

Brexit food resilience for the people who need it most



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Food for children, hospital patients, charities and low-income households is seriously at risk from no deal Brexit. What shall we do to avert crisis?



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“Concerted national action is needed to ensure that the most vulnerable people in the UK can have a safe, secure and affordable supply of food, in the event of a no deal Brexit.”

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What shall we do to avert food crisis for those most in need?

Over recent months, Sustain has participated in meetings and conversations with people directly involved in large-scale food supply; public sector institutions; food trade associations; providers of food to charities and emergency food aid; and local authority groups discussing what they can do to mitigate the impact on food supply of a 'no deal' Brexit. A no deal Brexit means the UK would leave the European Union (EU) immediately on 29 March 2019, with no agreements in place for what the relationship would be like in future.

To be clear, the Sustain alliance is opposed to a no deal Brexit,¹ due to the severe implications for food standards and continuity of supply, farming, fishing, food businesses, jobs, animal welfare, antibiotics stewardship and the environment. However, a no deal Brexit is a possibility, so we must be prepared.

This briefing sets aside Brexit politics, and raises the simple question: In the event of a no deal Brexit, how can we ensure that the people most in need can weather the food disruption and food price rises that may ensue, and avoid falling into food crisis and hunger? By 'people most in need', we mean children, hospital patients, people living in care homes or in detention, recipients of meals on wheels, lunch clubs or charitable meals, people in crisis who are being referred to food banks, and those experiencing household food insecurity due to low income.

The situation and the implications are big and serious, and are also seriously complicated. We therefore focus here on just three areas where the Sustain alliance has particular concerns, and where it is clear that the people most vulnerable to food disruption would be likely to be most affected by a no deal Brexit.

It is also vital to consider that short-term actions taken now must not inadvertently damage the farmers, fishers, food businesses, environment and food standards that we all rely on for our sustenance. Whilst this briefing focuses on people most in need, we urge policy-makers not to make over-hasty decisions (for example, when intervening to lower food prices) that might damage the long-term prospects for a healthy and sustainable food system (for example, by expecting farmers and food companies to shoulder the burden of those lower food prices, potentially putting many out of business).

Our food system is arguably one of the areas that will be most affected by a no deal Brexit – indeed by several variations of Brexit: deal or no deal. We observe that many of the considerations raised in this briefing should actually be forefront in everyday public policy, not just during time of crisis. Perhaps Brexit will remind us of what we so often take for granted: We should be able to know confidently where our food is coming from – that it is affordable, nutritious, safe, of high standard, that the people and animals who provide our food have been able to live well, and that farming and fishing is enhancing rather than damaging the natural environment. And all of us should expect to be able to feel secure and confident in our food supply – either because we can afford to buy or grow it, or because the people looking after us can keep on providing our food reliably. Unfortunately, such household food security is not currently enjoyed by millions of our fellow citizens, even before we enter a period of disruption.

We will undoubtedly return to these important themes in the months ahead. For now, let us deal level-headedly with lessening the impact of a possible imminent food crisis associated with a no deal Brexit.

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¹ See for example: https://www.sustainweb.org/brexit/sustain_position_on_no_deal_brexit/

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1. Who are the people most vulnerable to food disruption?

Over recent months, Sustain has participated in meetings and in-depth conversations with people directly involved in large-scale food supply; public sector institutions; food trade associations; and local authority groups discussing what they can do to mitigate the impact on food supply of a 'no deal' Brexit. Our analysis is based on what they have told us.

i) Children, hospital patients and people in care, fed by public sector institutions

We estimate that over 10.5 million people in the UK rely on public sector institutions for at least some of their food, of which some are completely reliant for all of their meals. Institutions include, for example:

- Schools: 10.2m pupils², which includes approximately 1.5m children across the UK currently eligible for free school meals due to families living on a low income³
- Hospitals: 142,000 bed spaces⁴
- Care homes: 430,000 people⁵
- Meals on wheels: around 100,000 people in 2015 (estimated figure after cuts to services affecting an additional 220,000)⁶
- Prisons: 93,000 people⁷

These public institutions typically have little spare money or storage space to stockpile food. Our recent conversations with supply chain and public sector specialists suggest that schools, hospitals and care settings would be especially vulnerable to a no deal Brexit, due to:

- **Likely severe disruption to food supply** – particularly imported and fresh, short shelf-life food – meat, dairy, fruit, vegetables.
- **Price rises** – on public sector core categories, this could be up to 20% (based on reputable industry assessment, taking into account for example the impact of new import tariffs).
- **No system of ring-fencing by suppliers for those most in need** – at time of scarcity, this would put public sector in competition with commercial buyers.

