

Sustain Submission – Efra Committee Food Security Inquiry

1. Sustain is the alliance for better food and farming. We represent over 110 food and farming organisations. This briefing sets out our response to your call for evidence on UK food security.

Summary

2. We consider multiple factors that impact UK's food security, including the war in Ukraine, rising input costs, cost of living crisis, labour shortages, commodity prices and the climate and nature emergency.
3. The Government should accelerate the implementation of Environmental Land Management (ELM). Transitioning to nature friendly farming (i.e. agroecology) will lead to a more resilient farming sector and a healthier environment. We should avoid off shoring harms from food production to other countries and put core standards in place for imports.
4. We argue that food security does not equal a healthy diet and we advise the term 'nutritional security' instead.
5. We consider the problem of increasing household food insecurity and the practical steps the Government should take to provide more support for low income households. This should include expanding access to Healthy Start, Free School Meals and the School Fruit and Veg Scheme. such as Healthy Start and Free School Meals.
6. We urge Government to convene big food businesses and work towards tackling low pay issues by paying food workers the real living wage.

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?

7. **Inputs:** The rising cost of fuel is increasing the cost of fertiliser. This has been driven by the war in Ukraine and the profiteering of fossil fuel companies.¹ The consequence is that food will cost more because the cost of production is higher. Because of costs, farming' unions are reporting that farmers are opting to produce less food.²
8. **Labour:** Ending the free movement of people has significantly contributed to farm labour shortages. However, the UK farming sector is forced, through low prices and a lack of relative power, to offer low paid jobs with unsociable working hours, poor working conditions, and a lack of work benefits. The main consequence of

¹ <https://www.reuters.com/business/energy/big-oils-q2-profits-hit-record-50-bln-with-bp-yet-come-2022-07-29/>

² <https://www.bbc.com/news/business-61958468>

shortages is that food (mainly fruit, vegetables and salad) has been wasted rather than harvested. Thousands of healthy pigs have been culled because abattoirs do not have the staff to process them. Low farmgate prices and unfair trading practices by the top multiple retailers should be addressed via legally binding Codes, but addressing consistently low prices will need further attention.

9. **Global events:** While the UK does not rely on Ukraine for food, the war is causing global food shortages and has increased the cost of fuel driving up food production costs. The consequence of this geopolitical disruption is that millions of people around the world are being forced into food poverty (which was already a significant problem).
10. **Climate change:** Extreme weather events are impacting on global food yield meaning there is less food on the global market. This year's drought in the UK is an example. For instance, livestock farmers had to use winter feed (i.e. silage and haylage) early, which could lead to a lack of feed in the winter. Over the medium and long-term, climate change poses a huge threat to domestic and global food security, particularly while it remains specialised and commodified.
11. **Market models:** The global market with its just-in-time model does not build-in surplus (i.e. resilience), meaning geopolitical or climate shocks can quickly lead to shortages. With surplus (or redundancy) there is always a store, rather than the just-in-time model where food is always in transit.
12. **Land use:** The UK's net zero plan includes an increase in the UK production of biofuel. While it is currently only 121,000 hectares of agricultural land³, but set to increase, this is nonetheless an inefficient use of land that could produce healthy food and contribute towards restoring nature. Similarly, the UK uses far too much land domestically and internationally, to grow crops to produce animal feed, which is equally inefficient. This land could also produce healthy food and recover nature
13. **Impact on business:** The increased cost of energy will hit small businesses with high energy use particularly badly, such as small bakers, farms with cold stores and dairy farms, as they do not have capital to withstand such major shocks. Initial responses from our network of hundreds of small bakeries around the UK suggests many are considering closing due to unaffordable energy costs.⁴ The increased cost of living is also reducing the customer base for many SME businesses that sell sustainable produce and longstanding local food enterprises are already closing.⁵ Some policy options that might remedy this are proposed below.

³ GOV.UK on biofuels. <https://www.gov.uk/government/statistics/area-of-crops-grown-for-bioenergy-in-england-and-the-uk-2008-2020/summary#:~:text=2008%2D2020%2Fsummary-,Key%20messages%20for%202020,arable%20land%20in%20the%20UK>.

⁴ 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/>

⁵ Research from 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>

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?

