



The Cost of Hunger and Hardship: Headline findings for Scotland



1. Introduction

A robust, mixed methods research project

1.

Economic analysis to understand the costs of facing hunger and hardship, a measure of severe hardship

2.

Qualitative and participatory research with people facing hunger and hardship to understand the causal links between lived experience and costs

3.

Modelling both the impact of policies on the scale of hunger and hardship and the wider cost benefit of implementation

The different types of costs covered

Economy costs

The impact of hunger and hardship on employment and productivity

Fiscal costs

The impact of hunger and hardship on social security spending and tax revenue

Public service costs

The impact of hunger and hardship on likelihood to use public services in areas such as health, housing and education

The measure

People face hunger and hardship if they are more than 25% below the Social Metrics Commission's poverty line.

This captures both people who are likely to need to turn to a food bank now, and people who are at high risk of needing food bank support in the future.

2. Headline findings

£5.6

billion

The amount public finances and the economy could benefit each year if people were protected from hunger and hardship in Scotland

670,000

The number of people facing hunger and hardship in Scotland

This includes 500,000 adults and 170,000 children

These costs are likely to be an **underestimate**



We have not been able to identify and cost every area which is likely to be affected by facing hunger and hardship.

With finite capacity, we prioritised impact analysis with the strongest evidentiary base, data availability, and the areas assumed to have the largest impacts.

As a result, the figures are likely an underestimate of the true cost of hunger and hardship.



We have taken a cautious approach to modelling.

The impacts of facing hunger and hardship often interact and reinforce each other.

We have been careful to identify and account for these areas of potential double counting.

For example, we assume that additional health impacts of poor quality housing are contained within our overall costing of health impacts.

Cost of hunger and hardship - 2022/23

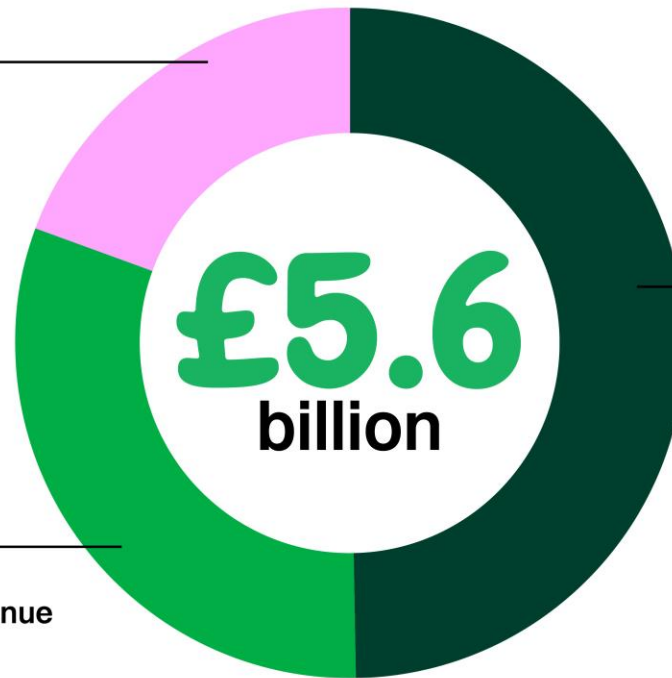
£0.86 billion

Public service costs



£1.8 billion

Fiscal costs



£2.9 billion

Economy costs



“

It's about having **a future that is worth aiming for**, which gives people hope and makes them happier.

It's about having no future other than poverty and bad health.

It's about how the pain and drudgery of poverty grinds you down...

”