² <https://www.besa.org.uk/key-uk-education-statistics/>

³ Data from the Department for Education school census 2018:

<https://www.gov.uk/government/statistics/schools-pupils-and-their-characteristics-january-2018> (Table 3a gives data on number of pupils known to be eligible for and claiming free school meals in England - 1.1 million children); data for Wales, 74,500 children (<https://gov.wales/docs/statistics/2018/180725-school-census-results-2018-en.pdf>); for Scotland, 255,400 children (<https://www2.gov.scot/Topics/Statistics/Browse/School-Education/SchoolMealsDatasets/schmeals2018>); for Northern Ireland, 100,254 children (<https://www.education-ni.gov.uk/publications/school-meals-201718-statistical-bulletin-12-april-2018>). Hence the “approximately 1.5 million” figure is based on both ‘eligibility’ and ‘eligibility and claiming’ data and should be treated as an estimate.

⁴ <https://www.kingsfund.org.uk/publications/nhs-hospital-bed-numbers>

⁵ <https://assets.publishing.service.gov.uk/media/5941057be5274a5e4e00023b/care-homes-market-study-update-paper.pdf>

⁶ <https://www.independent.co.uk/news/uk/home-news/care-crisis-meals-on-wheels-for-frail-and-elderly-people-sharply-decline-by-more-than-200000-9955482.html>

⁷ As of 2018, the total prison population of the UK (England & Wales, Scotland and Northern Ireland combined) stands at roughly 93,000, with a total prison capacity of around 96,000. Full references at:

https://en.wikipedia.org/wiki/List_of_prisons_in_the_United_Kingdom

- **Lack of ability either to pay more**, or to quickly re-negotiate new contracts.
- **Limited ability to be flexible with menus**, due to responsibilities for safety, allergies, nutritional quality and food for special nutritional needs.
- **Limited ability to carry out extra checks on food safety and traceability**, if supplies are disrupted, delayed or have new requirements for labelling and paperwork.
- **Disparate nature of institutional food arrangements** – some have in-house caterers; some are out-sourced; some in local authority or collaborative contracts; some working independently - raising challenges for communication and coordinated responses.
- **Reductions in corporate donations of surplus food** that currently supply, for example school breakfast clubs and holiday hunger initiatives that help struggling families.
- **Other practical issues common across the food supply chain** – concerns about food safety and traceability; also practicalities such as shortage of storage facilities, trucks, drivers and warehouse staff.

ii) **Vulnerable people being fed by charitable groups**

The Trussell Trust gave out over 1.3 million three-day emergency food supplies last year, to people referred to their 1,200 food bank centres. There are at least another 800 independent food aid providers around the country, but figures for how much donated food they give out is not collected. Meanwhile, organisations such as FareShare redistribute surplus food to homeless hostels, children’s breakfast clubs, lunch clubs for older people and domestic violence refuges. As an example of scale, FareShare redistributed enough food for 36.7 million meals last year, and there are other groups also redistributing surplus food. Such figures indicate that a large number of vulnerable people currently rely on the distribution of surplus food, at low or no cost.

In time of scarcity, manufacturers, supermarkets and wholesalers with near sell-by date surplus will find ready markets to sell this to. It therefore seems likely that corporate donations of near sell-by date surplus food would decrease in response to a no deal Brexit, leaving food charity recipients short of food, and probably needing to buy their food supplies instead, at full price. This has major organisational and financial implications for frontline charities and community groups that feed vulnerable people. This situation could also be exacerbated by more people seeking their support in time of disruption to our food supply.

iii) **People living in low-income households**

The UN has estimated that 8.4 million people in the UK (half of them children) already experience household food insecurity – missing meals or being able to afford only minimal food – mainly due to low or precarious income. The Social Metrics Commission⁸ calculated in 2018 that 14.2 million people in the UK are living in poverty: 8.4 million working-age adults; 4.5 million children; and 1.4 million pension-age adults; the majority with very limited resilience to changes in the cost of living such as rising food prices.

It is unlikely that people living in low-income households can afford to stockpile food in advance, nor to manage any significant rise in food prices, so many more could easily tip into food crisis and hunger if food supplies are seriously disrupted.

