

# EFRA Committee Inquiry: Food Security

## Sustainable Food Places Written Evidence

September 2022

### Executive Summary

Sustainable Food Places is a growing network of 80 food partnerships across the UK driving innovation and best practice in all aspects of healthy and sustainable food. Through these cross-sector food partnerships, local authorities and other public bodies are working with third sector, businesses and academic organisations to transform their local food system. Our aim is to tackle critical issues including access to healthy food, the climate and nature emergencies, and to create jobs, businesses and bring prosperity to local areas through the development of the good food sector.

The organisations represented by our network are at the coal-face of community food experiences, and challenges. Our partnerships offer an invaluable birds-eye view of local factors, and how public sector, local economy, charity and household factors interplay with each other. Hence we feel it is important to aggregate local intel and experiences and highlight recommendations for the Committee to take forward.

#### *Key points in our submission*

- The cost of living crisis is having a very real impact on local businesses at the heart of communities, impacting local jobs and furthering the risk to the economy if these businesses close for good. It is felt by emergency and community food supply chains seeing costs rise and donations plummet, just as they are hit by a sharp increase in families desperate for their support. And it is most felt by households, especially families in tough financial circumstances, whose community safety nets disappear just as inflation and a coming winter threaten a hunger and health crisis not seen for decades.
- Emergency food supply chains are showing their volatility as donations dry up and cannot realistically expand to meet demand. Current levels of benefits are not sufficient to enable a healthy life, let alone a quality of life. We call on Government interventions that put money in people's pockets and nutritious food on plates, including committing to the National Food Strategy recommendations on Healthy Start vouchers, breakfast clubs and free school meals, extending the Household Support Fund and committing to the Real Living Wage to ensure more people don't slip through the cracks into destitution.
- Food Partnerships have shown their worth in recent years. Their value has been recognised by the Government, especially in times of crisis. Every community in the UK should benefit from the resources and innovation these networks bring into local food systems. We call on the Government to follow the lead of devolved nations and champion localised food strategies and partnerships at a national policy level.
- Local businesses, farmers and fishers, along with local and county authorities are concerned that the National Food Strategy's key recommendations are being ignored, threatening not only our national climate and nature targets but the resilience of our food sector and future jobs.

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[www.sustainablefoodplaces.org](https://www.sustainablefoodplaces.org)

## ***What are the key factors affecting the resilience of food supply chains and causing disruption and rising food prices – including input costs, labour shortages and global events? What are the consequences for UK businesses and consumers?***

**Impact on business:** whilst all businesses will struggle with the impact of increased energy costs and inflation, this will impact on some more than others, particularly small businesses who have less ability to survive short term shocks to their operations. With high energy use, small bakers, farms running cold stores, and dairy farms, are going to be hit particularly hard. Initial responses from Sustain's Real Bread network of hundreds of small craft bakeries around the UK suggests that many are considering closing due to the impending unaffordable energy costs associated with baking [1]. The increased cost of living is also driving down customers for many of those businesses that specialise in selling more sustainable produce [2], which often is a higher price, with longstanding local food enterprises already closing. Businesses are simultaneously struggling with staff shortages and recruitment issues that have persisted since the Covid pandemic and Brexit. Some are reducing their offer to avoid passing increased costs on to customers, but others are having to close. This is especially felt in rural communities and smaller towns where sustainable and ethical options, as well as fairly paid local jobs may be in short supply.