Female, 50s, Scotland



Adults' wellbeing costs

£5.7 billion



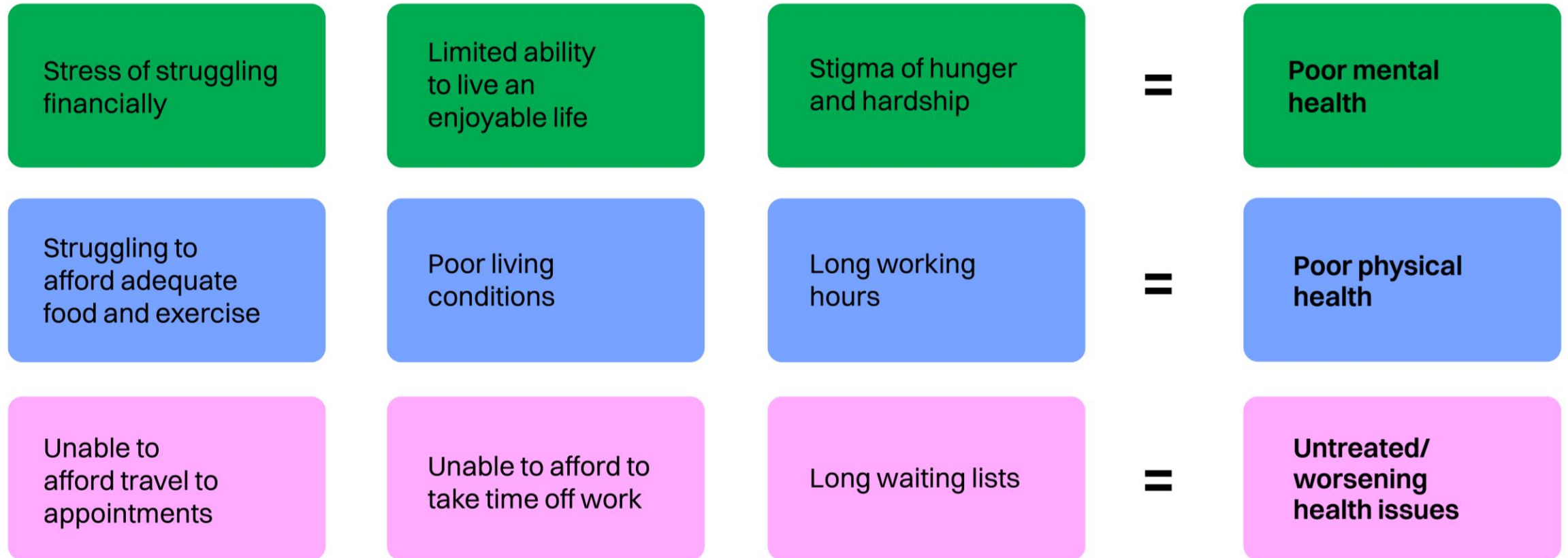
This figure is not included in the headline costs, to focus on the most immediate and direct impact of hunger and hardship. However, it is an important part of the picture. In fact, our current Prime Minister has previously stated it was key to "treat wellbeing equally to growth".

People who fall into hunger and hardship report lower levels of wellbeing than people who do not hunger and hardship. Our analysis shows their wellbeing is also damaged for the future.

On average, people who fall into hunger and hardship have a 4% lower life satisfaction score over a 10-year period, compared to people who do not.