14. The price of food has already increased 9.3% compared to last year⁶ but could rise further.
15. The Government should remove all mandates and subsidies for biofuel production as this is an inefficient use of land. Analysis by the New Scientist shows that halving USA and European production of biofuel would cover losses from Ukraine and Russia due to the war.⁷ The Government should urgently address the land take for animal feed both domestically and imported from the global market and introduce a strategy to support farmers to pasture-fed systems. This could be done, for example, in a land use framework. This would take pressure off land and create more opportunities to produce food for direct human consumption as well as nature recovery initiatives.
16. While supermarkets have posted bumper profits in the last year⁸ we would urge caution on a windfall tax as it could have the perverse effect of further squeezing producers and workers along the supply chain. According to the Living Wage Foundation, the supermarket sector is still plagued by low pay. 42% of all supermarket workers in the UK – or 366,000 in total – earn below the Living Wage. We think it would be an important first step for supermarkets to ensure their workers are paid the Real Living Wage. However, the supermarket model has created a dysfunctional and broken food system and resolving this requires focus and change. We would also like to see supermarkets do more to support customers, by ensuring value ranges in every store and guaranteeing an affordable, healthy basket.
17. The Government can 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 relying on cheap, highly processed unhealthy produce.
18. The UK government needs to examine the complex role of food commodity price speculation as this appears to have had an impact on recent food inflation.⁹ Betting on food prices in unregulated global financial markets have raised prices and created even more volatility.
19. Tackling food waste at all parts of the food supply chain from farmer to consumer must be a priority and this needs to acknowledge the failure of voluntary

⁶ British Retail Consortium data as of 31 August 2022. <https://brc.org.uk/news/corporate-affairs/shop-prices-hit-new-high/>

⁷ New Scientist on Ukraine war and biofuels. <https://www.newscientist.com/article/2312151-cutting-biofuels-can-help-avoid-global-food-shock-from-ukraine-war/>

⁸ <https://www.sustainweb.org/news/may22-millions-facing-food-poverty-as-supermarkets-announce-record-profits/>

⁹ Science The Wire on food speculation and food price inflation. <https://science.thewire.in/health/wall-street-speculative-gambling-food-prices/>

approaches and look at using penalties and incentives for those responsible – including poor forecasting by buyers and unnecessary cosmetic standards.

20. Government should revisit the framework and criteria of the Household Support Fund, which many local authorities use to provide additional support to families. Many areas in the Sustainable Food Places (SFP) Network have expressed concern with the allocation framework for the fund¹⁰ which 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 50% for other, which 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. 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?

21. Research published In July 2022 by Sustain member the Food Foundation, found 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.¹¹ 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.¹² 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.¹³
22. 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 seven in 10 reporting a drop in donations as the cost of living crisis escalates. They have warned that demand will outstrip their ability to respond this autumn/winter.¹⁴ The expense of healthy, fresh food is preventing low-income households from accessing these items, resulting in health inequalities.
23. The Government could expand the use of industry level fiscal measures (such as reformulation levies) to subsidise healthy food options for lower income households in the short-term. It could build on the Dimpleby National Food Strategy recommendations and increase the value of Healthy Start vouchers in line with inflation, enable families on No Recourse To Public Funds to access support, and extend free school meals eligibility for children up to the age of five and adopt

¹⁰ <https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils/household-support-fund-final-guidance-for-county-councils-and-unitary-authorities-in-england>

¹¹ https://foodfoundation.org.uk/sites/default/files/2022-07/FF_Broken_Plate_Report%202022_DIGITAL_3.pdf

¹² <https://foodfoundation.org.uk/publication/broken-plate-2022>

¹³ <https://foodfoundation.org.uk/initiatives/food-insecurity-tracking>

¹⁴ <https://www.foodaidnetwork.org.uk/>

automatic enrolment for the scheme. It could also make free school meals eligibility Universal, expand school breakfast clubs, and double the value of the School Fruit and Vegetable Scheme. It could use levies to fund holiday activity and food programmes. All these would provide direct support to families with children most in need. Though the value of Healthy Start vouchers was increased in April 2021 from £3.10 to £4.25, inflation has outstripped it. Research has highlighted that two vouchers worth £4.25 now will not buy a single tin of infant formula.¹⁵ To reduce the impact of inflation on low income households the Government should increase the value in line with inflation, 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.

24. Education leaders have called for urgent review and expansion of eligibility for Free School 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 and fuel, and are warning that their ability to supply quality, nutritious food in adequate portions may be threatened without further financial support to meet rising inflation costs.

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

the resilience of food supply chains?

25. The Government's food strategy¹⁶ has very little mention of supply chains or any interventions or policies to tackle the problems of fragility and consolidation. As such, we do not have confidence that it will lead to a more resilient, sustainable and fair supply chain for British farmers or consumers.
26. More broadly, there is no strategy or policy to build resilience, sustainability and fairness into the UK's food supply chain. In short, the Government is failing on this front and must take action to tackle the key issues (which have been laid out through this submission).
27. Our survey with 500 farmers showed a high level of dissatisfaction with the current supermarket chain. Our report showed 56% of farmers want to supply into a different market and a further 20% said they would consider this.¹⁷

the agri-food and seafood sectors?