*“A Dartington-based bakery has only just launched a new outlet in Plymouth - The Almond Thief. They are lucky to have a tight localised supply chain with their own mill and locally-grown grains. However, they had to reduce the size of their loaves and other baked goods to compensate for higher bills. There are also ongoing issues with staffing at our cafes and restaurants. At least one cafe we know is operating at 2/3-1/2 capacity as they simply can't recruit.”* Sophie Patterson, Food Plymouth Coordinator

**Impact on emergency and community food organisations:** Surplus food redistribution charities and local frontline community food organisations are having to change how they operate, reduce the number of groups, and ultimately people, they can support, and in some cases close. Regional FareShare distribution hubs have seen a dramatic reduction in food donations, driven by a reduction in donations of ambient foods (see evidence below) as well as fruit and vegetable donations from suppliers and supermarkets. They are turning away organisations that rely on staple goods such as tinned and ambient foods or lack chilled storage and cooking facilities to handle close dated fresh and chilled items. These groups are having to turn to other networks such as Trussell Trust which are themselves overwhelmed with demand.

*“Volumes have dropped 22% over the last fortnight (September 2022) and we are now extremely low on food. We've had almost no ambient/tinned food in during the period, and we even ran out of fruit & veg last week - chilled has dipped too, but not by as much, although I know that won't help the groups that are ambient only. It is a nation-wide issue and not just impacting the North East.”* FareShare North East Hub

**Impact on consumers:** The Joseph Rowntree Foundation found that with the most recent announcement on the cap of energy prices of 8 September, there is still a £800 gap on average between the overall rise in the cost of living and the support package for families on means-tested benefits from the Government to address it [3].

Gone are the days when families turned to food banks on a one off basis due to short term emergencies. More and more households are now relying on emergency food aid on a regular basis due to persistent problems with low incomes and rising housing, energy and food costs. Community groups and food poverty alliances in the Sustainable Food Places Network are seeing a steady increase in the number of people needing emergency food at the same time as projects are experiencing a huge drop in food and cash donations.

Many local organisations are saying that the cost of living crisis is much worse than the Covid pandemic. Middlesbrough is but one area that's seen an unprecedented rise in demand that has already overshadowed the challenges of the Covid pandemic.

*"The Middlesbrough Foodbank has seen a 220% increase in emergency food parcels distributed between April - Aug 2022. This is on levels that are already approximately four times higher than pre-pandemic usage and prior to the winter."* Joe Dunne, Middlesbrough Food Partnership Coordinator

Other areas are seeing a marked reduction in donations, while the types of households that now need support continue to expand without government safeguards. Brighton and Hove's Emergency Food Network Annual Report of 2022 found that numbers of people needing food support rose by 18% in 2022. More than 60% of members were [also] supporting a growing number of refugees, migrants and asylum seekers who had no recourse to other funds whatsoever. However, during the same period, there was a 69% drop in money and food donations, leaving charities struggling to meet demand. This is thought to be the result of donors themselves experiencing the effects of the cost-of-living crisis, as well as donor fatigue [4].

*"We have seen a 30% increase in client numbers last year and 18% year to date. What is concerning is to see clients who we had managed to stabilise their position and not need our services - return to us this year. Also, an increase in those who have never ever needed support - 20 to 30 years in work - now being thrown into the system."* Brighton Food Bank.

A similar situation is being reported in Cambridge, where community food services across the city are reporting increases in the numbers of people seeking help with food, often people who never expected to find themselves in this position and costs are only set to rise further.

*"People coming each week to Cambridge's food hubs are worried. They're worried about how they are going to manage in the coming months, as energy and food bills continue to rise, and the cost of living crisis gathers pace. People are too frightened to put their ovens on to cook the food that is donated each week. There were 21,210 visits to the food hubs last year and that number is going to go up, the big unknown is by how much",* Alex Collis: Cambridge City Council Deputy Leader (Statutory) and Executive Councillor for Open Spaces, Food Justice and Community Development

There is a growing anxiety among food partnerships and local organisations within our network that the increased demand for emergency support and plummeting food donations, as well as food banks having to close due to rising operating costs, is combining into a perfect storm which will tip this crisis from food insecurity into hunger and starvation, the likes of which this country has not seen for decades.