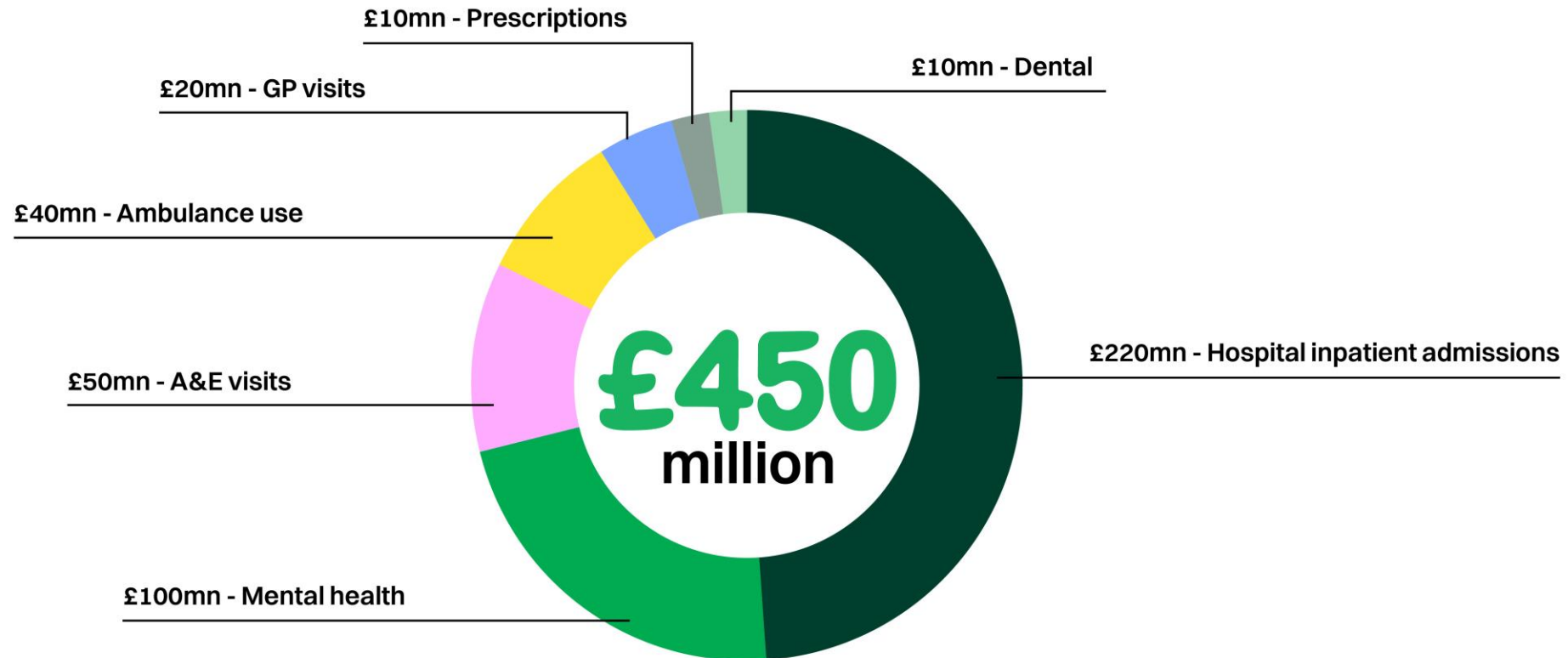
We use the approach recommended by HM Treasury's Green Book, to translate this subjective wellbeing costs to an equivalent financial cost.

3. How hunger and hardship affect mental and physical health



These pathways are by no means exhaustive, but illustrate some of the most significant costs associated with facing hunger and hardship.

Costs relating to health services



“

I returned to work the following day just 2 weeks after my surgery, as a temp to the same contract as they hadn't managed to fill the role.

I had to take 2 buses to get to and from work, it was tough physically and mentally, I also worked throughout my radiotherapy having my appointments at 6pm then going home to bed to sleep off the worst of the side effects **all due to finances.**

”

Female, 60s, Scotland



4. How hunger and hardship affect education, care and skills



These pathways are by no means exhaustive, but illustrate some of the most significant costs associated with facing hunger and hardship.

