

FOOD FOUNDATION SUBMISSION TO EFRA INQUIRY ON *HEALTH & HARMONY*

SUMMARY

The development of the UK's own Agriculture Policy provides a unique opportunity. The new Agriculture Bill will set the framework for future food production in the UK at a time when the food we eat matters more than ever for our future success as a nation. What we eat is now the second largest driver of ill health and death in the UK – second only to tobacco. The public purse is bearing the consequences of this with soaring NHS bills resulting from heart disease, diet-related cancer, stroke, obesity related diseases and a burgeoning number of people being diagnosed with Type 2 diabetes.

The DEFRA consultation paper is entitled *Health and Harmony*, and yet it has no ambition to incentivise the production of healthy food. There is a notable absence of any vision for how British food production can play a vital role in supporting British people to eat well and survive into old age without the crippling consequences of diet-related disease. Future agriculture policy matters for our environment and for our animals but it also matters for British citizens. Like the air we breathe and the water we drink, food is the source of survival, health and life. If much of the food available to us is doing us long term harm, the food system needs to be reformed and Agriculture Policy has an important part to play.

Eating more fruit and vegetables, and particularly more vegetables, saves lives. For every one of your five-a-day eaten, your risk of all-cause mortality decreases by 5% (Wang et al., 2014). In the UK, 33,000 deaths could be prevented every year if we all ate enough fruit and veg (Global Burden of Disease, 2016). The life-saving benefits of fruit and veg come largely from preventing diet-related chronic diseases like heart disease, stroke, diet-related cancer and diabetes. Preventing diet-related diseases would also ease the financial burden in the NHS: obesity alone costs the NHS in England more than £6bn per year, and this is expected to reach £10bn by 2050. Diabetes adds on an additional £14bn in costs per year to the NHS.

We would therefore urge the following four recommendations be incorporated into the Bill:

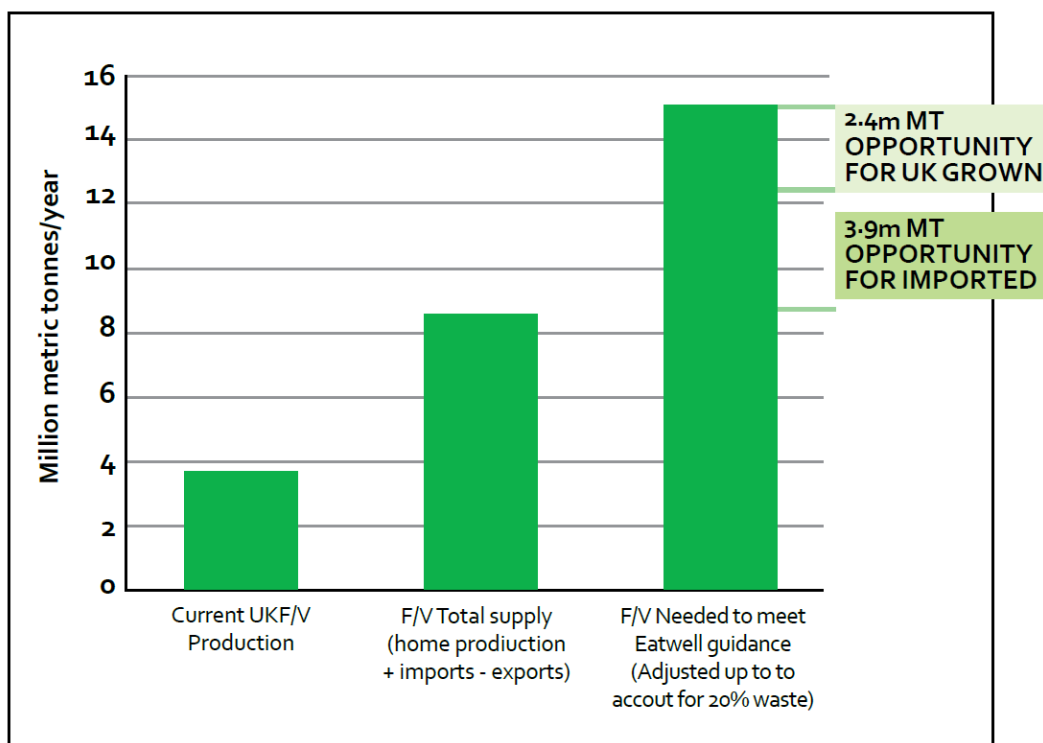
1. That *high quality, safe and healthy food* be added to the list of 6 public goods which should be supported through the Agriculture Bill.
2. That environmental outcomes / environmental land management be expanded to include "*health and environment*" in keeping with the title of the consultation paper.
3. The Bill should commit to pilot and create new schemes which specifically support healthy food production and consumption. These schemes could start with a specific focus on fruit and vegetables. These schemes could aim to improve productivity, reduce the environmental impacts of production and help to stimulate demand. The opportunities for achieving all these objectives are huge and represent a triple win.
4. The Bill should signal an intention to develop a set of national metrics and targets which would track whether our food production is moving towards the delivery of healthy and sustainable diets for everyone

We believe The Agriculture Bill should create powers for the Government to develop specific schemes which support the production and consumption of healthy food. High quality, safe and healthy food should be regarded as a public good which warrants specific support from policy measures and public funds. The Bill should also commit to establish a set of national indicators and targets to monitor improvements in the impact of our food system on public health and the environment.

SCHEMES WHICH GROW DEMAND OF BRITISH FRUIT AND VEG

Fruit and veg are (with the possible exception of oily fish) the only foods the Department of Health wants us to be eating more of, to improve our dietary health and reduce the huge burden of diet-related illness on the NHS. On average, our fruit and veg consumption needs to increase by 64% to be in line with the Government’s dietary guidelines (Scarborough et al., 2016) – which amounts to 7-A-Day. Moreover, there are signs our consumption is at best stagnant, at worst declining slightly.