*"We are gravely concerned that our [food aid] groups will not be able to continue to meet demand, resulting in the ceasing of many food support organisations and therefore a huge number of people in our community going without food, fuel and other basic essentials."* Sarah Davenport, Worthing & Adur Food Partnership Coordinator and Community Food Network facilitator

Adur & Worthing's Community Food Network worked with researchers at University of Brighton to assess the impact of household food insecurity and hunger on mental health, including demand on mental health services. Their findings tracked the ongoing toll of impact to people's mental health. Worsening food insecurity, especially as we move into winter, will add further pressure on mental health services already overwhelmed by the social impacts of the Covid pandemic [5].

## **What is the outlook for UK food price inflation in the short and medium term? What policy interventions should the Government consider to manage these pressures?**

According to the Food Foundation's food price tracker of August 2022, prices of food and non-alcoholic beverages continue to rapidly increase, with inflation in this category reaching 12.7% in the past 12 months. This is a 2.3% increase from last month, which is the highest monthly increase in over 20 years. Prices in all food categories tracked by the ONS have risen over the last year, with the highest rise seen in oils and fat, milk cheese and egg and meats [6].

Complex problems require partnership working and joined up solutions and we urge the Government to support the establishment of a food partnership in every local area. The value of food partnerships was recognised in the Government's Food Strategy:

*“Local Food Partnerships have already brought together councils and partners from the public sector, voluntary and community groups, and businesses to reduce diet-related ill health and inequality, while supporting a prosperous local food economy. We will learn from their approaches and work to understand and identify best practice in addressing food affordability and accessibility to healthy food. As part of our levelling up mission to narrow the gap in healthy life expectancy, Government will identify the areas most in need of this insight, and Defra will work with local authorities and food charities in these priority areas.”*

Food partnerships bring together stakeholders from across public, private and community and voluntary sectors. They have demonstrated how this joined up approach helped play a vital role in the food crisis relief effort during covid, including innovative solutions to safeguard food supply chains, and continue to fill the leadership gap on local food issues in the post pandemic environment. [7][8]

There is a precedent in Wales, where the Welsh Minister of Social Justice has recently announced £3 million of Welsh Government funding to support the development of cross-sector food partnerships in response to the cost of living crisis.

The Government can help those most in need by building on the recommendations of Henry Dimbleby's National Food Strategy and increase the value of Healthy Start vouchers in line with inflation, increasing the eligibility threshold to families on No Recourse To Public Funds so more families are able to benefit, extend eligibility for children up to the age of 5 to bridge to eligibility to free school meals and adopting automatic enrolment for the scheme to ensure anyone that is eligible automatically receives their pre-paid cards. Expanding coverage and eligibility for free school meals, ideally to make it Universal, school breakfast clubs, the School Fruit and Vegetable Scheme (FSVS) to all children in primary school or holiday activities and food programme could all direct support to families with children most in need of support.

Government should move away from relying on the community and voluntary sector to provide emergency food and aid towards properly calculated support and benefits needed to cover the cost of living. As illustrated for example by the [Poverty in Northampton report](#), current levels of benefits are not sufficient to enable full participation in community life and endanger health. The plight of those on No Recourse to Public Funds was particularly acute.

Government should be encouraging businesses from across the economy to pay the Real Living Wage and having a strategy to introduce the Living Wage as the national minimum wage norm. Government can also play a convening role to encourage retailers to offer a healthy basket guarantee, to ensure that those on the lowest income can afford a healthy weekly shop, rather than having to rely on highly processed unhealthy produce which is often cheapest.

Government should consider the policy proposals put forward by the Federation of Small Businesses which wants the higher-threshold rate of VAT reduced from 20% to 5%. The lower threshold and domestic rate of VAT could be reduced from 5% to 0%, alongside business rate rebates; and a scheme to support businesses to decarbonise with £5,000 vouchers to be spent on items such as solar panels and heat pumps.