Costs relating to education, care and skills

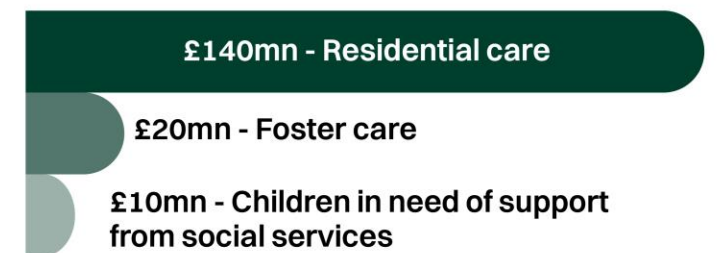
£20 million

Education



£170 million

Children's social care cost



“

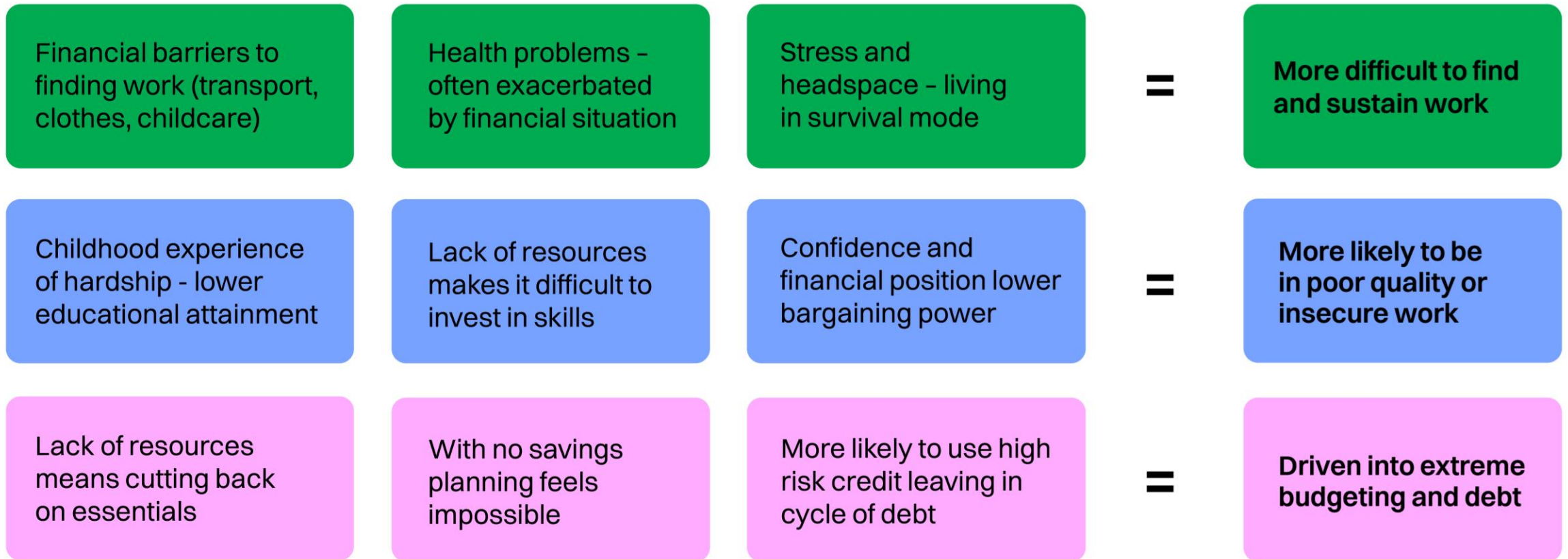
I feel there's pressure for my kids. Well, for them to have the same as what everybody else has...Just, you know, just. I just want them to feel that they have the same quality of life as what their peers do.

”

Female, 30s, Scotland, has children



5. How hunger and hardship affect employment, productivity, and finances

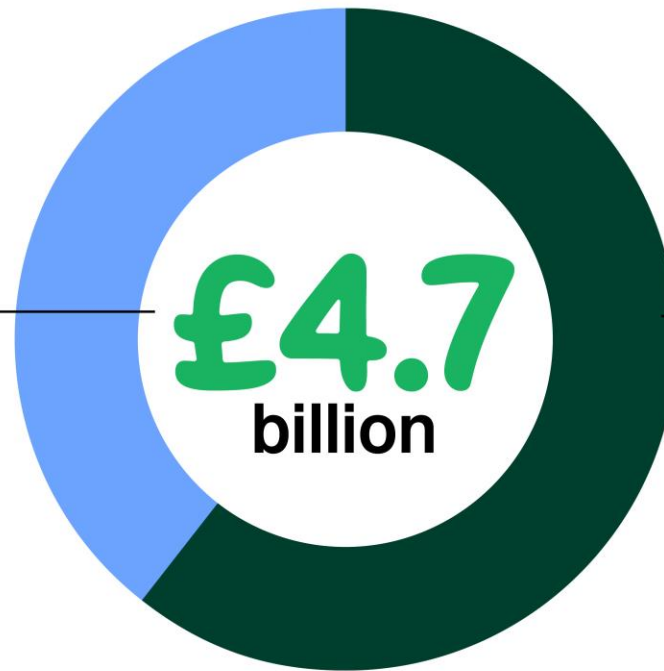


These pathways are by no means exhaustive, but illustrate some of the most significant costs associated with facing hunger and hardship.

