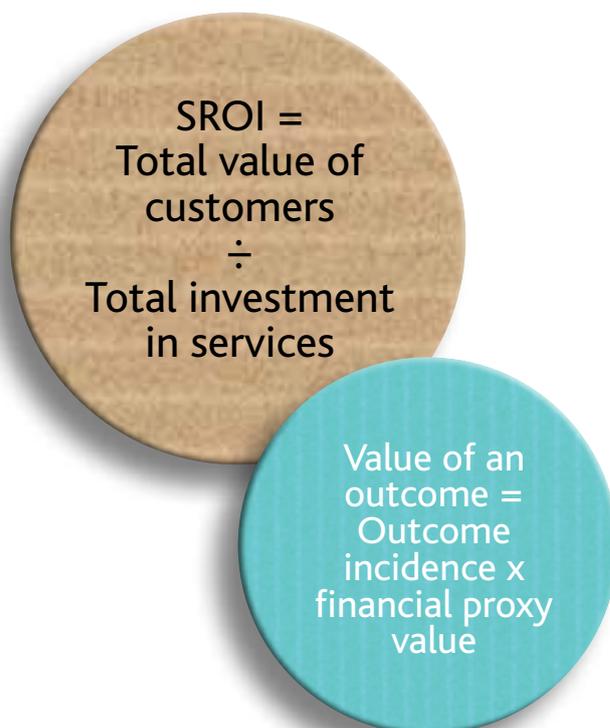
## Limitations

Net Balance Management Group Pty Ltd (Net Balance) prepared its report in accordance with the usual care and thoroughness of the consulting profession. The report has been prepared for use by Foodbank Australia, and only those third parties who have been authorised in writing by Net Balance.

The Report is based on generally accepted practices and standards at the time it was prepared. No other warranty, expressed or implied, is made as to the professional advice included in this report. It is prepared in accordance with the scope of work and for the purpose outlined in the project brief. The methodology adopted and sources of information used by Net Balance are outlined in the final report "The Social impact of Foodbank Australia's services - A Social Return on Investment (SROI) forecast June 2014".

The report was prepared between October 2013 and June 2014 and is based on the conditions encountered and information reviewed at the time of preparation. Net Balance disclaims responsibility for any changes that may have occurred after this time.

The report should be read in full. No responsibility is accepted for use of any part of this report in any other context or for any other purpose or by third parties. The report does not purport to give legal advice. Legal advice can only be given by qualified legal practitioners.



Outcome incidence = [magnitude of outcome x number of stakeholders experiencing outcome) - deadweight]] x attribution

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