Government should extend the Household Support Fund which many local authorities are using to provide additional support to families with children eligible for benefit-related free school meals and for food emergencies. Many areas in the Sustainable Food Places Network expressed concern with the allocation framework for the fund whereby “at least one third of the total funding will be ring-fenced to support households with children, at least one third of the total funding will be ring fenced to support pensioners with up to one third of the total funding to other households”. This seriously limits local authorities in terms of the numbers of families they can support, as well as the value of the support they provide. The criteria should be removed or at least to revert to the criteria of the first round which was 50% of the funding for families with children and the remaining 50% to be offered more flexibility. The Household Support Fund should also continue beyond 2023 as a discretionary fund for local authorities to support the most vulnerable households over the long term. Local authorities can identify with much more accuracy the families most in need and should be allowed to make decisions on the allocation to households based on local population needs.

## **How are the rising cost of living and increasing food prices affecting access to healthy and nutritious food?**

Research published In July 2022 by the Food Foundation found that the poorest fifth of UK households would need to spend 47% of their disposable income on food to meet the cost of the Government-recommended healthy diet. This compares to just 11% for the richest fifth. In addition, healthier foods are almost three times as expensive per calorie as less healthy options [9].

The Food Foundation's food insecurity tracker also reveals that household food insecurity had risen 60% by April 2022, compared to the first six months of the Covid pandemic [10]. This is prior to some of the more recent rises in food prices – data published by the British Retail Consortium & NielsenIQ show annual food inflation rates rose from 7% in July 2022 to 9.3% in August 2022 alone [11].

90% of food banks have seen increased demand since April 2022, according to the Independent Food Aid Network (IFAN), with many experiencing supply chain shortages and 7 in 10 reporting a drop in donations as cost of living crisis escalates. They have warned that demand will outstrip their ability to respond this autumn/winter [12]. The expense of healthy, fresh food is preventing low-income households from accessing these items, resulting in health inequalities.

The Healthy Start scheme was introduced to help reduce these health inequalities by supporting pregnant women and families with children under the age of 4 with pre-paid cards to use on formula, cows' milk, fresh and frozen fruit and vegetables and pulses. Although the value was increased in April 2021 from £3.10 to £4.25, with inflation currently increasing so dramatically, this increase is no longer fit for purpose. The Coop Party, for example, recently launched a campaign to increase the value of the scheme, highlighting that two vouchers worth £4.25 now won't buy a single tin of infant formula. To reduce the impact of inflation on low-income households the Government should increase in the value of Healthy Start Vouchers in line with the current CPI inflation rate (and commit for this to be reviewed every six months), increase eligibility for the scheme so more families being pushed into poverty are able to benefit, and move to automatic enrolment in the scheme so no one misses out if they are eligible.

Free school meals are an important nutritional safety net for children. However, education leaders have called for urgent review and expansion of eligibility for meals, in light of their experience of increasing numbers of children arriving hungry, or without money to buy a school meal, or with wholly inadequate packed lunches. Meanwhile, school catering supply chains are also struggling to meet the additional costs of food price and fuel bills, and warning that their ability to supply quality, nutritious food in adequate portions may be threatened without further financial support to meet rising inflation costs [13].

# How will the proposals in the Government's food strategy policy paper affect:

## ***Resilience of food supply chains?***

Rural and county food partnerships in particular are expressing concern at the large number of smaller local food producers and those in the supply chain (e.g. processors, mills and abattoirs) going out of business as a result of the energy cost pressures. They reported at a meeting on 15th September 2022 that these are predominantly businesses which are focussed on localised, and more sustainable production - the very businesses which help ensure long term resilience in the food supply chain and which the government is seeking to support via the introduction of Government buying standards which specify a percentage of local or sustainable production in public procurement. Without urgent support there is a very real chance that, by the time these standards are introduced, there will be a shortage of suppliers or supply chain infrastructure to meet these standards. Government must act now to protect these vital, sustainable supply chains, for now and the future, if we are to protect jobs and meet our climate and nature protection targets.