Costs relating to work and finances

£1.8 billion

Fiscal costs



£2.9 billion

Economy costs



“

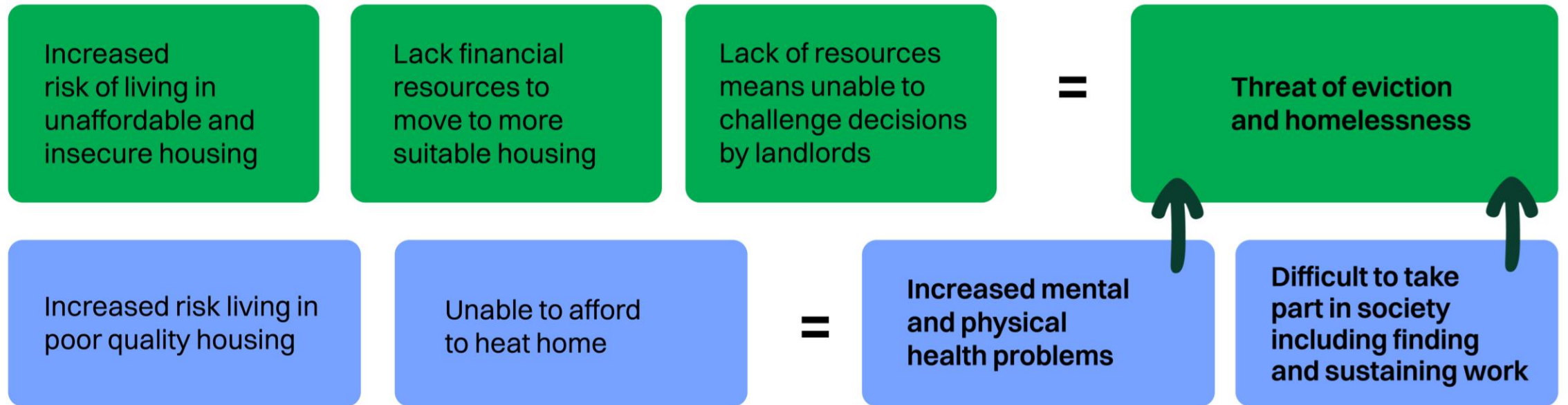
or if I've not paid my broadband bill...how the hell am I going to work? So there's been times I've actually pretended to be sick because I can't afford my Internet bill this month

”

Female, 30s, Scotland, has children



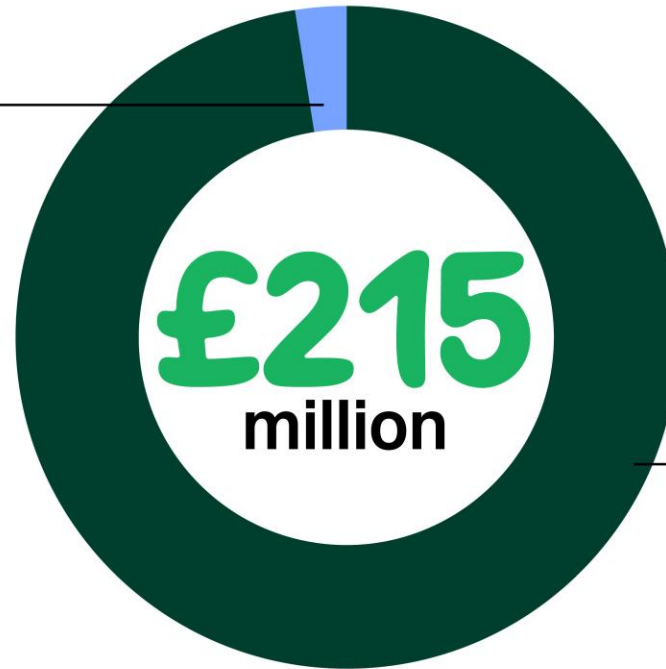
6. How hunger and hardship affect housing and homelessness



These pathways are by no means exhaustive, but illustrate some of the most significant costs associated with facing hunger and hardship.

Cost relating to housing and homelessness

£5 million
Rough sleeping



£210 million
Homelessness

“

Last December our boiler decided to die on us and we did not have central heating or hot water until mid-January when a temporary fix was made to the boiler. The ‘fix’ was all we could afford at the time. **We haven’t replaced it, can’t afford to, so we’re going into winter with that hanging over us.**

”

Female, 50s, Scotland, has children



7. How hunger and hardship affect communities and relationships



These pathways are by no means exhaustive, but illustrate some of the most significant costs associated with facing hunger and hardship.

Why we haven't separately costed the impact on communities and relationships

Unlike the previous areas, we have not produced separate costings of the impact of hunger and hardship on communities and relationships. We have assumed that many related costs are picked up within other areas explored, such as health, education, and work.

The main additional cost to consider would be any impact of facing hunger and hardship on an increased propensity to commit crime – driving additional policing and justice system costs, and costs to society.

A lack of consistent evidence and data meant we could not generate meaningful and robust estimate of the additional impact of facing hunger and hardship on rates of crime.