Figure: UK Fruit & Veg production, availability and requirements



Source: (Wrap 2016; DEFRA 2015b; Wrap 2012a; data prepared by Amber Wheeler)

If we....

1. Continue to reduce household and supply chain waste of fruit and veg (as we have committed to do within the Sustainable Development Goals) and;
2. Maintain the same ratio of imports to UK production, and
3. Ate the amount of fruit and veg recommended by the Eatwell Guide,

.... this represents a market opportunity for British horticulture of 2.4 MT, equivalent to a 66% growth in British production.

This amounts to growing output from the sector from just under £2billion per year to £3.3billion (DEFRA, 2017). This creates a potentially huge opportunity to not only increase production of existing varieties but to expand the number of varieties grown to maintain consumer interest and engagement in British produce.

Growing produce in the UK offers a real opportunity for British citizens to connect directly with the source and provenance of the fruit and vegetables they consume. Schemes which help grow demand for British fruit and veg could:

- Specifically provide support to small growing schemes which create very short supply chains between the producers and consumers opening opportunities for a range of wider benefits. These include a smaller agro-ecological footprint, reductions in refrigeration and packaging and a much stronger connection and trust between people and the produce they are eating.
- Support local authorities and other public bodies which are procuring food for catering purposes to increase the incorporation of fruit and veg into the food they serve, as well as increase the volume they procure from local growers. This would build directly on DEFRA's work on the Government Buying Standards, Balanced Scorecard and online Food Marketplace – all of which are not yet implemented at sufficient scale.
- Help provide match funding for producers who collaborate on marketing of fruit and veg aimed at driving up consumption particularly for vulnerable groups (children, those on a low income etc). The Peas please initiative to launch an advertising fund for vegetables provides a key opportunity for this.
- Help stimulate new voucher schemes at local level between retailers, health service providers and producers which create incentives for those on a low income to consumer more fruit and vegetables. There is a growing body of evidence on the effectiveness of these schemes and their potential implementation models from the USA documented in our recent report: [Eating Well for Less](https://foodfoundation.org.uk/wp-content/uploads/2017/11/FF_Eating-Better-for-Less_A4_20pp_Hyperlinked.pdf) https://foodfoundation.org.uk/wp-content/uploads/2017/11/FF_Eating-Better-for-Less_A4_20pp_Hyperlinked.pdf. The provision of fruit and veg prescriptions would be an obvious innovation within the context of social prescribing, and could benefit farmers, retailers and health service providers at the same time.

SCHEMES WHICH ENHANCE THE COMPETITIVENESS OF BRITISH FRUIT AND VEG

The horticulture sector in Britain is highly productive compared to other sectors of food production. Horticulture currently only takes up 3.4% of the cropped arable land but delivers 25% of the value of arable crops (DEFRA, 2017). Unlike other sectors of farming, fruit and veg growers in the UK have benefitted very little from the farming subsidies from the EU. The latest data on farmer incomes (for England only) show that horticulture farms got on average £5,300 in 2015/16 from EU payments, while dairy farms received £24,000, cereal farms £36,900 and poultry farms £8,800.

While this means that many horticulture businesses are economically more sustainable than other sectors of farming, this lack of public support combined with an extremely competitive retail environment means that margins for producers are generally extremely small (1-3%). These forces can serve to undermine innovation and prevent new smaller scale entrants from succeeding. Risk also tends to be passed down to the growers from the supermarkets, through, for example, late changes to orders, which further compounds the threats to business viability. These factors are also increasingly meaning it is more economically viable to relocate fruit and veg production overseas where costs are lower with knock-on effects for the British economy and in some instances reducing the quality for the consumer.

In spite of this level of productivity, we have a heavy reliance on imports, particularly for fruit. Thirty years ago, 83% of the veg we ate came from the UK. Now it is 54%. 17% of the fruit supply in the UK is UK grown, a similar proportion to 30 years ago though in the intervening years levels have fluctuated (DEFRA, 2016c). The [Food Foundation's research](#) has shown that there are significant opportunities to increase the productivity of at least a dozen types of our favourite fruit and veg in the UK and compete more effectively with European imports.

By developing schemes which support the productivity of British horticulture we will be increasing the resilience of the sector, helping to mitigate price fluctuations which could depress demand, and helping to drive innovation and consumer engagement. Schemes which help grow competitiveness of British fruit and veg could:

- Provide financial incentives and grants to support farmers to move into or start horticultural production; young farmers; and growers with smaller farms who prioritise innovation, ecological growing techniques and direct engagement with customers but are unable to deliver the efficiencies of scale needed to compete with the established large-scale growers. This could include support for peri-urban growing schemes.
- Improve access to land for new entrants in horticulture by safeguarding and rebuilding the County Farms network and investment in skills in ecological production methods.
- Adopt and expand the existing Producer Organisation scheme to support a range of matched funded capital investments to increase productivity and competitiveness in horticulture (including for glasshouses, irrigation, machinery, orchard planting etc). This would also allow for increased investment in labour-saving technologies where they exist.
- Develop a new R&D and Innovation strategy aimed at strategic increases in productivity of specific crops (the Brexit Boosters) so the UK becomes a world leader in these crops.

CONCLUSION

We therefore recommend that Ministers develop a clear vision for British horticulture which seizes the opportunities Brexit will bring for increasing productivity and keeping fruit and vegetables affordable and accessible for all. This should include a package of support within the new Agriculture Bill which is aimed at improving health and well-being, to run alongside efforts to improve the environmental impact of farming. This would serve to correct existing and potential market failures associated with the high externality costs of our food system born by the health service, and offer genuine public good for public money.

The Food Foundation

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