

Rt. Hon. Sajid Javid MP Chancellor of the Exchequer HM Treasury 1 Horse Guards Road London SW1A 2HQ

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Thursday 25 July, 2019

RE: Healthy and sustainable food, farming and fishing priorities

Dear Chancellor Sajid Javid,

Congratulations on your new role as the Chancellor of the Exchequer.

I am writing to you as chief executive of Sustain, the alliance for better food and farming. We represent around 100 national public interest organisations and work with many more at local level. Our alliance would like to draw your attention to five key priorities relevant to your new role.

1. Ensure 'no deal' Brexit does not disrupt British farming and food supplies for vulnerable people

New Prime Minister Boris Johnson has been clear that he means to keep the prospect of 'No Deal' on the table in negotiations with the EU. £13bn of British food is exported either to or through EU countries and one third of our food currently comes from Europe. Serious disruption in either direction will have a devastating effect on British farmers and food producers, as well as consumers.

Over <u>8 million of our fellow citizens</u> in the UK already live in food insecurity and do not have the means to stockpile or cope with even a short-term disruption in food supply in the event of a no deal Brexit; nor to afford higher prices associated with scarcity or currency fluctuation. In addition, we are very concerned that food donations to food banks could dry up, last year providing 3 million emergency food parcels to people in crisis. In March 2019, Secretary of State for Work and Pensions Amber Rudd briefed Parliament that the Government was considering a hardship fund for vulnerable people set to be negatively impacted by no deal Brexit. We ask you to work with Cabinet colleagues to ensure that plans for this are accelerated to be in place for 31 October.

'No deal' Brexit would also put our farmers' livelihoods and the rural communities who rely on them <u>at risk</u> if they have to compete against cheap food imports. <u>Farming unions</u> fear a 'no deal' Brexit, as do <u>leading food manufacturers</u> and <u>workers' unions</u>. Please champion them in Cabinet discussions.

2. Securing robust environment and agriculture legislation

We would greatly appreciate your support for ensuring that public health is considered as a public good in the Agriculture Bill, alongside environmental goods. Food consumption is one of the key determinants of human health so we want a farm policy that promotes healthy food production and does not support the continued production of foods or systems that contribute to unhealthy or unsafe diets that create a huge financial burden on society. Obesity costs the NHS in England alone more than £6bn per year; forecast to reach £10bn by 2050. Diabetes adds £14bn in costs per year. Our fruit and veg consumption needs to increase by 64% to be in line with the Government's dietary guidelines, yet at present only 1% of the UK agricultural budget is spent on horticulture.

For the Agriculture Bill to deliver on its vital but ambitious public goals through rewarding farmers based on public goods, it is vital there is multi-annual funding for the new farm support system. This will secure long-term goods, such as nature restoration and carbon sequestration and will provide farmers with stable rewards for investing in better farm practices. We also support the demands laid out by the Greener UK alliance for a strong and ambitious Environment Bill with legally binding targets and adequate budget for enforcement.

3. Supporting a sustainable fishing industry

Our vision is that the UK has the best-managed and most plentiful fisheries in the world and that all fish caught and sold in the UK becomes verifiably sustainable. We urge you to support this vision, not just on sustainability grounds, but on financial ones too. Our seas have historically been an abundant source of food, income and employment, but at the moment are failing to meet their full potential. Two thirds of UK stocks have been overfished but if left to recover could generate 45% higher landings and an additional 4,900 jobs. We estimate that UK fishers are losing out on £62m of business because UK buyers are looking abroad to fulfil the demand for verifiably sustainable fish.

Grants from European Maritime and Fisheries Fund, to which the UK currently contributes, must be replaced by a UK fund that can continue to support transition of all fishing activity to a sustainable basis, including gear modification, data collection and the costs of sustainability certification.

4. Champion the Childhood Obesity Plan and Soft Drinks Industry Levy

The Government has already set an ambitious target to halve childhood obesity by 2030, as well as tackle other diet-related diseases including Type 2 diabetes and heart disease. Chapter 2 of the Childhood Obesity Plan, published in June 2018, has cross-party and overwhelming public support: 7 in 10 adults support the Prime Minister continuing to prioritise measures to cut child obesity.

In April 2017, you voted in favour of introduction of the Soft Drinks Industry Levy by your colleague, the former Chancellor George Osborne. The levy is forecast to raise £340m in 2019/20, according to HM Treasury officials, whilst the continued ring-fencing of income during the next Comprehensive Spending Round for investment in children's health is key to public support for the measure. Using evidence on voluntary sugar reduction in currently exempted drinks categories, we urge you to commit to extending the levy if progress is not sufficient, as the Government originally pledged. The £12m invested p.a. in the National School Breakfast Programme has already resulted in 280,000 children in over 1,800 schools now receiving a free, healthy school breakfast each morning, whilst impact studies indicate significant improvements in pupil learning outcomes in participating schools. We believe this shows the power of fiscal measures both to incentivise purchase of healthier food and drink, whilst also raising much needed income to tackle food inequalities for our children.

5. Using the UK Shared Prosperity Fund for better food and farming outcomes

The Government has said that a new UK Shared Prosperity Fund will replace EU Structural Funds. We believe this has the potential to support good food and farming businesses across the country. Good food and local food infrastructure can contribute to thriving local economies and sustainable livelihoods, protect biodiversity, help tackle climate change and provide social benefits.

Thank you for considering this letter and the issues important to the Sustain alliance membership. Yours sincerely,

Kath Dalmeny, Chief Executive of Sustain, the alliance for better food and farming Commissioner on the RSA's Food, Farming and Countryside Commission; Email: kath@sustainweb.org