Governor of the Bank of England Mark Carney recently warned MPs that food prices could rise by between 6% and 10% in a ‘no deal’ Brexit.⁹ Secretary of State for Defra Michael Gove recently acknowledged that a no deal Brexit would lead to “price spikes in certain foodstuffs”,¹⁰ with similar warnings from leaders of several major food companies and retailers, the House of Lords EU Committee,¹¹ Institute for Fiscal Studies,¹² and Chartered Institute of Procurement and Supply.¹³

⁸⁸ Read the Social Metrics Commission report at: <https://socialmetricscommission.org.uk/>

⁹ Reference: https://www.sustainweb.org/news/dec18/mark_carney_food_prices_brexit/

¹⁰ Reference: https://www.sustainweb.org/news/dec18/gove_no_deal_food_prices_rise/

¹¹ <https://publications.parliament.uk/pa/ld201719/ldselect/ldcom/129/129.pdf>

¹² <https://www.ifs.org.uk/publications/9562>

¹³ <https://www.foodmanufacture.co.uk/Article/2018/05/15/Food-prices-likely-to-rise-post-Brexit>

2. So what should we do?

Sustain wants to turn the spotlight on ways to improve the food resilience of people most in need. This briefing focuses on short- to mid-term national responses to a no deal Brexit. The following is by no means an exhaustive list, but emerges from key ideas raised in discussions with large-scale food industry, supply chain specialists, local authorities and organisations already working to improve food provision for children and to alleviate food poverty. We would welcome comments and practical suggestions, which we will use to advise local authorities and policy-makers.

We have also undertaken a quick, non-technical review of what legal powers and duties there may be, that could facilitate requirements for public authorities to act, and for public funds to be made available. Notably, the Civil Contingencies Act (2004) does not deal directly with food, nor does it identify responsible agencies with a food remit. Beyond their direct remit to ensure food standards and safety, supported by domestic law, Government and local authorities have few direct powers or duties to secure our food supply, in a food system that has been largely 'left to the market'. Some powers are included in the new Agriculture Bill currently making its way through parliament, but this is not yet law. We conclude that the law offers us limited protection for food resilience, so we must seek where we can for effective policy and practical responses.

i) **Allocate powers and responsibilities**

The Prime Minister should allocate powers and responsibility to someone within Government for ensuring that people in most need are guaranteed a safe, wholesome, secure and affordable food supply in the event of major disruption to the nation's food supply; for tracking progress over time; and instigating further measures if needed.

ii) **Communicate openly about the food challenges ahead**

Government should communicate openly and factually about the food challenges ahead, and encourage the food industry, caterers, institutions and organisations to do so too. The relative secrecy surrounding discussions so far has perhaps been understandable given the political sensitivities, but is not conducive to sensible planning. People across the food supply chain need to be able to talk more freely about the challenges and solutions.

i) **Make money available**

For public sector institutions that feed large numbers of people: contingency budget should be ring-fenced by Treasury for the Department for Education, NHS, Ministry of Justice and local-authority-run care settings to ensure that public sector institutions can afford to buy the food they need, at the quality they need, in the event of a rise in food prices, by up to an estimated 20% on core food categories (according to reputable industry estimates). Public sector institutions need to be confident that someone is 'watching their backs', giving them the freedom to act in the best interests of the people in their care. As a guide, the UK public sector spends roughly £1 billion on food each year. Could £200 million (pro rata, across the period of disruption) be ring-fenced for a theoretical, worst-case 20% rise in food prices? It is not a huge amount of money for the Treasury, but it could make a significant difference to continuity and quality of food supply; also enabling the public sector to pay on time, helping SMEs through the supply chain in a time of disruption. Checks and balances would need to be in place to ensure that food traders in the supply chain do not exploit the availability of extra money for unjustified price hikes.

For frontline charities and community groups providing food to people in need: The Scottish Government has recognised that frontline charities and community groups that feed vulnerable people may see their free or very low-cost surplus food supply dry up in the event of a no deal Brexit. They have asked the surplus food

providers such as FareShare to assess what it would cost for those charities and community groups to have to buy the food instead, to inform options for covering these additional costs. Nationwide assessment of need is essential, with money and support ring-fenced to help frontline charities and community groups access the food they need.

For households on a low income: The Treasury and Department for Work and Pensions must guarantee that households will have sufficient money to buy food. This could be achieved, for example, by a combination of curbing price inflation; and/or providing top-up payments via welfare benefits – nationally administered benefits and/or local welfare provision; and/or by providing local authorities with emergency funds to pay for food, allocated on the basis of need and reaching those especially vulnerable to food insecurity, for example:

- Pensioners whose income consists wholly or mainly of the state pension.
- People receiving social security benefits, vulnerable to cost of living increases.
- People with a precarious income, a lack of job security, low wages, and/or living in poverty, vulnerable to cost of living increases.
- People in extreme poverty, with no current recourse to state funds, homeless, or otherwise seriously disadvantaged.