“

I think because mental health services are, have been slashed, **people aren't getting the help that they really need** and they're turning to the thing that's most easily available, which is drugs and people live and sleeping in the streets, young women and they're just not protected.

”

Female, 50s, Scotland



8. What does this tell us about tackling hunger and hardship?

The impact of hunger and hardship affects us all

Hunger and hardship is clearly placing an immense strain on people, as well as our economy, public finances, and public services.

Hunger and hardship prevents progress on living standards

We must tackle hunger and hardship if we are to deliver better living standards for us all.

Costs of policies are significantly offset by benefits

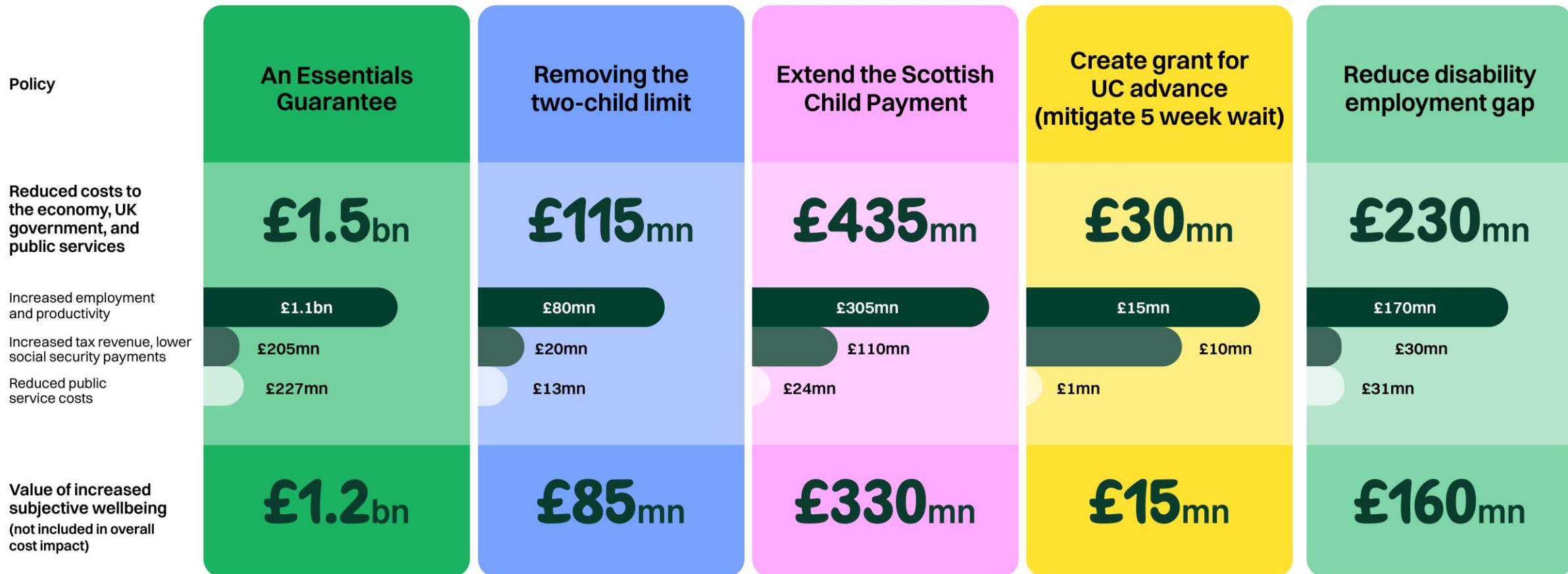
New modelling shows targeted policies can tackle hunger and hardship, as well as deliver benefits that significantly offset the cost of the policy itself.

Social security policies are our most effective lever

In line with research over the years, social security policies have the biggest and most direct impact on hunger and hardship in Scotland and across the UK.

Social security levers and cost impact

All figures relate to costs in fifth year of implementation of the policy which is 2026/27 off a base year of 2022/23. This table looks at the cost benefits of implementing these policies **in Scotland**. For the full UK breakdown of cost benefits, please see our UK summary report.



Want to know more?

More on hunger and hardship

More information on the metric and why we have developed and used it [here](#).

Full report and methodology

Available in our final report [here](#).

Contact us

If you have further questions, contact us at publicaffairs.scot@trussell.org.uk

Thank you!



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