

## Environment, Food and Rural Affairs Committee Written Evidence

# Food Security

### Executive summary

1. Food prices have risen dramatically over the last few months and Which? research shows that as a result many consumers are having to change their shopping habits and in some cases take drastic measures with 16% missing meals and 3% resorting to food banks this month.
2. The government has a crucial role supporting people who are being hit the hardest. This includes measures such as expanding eligibility for free school meals and the healthy start scheme. As well as a nutritional safety net, people need reassurance that food safety and standards will be maintained and upheld for domestic and imported products so that as people are forced to trade down they know that they will still be protected.
3. An ambitious cross-governmental joined up food strategy, that builds on the Defra food strategy published in June, is needed to ensure a more resilient and sustainable food system that can better withstand shocks and support people in making affordable and healthy choices.
4. Food businesses also have an important role supporting people through this time of crisis. Supermarkets should ensure that their pricing is clear and more transparent by making unit pricing much more prominent, legible and consistent - and displaying it for promotional offers - so that people can easily work out which is the best deal.
5. Supermarkets should also support people in making affordable choices by ensuring that a range of budget lines for essential items are available across their stores, and particularly in locations where people most need support. They should also use their marketing budgets and promotions to tailor support to those who are struggling, including offers, vouchers and loyalty cards benefits focused on the places and households where people are most in need.

### Introduction

6. Which? welcomes this opportunity to submit evidence to the Environment, Food and Rural Affairs (EFRA) Committee's inquiry into food security. This is a crucial time for the Committee to be considering the dramatic increases in food price inflation, as well as wider supply chain disruptions, how these are impacting consumers' ability to access healthy and nutritious food and the appropriate policy and food industry response.
7. Action is needed by government to ensure that consumers have the support that they need to make healthy and sustainable food choices, while also working to ensure the UK has a more resilient, healthy and sustainable food system that is better able to withstand global shocks. The food industry also has a crucial role to play supporting consumers

during this very difficult time. Supermarkets can do more through fair and transparent pricing, ensuring availability of affordable choices and ensuring that promotions are targeted to support those most in need.

### Food prices and their impact on consumers

8. Food and non-alcoholic beverage prices rose by 13.1% in the 12 months to August 2022<sup>1</sup>. Which?'s monthly consumer tracker which looks at how households feel about their finances found that in August almost 9 in 10 (87%) were concerned about the rise in food prices. Households are modifying their behaviour to deal with these price rises in a number of ways. In September, 60% of consumers had bought cheaper products than usual in response to price rises. 36% had planned meals more, for example by batch cooking. One in five (18%) said they had cooked fewer meals. One in six consumers (16%) said they had gone so far as to skip meals, while 3% had used a food bank<sup>2</sup>.
9. The difficulty that many people are facing has also been reinforced through Which?'s Consumer Insight Panel. Our research has shown how a combination of price rises – for energy, fuel, mortgages as well as food – is putting a lot of pressure on people who have previously felt able to cope. The research highlighted a sense of powerlessness: *“Every single food item you can think of is going up in price. When you are eating the budget range what are you supposed to do then?”*
10. The causes of these price rises are complex and a combination of many factors. Increasing energy and fuel costs have had a major role to play. The Ukraine War has also had an impact on input costs, including fertiliser, and on global prices for key commodities such as wheat. Reliance on Ukraine for key ingredients eg sunflower oil has also had repercussions across supply chains and resulted in shortages and substitutions. The impacts of Covid and of Brexit have raised issues for labour availability and costs which also feed through into consumer prices. The recent fall in the value of the pound will also make imported foods, ingredients and agricultural inputs more expensive.
11. The report recently published by the Food Standards Agency and Food Standards Scotland on the state of food standards<sup>3</sup> highlights that many people are also finding it much more difficult to eat healthily as a result of higher food prices. More than half (53%) of consumers in an FSA survey said they feel ‘priced out’ of buying healthy food; and one in four consumers now feel the only foods realistically available to them are heavily processed. This increases to around half for households facing food insecurity. This is also an issue that Which? is seeking to understand better through our consumer research and we will be able to provide the Committee with more details of our findings soon.

---

<sup>1</sup> Consumer Price Inflation, UK, ONS, August 2022 <https://www.ons.gov.uk>

<sup>2</sup> Which? Consumer Insight Tracker, online poll of 2,075 consumers conducted between 9th and 11th September 2022. The Consumer Insight Tracker has run regularly since 2012 and covers consumer confidence, finances, worries and trust in business. The sample is weighted to be nationally representative of the adult population of the UK.