ii) **Curb food price increases**

Many food companies – foodservice, retail and supply chain – have been asking the government to consider dropping import tariffs and quotas on key food categories, to help manage food prices at a macro scale, especially for the fresh food imports likely to be most disrupted. From what we have heard, it seems this is now considered a likely emergency intervention by government. Superficially, this might seem attractive to secure short-term volume supplies of imported food at cheaper prices. However, it is likely also to have negative implications for British farmers and fishers, and for the domestic food industry – the biggest employer in the UK. Further, the Government needs to recognise that preventing price inflation is not enough to prevent people going hungry.

iii) **Triage the food supply for those most in need**

The Federation of Wholesale Distributors (FWD) has highlighted that public sector institutions such as school, hospitals and charities that feed vulnerable people would not have first call on food supply in time of scarcity. They would be in competition for scarce and expensive food with commercial buyers who may also have greater flexibility in what they buy. The FWD have suggested a system of triaging to ensure that key vulnerable sectors receive the food they require – particularly schools, hospitals, care settings and those serving people most in need. This would require government intervention and industry agreement on systems and accountability – it would almost certainly not happen on its own in a competitive marketplace, in a time of scarcity.

iv) **Guarantee food safety and provenance**

Government has signalled that food trucks are likely to be ‘waved through’ with few checks at ports such as Dover, to maintain the smooth flow of goods and prevent disruptive traffic jams. However, food is highly susceptible to fraud, substitution and safety issues – especially high-risk categories such as meat and dairy. A sensible system of robust checks and traceability, most especially for high risk foods, needs to be fully agreed with the relevant port and environmental health authorities, and properly resourced, with priorities well-communicated between food inspectors, who will be our first line of defence against food poisoning and fraud.

v) **Protect food standards**

The Department for Education, some standards bodies and collaborative procurement groups have already signalled that there is flexibility within statutory and voluntary food standards that could enable greater flexibility in the event of fresh food scarcity. Any flexibility is necessarily limited by the responsibilities that, for example, public sector institutions have for the well-being and nutrition of people in their care. Food safety, reliable allergen management and food for special nutritional needs are life-and-death matters, and

hence non-negotiable. Maintenance of nutritional and quality standards may also be absolutely vital even in the short term for many vulnerable groups served by the public sector, as well as for the livelihoods of their specialist suppliers. Policy-makers need to recognise that flexibility is not an easy option for public sector institutions and those feeding people with specialist needs. Authoritative technical advice on flexibility and options within such parameters would also be vital.

vi) **Establish ways to distribute money and information**

Given the large numbers of people and organisations involved, we recognise it will be challenging to distribute additional money and to communicate helpful advice to public sector institutions, frontline charities and community groups, and to people living on a low income. However, most organisations are in touch with some form of network, inspection system or regulator and it would seem sensible to establish well-coordinated communication routes now; not rely on piecemeal systems later. For people on a low-income, it would be possible to distribute additional money and/or information via the institutions that many people engage with, such as local welfare schemes and/or discretionary payment schemes run by and for local authorities.

vii) **Freeze other everyday costs**

People's ability to afford adequate food relates directly to what other bills and debts they need to pay, which sometimes have to take precedence over food in the household budget. In the event of a no deal Brexit, the Government should work with utility and financial regulators and major utility suppliers, banks and credit providers to freeze or reduce everyday costs of electricity, gas, water, loans, credit and other essential household utilities and services, and offer support to customers in financial crisis. This is especially pertinent given recent news from the energy regulator Ofgem¹⁴ that UK consumers face a rise in energy bills from April 2019, when an increase in the new price cap is likely to take effect, with a predicted rise of nearly £100 for a typical annual dual fuel bill.

Sustain is [the alliance](#) for better food and farming. Our members work to ensure that everyone can enjoy food that is good for our health, produced in a way that supports good livelihoods, reduced waste and greenhouse gas emissions, whilst promoting high animal welfare and restoration of nature. Since the EU Referendum in 2016, Sustain has coordinated the [alliance's response to Brexit](#), in recognition that leaving the EU has major implications for the UK's system of [food, farming and fishing](#) – and much more.

We run several projects working with communities, third-sector organisations, local authorities and government, aiming to make sure [everyone can eat well](#), and to address the root causes of food poverty. We also work with the Food Research Collaboration, and commend its briefing [Why Local Authorities should prepare Food Brexit Plans](#).



The Sustain alliance is a registered charity no. 1018643)

¹⁴ The Guardian, 10 January 2019: Big rise in UK energy bills likely this spring despite price cap:
<https://www.theguardian.com/money/2019/jan/10/big-rise-in-uk-energy-bills-likely-this-spring-despite-price-cap>