

August 2019

Briefing on the impact of no-deal Brexit on food supplies, standards, prices and Sustain's call for a No Deal Hardship Fund

Sustain is the UK alliance for better food and farming, representing around 100 not-for-profit national organisations working for healthy and sustainable food. Since the EU Referendum in June 2016, Sustain has been active in convening alliance members and others to discuss the implications of the UK's decision to leave the European Union, and to work together to achieve the best possible outcome for the country's food, farming and fishing. See: www.sustainweb.org/brexit

1. Consequences of 'no deal' on our food system

The Sustain alliance has expressed profound concerns about the implications for food, farming, fishing and the environment of a no-deal Brexit. We summarise them below; you can read them in full [here](#).

Securing a reliable and affordable food supply

A no-deal Brexit could interrupt trade routes worth billions of pounds to British food and disrupt our everyday food supply. Roughly [a third](#) of our food comes from other European countries. A Government commissioned report found that even a mere [80-second delay](#) per shipment to check paperwork at ports could lead to significant gridlock. There are [doubts](#) there is enough warehouse capacity to satisfy stockpiling needs; and the 31 October EU Exit date comes at the end of the UK's growing season, when supplies of domestic fresh produce will start to run short. Supermarkets have already [warned](#) it will be harder to stockpile extra supplies at the same time as preparing for Christmas.

In addition, over [8 million of our fellow citizens](#) in the UK already live in food insecurity – around half of them children – and don't have the means to cope with food price rises or disruptions in supply.

Maintaining high food safety and standards

Sustain members have been dismayed at suggestions the UK might [suspend or diminish our food regulations](#) in a no-deal Brexit scenario to keep food flowing in. Initiation of trade discussions with countries such as the United States and Australia have also caused concerns about the potential for [chlorine-dipped chicken](#) and [hormone-treated beef](#) to be permitted into our food supply, as well as foods grown with a wide range of pesticides not permitted in UK farming. We are also concerned about the implications for the UK's commitment on things like curbing the use of antibiotics in farming: [US farmers use about five times more](#) per head of livestock than British farmers do.

Supporting good livelihoods

Agri-food contributes [£113bn to the nation's economy and food and farming employs 3.9m](#) people (13% of UK employment). Farming unions have been clear that our farmers' livelihoods will be put [at risk](#) if they have to compete with cheap food imports produced to lower standards.

2. Food price inflation

In December 2018, Governor of the Bank of England Mark Carney [warned MPs](#) on the Treasury Select Committee that food prices could rise between 5% and 10% if there is a disorderly (no-deal) Brexit. He said that in the most "extreme" case, prices would rise by 10%, but in a less severe scenario the

increase would be about 6%. The price rises would come partly from a fall in the value of the pound, partly from any tariffs imposed and partly from increased costs at the border as imports are checked.

3. 'Cheap food'

Some commentators have tried to argue that leaving the EU will lead to our food being cheap, implying this will help those on low incomes. However, this does not take account of commodity prices, currency rates and oil prices which are the main drivers of food costs. It also fails factor in the potential cost to UK food and farming, our health system or those who will end up eating poor quality food. You can read our [full evidence paper here](#), but in summary:

- We want [affordable food](#), not 'cheap' food. Cheap, poor quality food comes at a cost – to the farmer or food producer, to animal welfare, to the environment or jobs in UK food and farming. There are also hidden costs to our NHS and economy from food poisoning and lost days at work
- Research shows emergency food bank use is [rising in the UK](#) and that the primary reason is low or uncertain income and delays or changes to benefits payments. These problems will not be solved by 'cheap food'. We need to improve household incomes, control housing costs, link wages and benefits to the cost of living and fix the welfare safety net.
- British people should refuse to trade away our food standards. The British farming industry has worked hard to reduce unnecessary antibiotic use and clean up meat production. We don't want their farms and jobs put at risk by competition with cheap, poor quality and lower standard imports. We also want to show leadership in areas such as climate change and antibiotic use; low standard food undermines efforts to tackle these issues.