<sup>3</sup> Our Food 2021: An annual review of food standards across the UK, Food Standards Agency and Food Standards Scotland, June 2022.

## **The national food strategy paper**

12. It is essential that the government supports consumers, particularly those that are most in need, during this time of crisis. Food prices are hitting people hard, as our research above shows. People are also having to cope with rising energy bills and wider inflation. Which?'s September consumer tracker found that two-thirds of households (65%) made at least one financial adjustment – such as cutting back on essentials, selling items or dipping into savings – in the last month to cover essential spending. This is the highest level we have recorded in the last decade and equates to an estimated 18.2 million households.
13. Food budgets have some flexibility relative to other expenses and our research shows that an increasing number of people are having to trade down. It is important that they have a safety net. This includes ensuring that baseline food standards remain in place to protect consumers, including for imported foods, and that consumers are supported in making healthy choices for themselves and their families.
14. The Committee has asked for views on the extent to which the proposals in the government's food strategy paper<sup>4</sup> affect the resilience of food supply chains, the agri-food and seafood sector and access to healthy and nutritious food. We have yet to see the approach that the new Ministers will take. It is important to build on the approach set out in the food strategy, drawing on the more ambitious approach set out by the government's independent adviser, Henry Dimbleby in his National Food Strategy recommendations<sup>5</sup> to support a transition to a more resilient, healthy and sustainable system.
15. We welcomed the objectives of the government's strategy to deliver: a prosperous agri-food and seafood sector that ensures a secure food supply in an unpredictable world and contributes to the levelling up agenda through good quality jobs around the country; a sustainable, nature positive, affordable food system that provides choice and access to high quality products that support healthier and home-grown diets for all and trade that provides export opportunities and consumer choice through imports, without compromising our regulatory standards for food, whether produced domestically or imported. The government's strategy however failed to take forward several important recommendations in the independent review that would support people most in need now and support the longer-term transition that is needed for the food system.

## **Support for people who are struggling**

16. Henry Dimbleby recommended that the government expand eligibility for free school meals, expand the healthy start scheme and fund the holiday activities food programme for the next three years, but the government disagreed with this when it responded in June. These measures are now even more important to support those who are most in need and ensure that children have a better nutritional safety net.
17. It is also important that the government works to ensure that a range of channels are used to support people in taking up and using these schemes where they are eligible.

---

<sup>4</sup> Government food strategy, Defra, June 2022

<sup>5</sup> National Food Strategy Independent Review, The Plan, July 2021

One study showed overall uptake was only 64 per cent in England and as low as 47 per cent in one local authority<sup>6</sup>. Supermarkets in these areas of low uptake should be looking at how they can incentivise it, as well as how they can provide eligible consumers with additional discounts and top ups.

18. They should also go further and provide additional support to people who are most in need for example by additional offers or vouchers through loyalty cards or other means that will make it easier for people to make healthy, affordable choices. It is important that promotions also support people in making healthier choices. Some supermarkets have already announced that they will stop putting multi-buy offers on foods that are high in fat, sugar and salt and will focus on healthier promotions before they are required to.
19. Supermarkets should also support people in making more affordable choices by ensuring that that budget ranges are readily available in the areas where people need them the most – and that the range that they offer is sufficient to enable people to make healthy choices. Different supermarkets appear to be approaching this in different ways. Data from Assosia suggests that supermarkets have reduced their ranges compared to August 2021 and highlights Tesco for reducing its value range over the last year. Asda recently launched a Just Essentials range of around 300 products to be available across its stores, but has had to ration purchases until its stocks improve, reflecting the strength of demand.
20. Which? is currently undertaking research with the University of Leeds to map out the 'priority places' around the UK where consumers need most support, and to understand which interventions are likely to be most meaningful given the particular circumstances of each area. We will be happy to share this with the Committee in the next few weeks.