28. In the Government's food strategy, Seafood production was described as a "potential growth opportunity" that could be a source of a "potentially lower-

¹⁵ https://party.coop/healthy-start-inflation?utm_source=twitter&utm_medium=social&utm_campaign=hs0522inf_tw#:~:text=Some%20brands%20of%20infant%20formula,fruit%2C%20vegetables%20and%20infant%20formula.

¹⁶ <https://www.gov.uk/government/publications/government-food-strategy/government-food-strategy>

¹⁷ Sustain report Beyond the Farmgate on farmer views to supply chains.
<https://www.sustainweb.org/publications/beyond-the-farmgate/>

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 as it has led to sea-lice outbreaks¹⁸, the plummeting of wild salmon populations¹⁹ and become a significant cause of pollution and animal welfare concern. 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.²⁰ 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.

29. 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 our 2021 report "Net Worth", 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 economy²¹.

access to healthy, nutritious food?

30. The Government's food strategy missed the opportunity to commit the Government to 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's food strategy response deferred to the Department for Health and Social Care's plans to tackle health disparities, which have not been forthcoming. Furthermore, the Government has paused its plans to introduce volume price promotion restrictions, despite evidence that these so-called 'deals' result in shoppers spending more money and displace healthier and more nutritious food from their basket.²²

31. 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.

32. 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 five. The Government must urgently increase the eligibility threshold as a

¹⁸ <https://www.gov.scot/publications/summary-of-information-relating-to-impacts-of-salmon-lice-from-fish-farms-on-wild-scottish-sea-trout-and-salmon/>

¹⁹ <https://www.gov.scot/publications/summary-of-information-relating-to-impacts-of-salmon-lice-from-fish-farms-on-wild-scottish-sea-trout-and-salmon/>

²¹ <https://www.sustainweb.org/publications/net-worth-jun-2021/>

²² <https://obesityhealthalliance.org.uk/2020/12/11/the-problem-of-unhealthy-multi-buy-promotions-online/>

first step. Beyond this, Further to comments made in the previous questions, Sustain believes that 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.

33. The Government's horticulture strategy needs to deliver a major increase in access to affordable and diverse fruit and vegetables. Support for farmers adding horticulture to their land, supporting the infrastructure, and procuring of local and sustainable fruit and vegetables, would all help. More market gardens on the urban fringe could also provide a major boost, providing good agroecologically produced food on underutilised land, as well as enterprise and training near huge urban markets. Sustain's *Fringe Farming* report details how this can be delivered and provides case studies.²³

Is the current level and target of food self-sufficiency in England still appropriate?

34. While the UK is highly self-sufficient in wheat, dairy and meat, we import a significant amount of our fruit, vegetables and salad, which are critical to a healthy diet. The current 'level' and 'target' is not appropriate when considering climate change, nature loss, health problems, and cost of living.
35. The current target is inappropriate from a health point of view, and therefore, needs to be rethought. Food security does not equal a healthy diet, so we advise the use of the term 'nutritional security'.

How could the Government's proposed land use strategy for England improve food security? What balance should be struck between land use for food production and other goals – such as environmental benefit?

36. A land use framework must put multifunctional land use at the heart of its vision and ambition. There is strong and robust evidence that this is possible to both feed the country healthily while delivering considerable outcomes for climate and nature restoration.²⁴ This must include a transition to agroecology farming and high-nature value farming systems across the UK.
37. It is important that there is a joined-up approach with other policies like the Horticulture Strategy, Net Zero Strategy, trade policy, Levelling Up programme, Local Nature Recovery Strategies, and any health strategy. If there is a disconnect, for example trade policy conflicting with the land use framework objectives, that could undermine the ambition and deliverability of a land use framework.

²³ Sustain report on peri-urban farming. <https://www.sustainweb.org/publications/feb22-fringe-farming/>

²⁴ IDDRI TYFA modelling: <https://www.iddri.org/en/publications-and-events/study/modelling-agroecological-uk-2050-findings-tyfa-regio> and Sustainable Food Trust report: <https://sustainablefoodtrust.org/our-work/feeding-britain/>

38. It is critical that Defra does not pull back on its 'public money for public goods' approach to farming support. The Environmental Land Management (ELM) schemes are an essential tool in helping the farming sector towards a more resilient future with healthy and abundant food. The importance of this is more crucial than ever as farmers and growers face more extreme weather, more global market volatility and potential competition from low standard imports. ELM can be a great tool in helping farmers to improve soil health, reduce reliance on costly inputs, increase biodiversity, and support net zero ambitions.
39. A framework must encompass rural, peri-urban and urban land, such as opportunities to increase horticultural production on urban fringes, or increase community food growing spaces within cities.
40. It must integrate the various pressures that land faces – food, climate, nature, housing, development, access and recreation, energy.