4. Being straight with the public

In Boris Johnson's [first speech](#) as Prime Minister he said he hoped to come to a deal with the EU but said that leaving without one was a possibility. He went on to say that, regardless, "Our amazing food and farming sector will be ready and waiting to continue selling." Newly appointed Chancellor of the Exchequer Sajid Javid has reportedly said he will look at '[new infrastructure around our ports](#)' and Cabinet member Michael Gove, who now has responsibility for no-deal Brexit planning, has reassured us that the country will be '[ready](#)' if we leave the EU without an agreement.

In our view, the government is failing to tell the public the implications for our food, farming and fishing of a no-deal Brexit, to enable well-informed household, professional and political decision-making. For example, on 31 July Chancellor of the Exchequer Sajid Javid announced an additional £2.1bn for no deal preparations but there was [no mention](#) of food supplies. Furthermore, according to reports, the £100m allocated to a government-funded PR campaign, will prepare the public for no deal by running ads on billboards, TV and radio "[sharing messages of positivity about Britain's future](#)."

As outlined above, the Government has been given clear warnings about delays at ports that could gridlock the roads and interrupt our food supplies. The Governor of the Bank of England has warned of food price increases of up to 10%. And [charities](#) have warned they have no capacity to scale up current provisions to feed the most vulnerable via frontline charities and emergency food banks. Food experts are calling on the Government to [publish their planning assumptions](#) for dealing with food shortages.

MPs have submitted a series of Parliamentary Questions to ask the government for explanations of its plans (see appendix below for a full list).

In our view, the public needs to know:

- What is the Government's official assessment of potential interruption to food supplies?
- Will the Government include advice to the public in how to plan for food supply disruptions in its proposed "[biggest peacetime public information campaign](#)"?

- How does the Government intend to keep food flowing to the public sector who feed so many vulnerable patients, pupils and care home residents?
- What plans does the Government have to help vulnerable people access the food they need, either through sufficient money or support for the institutions that feed them, such as frontline charities, schools, hospitals, meals-on-wheels services and care homes?

5. Sustain's view on a No Deal Hardship Fund

The following should be read in the context of the Sustain alliance's view on no-deal Brexit. We believe it would be devastating for the UK's food and farming system for the UK to leave the EU without a deal.

In February 2019, [The Times newspaper reported](#) on a Cabinet document which suggested the Government was considering creating a 'hardship fund' to support those hardest hit by a no-deal Brexit, as well as "using "tax and benefits policy" to offset rises in the cost of living; protection for parts of the country "geographically vulnerable" to food shortages; and sourcing alternative food for schools, prisons and hospitals. The Times reported that the plans had been "drawn up at a meeting...of the EU exit and trade (preparedness) committee, which is chaired by Theresa May and attended by almost every Cabinet Minister."

In March of this year Amber Rudd confirmed to the Work and Pensions Select Committee that the government was ['looking at the possibility'](#) of introducing a 'hardship fund'. On 14 July, when pressed by Andrew Marr on whether or not the fund was ready she said "We will be ready, should we need it".

Sustain has consulted with food aid charities who represent groups that provided 3 million emergency food parcels in the UK last year and well over 50 million meals from redistributed surplus food. They have told us that food banks and frontline charities are in no position to respond to increased need associated with a no-deal Brexit, have no money or storage to stockpile food, are often run by volunteers, and many are already over-stretched meeting current need.

In a letter to the former Prime Minister in March 2019, we asked in particular for:

- Clarity over accountability and powers to mitigate food disruption.
- Clear communication on the food supply challenges ahead, and plans to mitigate risks, including with local authorities and resilience teams, frontline charities and their networks, and public sector institutions.
- Crisis support and funding via regional and local agencies, frontline charities that serve especially vulnerable people, and for public sector institutions such as schools, hospitals and care homes, to ensure food supplies are guaranteed for those most in need.

We believe this is clearly a case for urgent government attention to contingency planning. We want see the Government commit to introducing a hardship fund to protect those most at risk of going hungry in the event of a disorderly no-deal Brexit.

Appendix: Parliamentary Questions relevant to this theme

[281000](#): Asked by Mrs Sharon Hodgson, 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what assessment he has made of the potential effect on food (a) supply and (b) disruption in the event that the UK leaves the EU without a deal on 31 October 2019.