### **The importance of food standards**

21. There is also an important role for government in supporting people in making healthier and more sustainable choices. Henry Dimbleby set out a range of measures that could help to support this, including a mandatory reporting framework to help incentivise food businesses. The government has set up a Food Data Transparency Partnership and in its strategy said that it would be conducting randomised control trials over three years to better understand what actions would help support people in making healthier and more sustainable choices. People need to be supported now and there is already clear evidence of which interventions will be effective. It is disappointing that the government decided to delay important measures that would limit promotions on unhealthy foods and that would strengthen controls around food marketing to children. The cost of living crisis was used as a justification for this, but it is precisely when people are being forced to trade down and buy on price that they need to know that they and their children are supported.
22. This also applies to food standards more generally. The government made a commitment in the food strategy paper that it would maintain food standards for imports but fell far short of the actions that Henry Dimbleby had recommended. It is essential that the

---

<sup>6</sup> Increasing Healthy Start Uptake: A Feeding Britain Case Study, Feeding Britain, 2019, <https://feedingbritain.org>

government ensures that baseline food safety, but also environmental and welfare standards are applied to imports - as well as domestically produced foods – and that our trade policy supports consumers ability to make healthy and affordable choices in the short-term, as well as supporting the longer-term transition that is needed to a more sustainable food system. It is therefore crucial, as recommended by Henry Dimbleby, the Committee on Climate Change and the Trade and Agriculture Commission, that the government establishes a set of core standards, including environmental and animal welfare standards as well as food safety standards, that will provide the protections consumers expect and ensure that imports have to meet the protections that UK consumers expect. Our consumer research has repeatedly shown that this is an issue that consumers care strongly about.

23. Consumers also need reassurance that the current food standards that apply in the UK will be maintained and that they will be effectively enforced. With food prices so high and some ingredients in shorter supply, it is also important that consumers can still have confidence that what they buy is what it says it is. The Food Standards Agency, working with wider government must be alert to any increase in food crime. In its first annual report on food standards, it highlighted two key risks that the government needs to act on. The decline in local authority resources and therefore ability to enforce food safety and wider protections is a risk, as is the lack of border controls between the UK and EU. The latter is a particular concern where products may come via the EU from other countries without being subject to any checks.
24. The new government's Retained EU Law (Revocation and Reform Bill) could have very serious implications for the protections that consumers can expect. These protections are even more important at a time when there is such high food price inflation because there will be incentives to cut corners and lower standards in order to cut costs if there are not clear legal protections in place. It is essential that the government ensure that the food safety, allergen, compositional and labelling requirements within retained EU law that will be subject to the sunset clause in the Bill at the end of 2023 remain in place.

### **Clear and transparent pricing**

25. With such significant changes in food prices, it is also essential that consumers can easily compare prices and make sure they are able to choose the best value products for their needs. Clear and transparent pricing is therefore crucial, including clear and easy to use unit pricing. Unit prices show how much different products would cost if they were sold in packs of the same weight or volume. This enables people to work out which is the best value option when products are sold in different sized packets.
26. Which? research monitoring how unit pricing is displayed in store as well as online has found that there can be a lot of savings to be made if consumers can work out which is best value, but a recent investigation published in Which? magazine in September<sup>7</sup> found that supermarket unit pricing is often unclear, inconsistent or absent. Which? visited nine supermarket stores and found a range of unit pricing issues including unit pricing that was very hard to read, different units used for the same or similar products and missing information, including on promotional offers and loyalty card discounts. We also found

---

<sup>7</sup> The big savings you could easily miss, Which?, September 2022



issues with the stores' websites, mainly relating to how unit pricing was displayed on special offers.

27. A recent Which? survey also found that consumers can struggle to work out which is the cheapest option. We asked 2,000 UK adults to choose what they thought was the cheapest option in a range of soft drinks, per 100ml using real examples of the same product sold in different sizes from the websites of Tesco, Asda and Morrisons. 66% of people couldn't pick the cheapest Fanta Orange Zero; 79% in the case of Diet Pepsi and 72% for Diet Coke.
28. While some improvements to unit pricing lie in the government's hands - including improving consistency of units set out in the Price Marking Order 2004 and associated guidance - most of the problems we found could be addressed by supermarkets through their own policies and systems. This includes providing unit prices clearly for promotional offers.

## **Which? September 2022**

**Which? is the UK's consumer champion. As an organisation we're not for profit - a powerful force for good, here to make life simpler, fairer and safer for everyone. We're the independent consumer voice that provides impartial advice, investigates, holds businesses to account and works with policymakers to make change happen. We fund our work mainly through member subscriptions, we're not influenced by third parties and we buy all the products that we test.**