The Government's food strategy has very little mention of supply chains or any interventions or policies to tackle the problems of fragility and consolidation. We do not have confidence that the food strategy will lead to a more resilient, sustainable and fair supply chain for British farmers or consumers. More broadly, there is no strategy or policy to build resilience, sustainability and fairness into the UK's food supply chain.

Sustain's survey with 500 farmers showed a high level of dissatisfaction with the current buyers and supply chain – Sustain's report *Beyond the Farmgate* showed the results, such as how 56% of respondents said they want to supply into a different market and a further 20% said they would consider this [14].

In terms of legislation for long term change, the Government's food strategy fell short of proposing a Food Bill. At a local level, it did recognise the importance and value of food partnerships. Implementation of the recommendations on extending the network of food partnerships can be part of the solution, with rural and county level food partnerships in particular already playing a key role in building resilience of food producers and businesses, for example through networking and provision of training and support.

A food plan and a properly resourced food partnership can help deliver resilient food systems in every local authority. These local networks are essential to creating relationships and confidence and reduce risk. Cross-sector food partnerships bring together public agencies, community organisations and businesses to create lasting change in the food system. As well as the support outlined above, they play a strategic role, providing a forum for consultation and collaboration on food plans and policy as well as a delivery role facilitating the sharing of data, insight and best practise and delivering education and transformational projects.

## ***The agri-food and seafood sectors?***

The Government food strategy's proposals around fish were concerning. Seafood production was described as a "potential growth opportunity" that could be a source of a "potentially lower-carbon and healthy source of protein". However, it is unclear where this growth is expected to come from. The proposal for an increase in salmon farming – Scotland's biggest food export – rings alarm bells. The Scottish government already has plans to significantly expand salmon farming by 2030 – an industry which has led to sea-lice outbreaks, the plummeting of wild salmon populations [15] and become a significant cause of pollution and animal welfare concerns. Salmon feed also brings other risks to food security through the supply chain of its feed. Aquafeed contains soya, oils, and other grains, as well as wild fish that could be eaten directly [16]. In short, the unsustainable expansion of salmon farming is a

threat to food security in the UK and abroad. The UK should instead develop a recovery strategy for the UK's wild salmon population, focus on aquaculture which required less high-protein feed, including mussels and seaweed, and limit aquaculture to levels that can be sustainably fed through fish offcuts.

When it comes to wild caught fish, there is significant opportunity for growth, and for fish to be a better contributor to national and local food security, if depleted fish stocks were recovered. In the 2021 report Net Worth [17], Sustain calculated rebuilding fish stocks to sustainable levels could allow the UK to increase catches by 45%, create 14,000 jobs and £2 billion for the UK economy. Unfortunately, the government's strategy contains neither proposals nor legislation to make this happen.

### ***Access to healthy, nutritious food?***

The food policy paper missed the opportunity to commit the Government to ambitious measures aimed at reducing dietary inequalities and breaking the junk food cycle, such as building on the success of the Soft Drinks Industry Levy with further levies on less healthy food and drink that have proved so effective in sugar reduction. Whilst such measures were applauded, the Government food strategy response instead deferred to the Department for Health and Social Care's plans to tackle health disparities, which have not yet been forthcoming. It is critical that Defra works proactively with DHSC to get these proposals back on track over the coming year.

While top-down intervention is vital to ensure equity in access to healthy, nutritious food, local areas are showing innovation and efficacy in healthy eating interventions with a focus on celebrating healthy food and improving access. Sustainable Food Places Veg Cities Campaign [18] works with food partnerships to engage local public and hospitality sectors to increase portions of veg on menus, as well as expanding urban and peri-urban fruit & veg production, and campaigning to expand and support access to Healthy Start vouchers. Alongside the Food for the Planet Campaign to reduce meat consumption and increase pulse and other protein uptake, Sustainable Food Places campaigns are improving healthy food access locally through partnership working and targeted community engagement, in spite of challenges at the national level, but this cannot scale up without the Government's support for a food partnership in every local authority.