[281001](#): Asked by Mrs Sharon Hodgson, 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what steps his Department is taking to ensure adequacy of the provision of food for (a) hospitals, (b) schools and (c) care settings in the event that the UK leaves the EU without a deal on 31 October 2019.

[281002](#): Asked by Mrs Sharon Hodgson, 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what steps his Department is taking to ensure the maintenance of food suppliers in the event that the UK leaves the EU without a deal.

[281020](#): Asked by Mrs Sharon Hodgson, 23 July 2019; Department for Education
School Meals: Food Supply: To ask the Secretary of State for Education, what plans he has to maintain food supplies for school dinners in the event that the UK leaves the EU without a deal.

[277684](#): Asked by Mrs Sharon Hodgson, 16 July 2019; Department for Work and Pensions
Low Incomes: To ask the Secretary of State for Work and Pensions, whether she has plans for a hardship fund to help people on the lowest incomes in the event that the UK leaves the EU without a deal.

[281006](#): Asked by [Caroline Lucas](#) 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what guidance his Department has issued to consumers on the supply of food in the event that the UK leaves the EU without a deal.

[281007](#): Asked by [Caroline Lucas](#), 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, if he will publish his Department's guidance issued to (a) Resilience Forums, (b) local authorities (c) other bodies with responsibilities to prepare for crises under the Civil Contingencies Act 2004 and (d) representatives from the agriculture industry on the worst-case scenario in relation to food preparations in the event that the UK leaves the EU without a deal

[281008](#): Asked by [Caroline Lucas](#), 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what assessment the Government has made of the worse-case effects of the UK leaving the EU without a deal on (a) the proportion of food trucks not being able to have smooth border transit, (b) waiting times at borders, (c) the length of time of disruption to food supplies, (d) potential food price rises and (e) the finances of vulnerable people.

[281009](#): Asked by [Caroline Lucas](#), 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what representations the Government has received from representatives of (a) food companies and (b) food bank organisers on the worst-case effect on food supplies of the UK leaving the EU without a deal.

[281010](#): Asked by [Caroline Lucas](#), 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, whether the legal responsibility of local authorities to provide food in a time of crisis extends to (a) children, (b) people on a low income, (c) elderly people, (d) disabled people and (e) housebound people.

[281011](#): Asked by [Caroline Lucas](#), 23 July 2019; Department for Environment, Food and Rural Affairs
Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what steps the Government has taken to involve (a) food surplus re-distributors and (b) frontline charities that feed vulnerable groups including (i) homeless shelters, (ii) domestic violence refuges, (iii) mental health groups in supply chain conversations and planning in the event that the UK leaves the EU without a deal.

[281012](#): Asked by [Caroline Lucas](#), 23 July 2019; Department for Environment, Food and Rural Affairs

Food Supply: To ask the Secretary of State for Environment, Food and Rural Affairs, what plans the Government has to undertake a public awareness campaign on the effect on food (a) supply and (b) prices of the UK leaving the EU without a deal.

[280215](#): Asked by [Kerry McCarthy](#), 22 July 2019; Department for Environment, Food and Rural Affairs
Food: Imports: To ask the Secretary of State for Environment, Food and Rural Affairs, what assessment he has made of the potential effect of the UK leaving the EU without a deal on 31 October 2019, on the supply of fresh produce.

[280216](#): Asked by [Kerry McCarthy](#), 22 July 2019; Department for Environment, Food and Rural Affairs
Food: Storage: To ask the Secretary of State for Environment, Food and Rural Affairs, what assessment he has made of the potential effect of the UK leaving the EU without a deal on 31 October 2019 on the UK's food warehousing and storage capacity.

[281828](#), Asked by [Ruth Smeeth](#), 24 July 2019, Department for Work and Pensions

Food Supply: To ask the Secretary of State for Work and Pensions, what steps her Department is taking to protect people on benefits or low incomes who would be most vulnerable to rising food prices or food supply disruption in the event that the UK leaves the EU without a deal.