The Government has also delayed the introduction of a 21:00 watershed and online ban on advertising of selected food and drink high in fat, salt and/or sugar (HFSS) until January 2024, whilst restrictions on multi-buy promotions of these foods is delayed until October 2023, despite evidence that these so-called 'deals' result in shoppers spending more money and displace healthier and more nutritious food from their basket.

Current thresholds for eligibility for free school meals, holiday activity and food programmes are excluding an estimated 800,000 school-age children who live in poverty from free access to these programmes. Similar problems exist with access to free school meals in nurseries and Healthy Start vouchers for children below the age of 5. Rapid expansion of eligibility and review of these thresholds, a key recommendation from the Dimpleby's National Food Strategy, were ignored in the Government response. Considering their experience with pupils, and rising concerns from parents and caterers alike, organisations representing over one million teachers and education leaders across 24,400 schools have called for urgent action to provide an adequate nutritional safety net for the 2022/23 academic year and beyond [19]. The Government must urgently increase the eligibility threshold as a first step. England needs to join Scotland and Wales in committing to a phased process towards universal provision of school meals. This would support overall investment in the learner and future educational attainment, whilst increased uptake of meals would provide new opportunities for sustainable catering and food production supply chains, and business opportunities.



We need the Horticulture strategy to deliver a major increase in access to affordable and diverse fruit and vegetables everywhere. Support for farmers adding horticulture to their land, supporting the infrastructure, and procuring through dynamic purchasing systems, would all help. More market gardens on the urban fringe could also provide a major boost – providing good food agroecologically on underutilised land as well as enterprise and training near huge urban markets. Sustain’s report on peri-urban farming details how this can be delivered and some case studies. [20]

## Endnotes:

- [1] Survey with Bakers on impact of cost of living crisis/energy cost increases  
<https://www.sustainweb.org/news/aug22-cost-crisis-what-support-does-your-bakery-need/>
- [2] Research in the Grocer <https://www.thegrocer.co.uk/trend-reports/is-sustainability-competing-with-price-for-priority-10-charts-explaining-uk-attitudes-to-the-cost-of-living-crisis/670690.article>
- [3] <https://www.jrf.org.uk/press/joseph-rowntree-foundation-highlights-gap-support-remains-people-low-incomes-after-liz-truss>
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- [5] <https://awfp.brightminded.com/hunger-trauma-dignity-and-community-food-support/>
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- [9] <https://foodfoundation.org.uk/publication/broken-plate-2022>
- [10] <https://foodfoundation.org.uk/initiatives/food-insecurity-tracking>
- [11] <https://brc.org.uk/news/corporate-affairs/shop-prices-hit-new-high/>
- [12] [https://uploads.strikinglycdn.com/files/a31c0c1c-240c-4fa3-b21e-e750b52579dd/IFANSURVEY\\_August22.pdf](https://uploads.strikinglycdn.com/files/a31c0c1c-240c-4fa3-b21e-e750b52579dd/IFANSURVEY_August22.pdf)
- [13] <https://www.theguardian.com/education/2022/jun/15/rising-costs-put-pressure-on-school-food-industry>
- [14] Sustain report Beyond the Farmgate on farmer views to supply chains.  
<https://www.sustainweb.org/publications/beyond-the-farmgate/>
- [15] <https://wildfish.org/latest-news/2021-10-22-new-scottish-gov-study-damage-wild-salmon/>
- [16] <https://www.theguardian.com/environment/2022/mar/02/wild-fish-stocks-squandered-to-feed-farmed-salmon-study-finds>
- [17] <https://www.sustainweb.org/publications/net-worth-jun-2021/>
- [18] <https://www.sustainweb.org/assets/education-letter-may-22-May22.pdf>
- [19] <https://www.vegcities.org/>
- [20] Sustain report on peri-urban farming. <https://www.sustainweb.org/publications/feb22-fringe-farming/>