



Rural Policy GROUP

Briefing Note: Is food in the UK expensive? 3rd December

Rural Policy Group is a visionary think tank shaping the future of the rural economy; established by Mark Lumsdon-Taylor in Spring 2020 it supports economic actors in the rural economy with a programme of knowledge exchange and debate. The group brings together the best minds in politics, economics, business, finance, medicine and science to discuss the big issues of the day and support rural leaders to find and seize opportunities for progress and growth.

We were delighted to partner with Fourayes and a heavy-hitting panel of speakers for the first debate in the Food Price Wars series:

- Yvonne Fovargue MP
Labour MP for Makerfield and Chair of the All Party Parliamentary Group on Consumer Protection
- Luke Pollard
Shadow Environment Minister
- Rosemary Shrager
Chef, Author and Food Campaigner
- Sarah Dodds
Head of Agriculture & Partner at MHA MacIntyre Hudson
- Vicki Hird
Head of Sustainable Farming, Sustain
- Phil Acock
Managing Director, Fourayes
- Mark Lumsdon-Taylor
Senior Corporate Consultant & CFO (seconded) in the food industry
- Chair: Sarah Calcutt
6th generation farmer and fruit sector heavyweight

Watch again

A link to the full RED Talk can be found on our website www.ruralpolicy.group.

Summary of insights

Food in the UK is cheap and the cost has been falling for decades. Yet high food prices are being blamed for food poverty and the farmers who are often subjected to negligible margins or even prices below the cost of production are being asked to solve the crisis while suffering the hammer blow of unfair competition from abroad. Food poverty is a misnomer; it is just poverty. There are two interlinked systems at play and both are broken. We need to address why the systems designed to keep people out of poverty are failing. And we need to repair the food system so it benefits the many rather than the few.

- Consumers need protecting from sub-standard food. The argument for greater choice is flawed if it is a Hobson's choice which leads to food apartheid and health inequalities.
- The farming industry and its high standards are a source of national pride which people want to see protected and nurtured post-Brexit.
- Food is a matter of national security and as the climate crisis continues to influence geo-politics we will begin to view food, food production and global supply chains differently.
- Supermarkets have a larger ethical role to play in terms of access to affordable food and delivering the food system as a whole.
- The loss of subsidies in their current form will create uncertainty for smaller farms and untether larger farms from restrictions which may have hindered profitability. The divide between family farms and industrialised farms could further widen with the introduction of ELM as larger farms are better

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placed to take advantage of higher earning projects such as reforestation and wetlands, while smaller farms could struggle to make land available for qualifying schemes.

- The Fair Dealing Clause in the Agriculture Act 2020 is a beacon of hope for primary producers and those at the bottom of the supply chain as it could lead to better terms and better prices. However, the industry must be active in influencing how the clause is put into practice.
- Educating the public about where food comes from, how it is produced and how to cook with fresh ingredients is fundamental to consumers being willing to pay what their food is worth, rather than expecting food prices to continue to decline in relation to their incomes. Education around the value of food, the benefits of a healthy diet and seasonality could also be key to stimulating more demand for British produce and moving the country towards a greater degree of self-sufficiency.
- Profit redistribution down the supply chain is needed urgently. It will stimulate investment, attract new talent and help Britain achieve greater self-sufficiency.

The following sections summarise the briefings we received from our main speakers and responses to the questions posed by delegates. To find out what was said in full, please watch the [recording](#).

Political Speaker: Yvonne Fovargue MP

What do consumers want when it comes to food? Do they want high quality, or do they want cheapness? That is not a new question but it has been brought into relief by Brexit and the need to secure trade deals which could open the gates to a flood of cheap imports if we water down regulations. As Chair of the APPG on Consumer Protection I champion high quality food. However, I am also the Chair of the APPG on Personal Debt and have tackled the issues around poverty all through my career so understand the need for food affordability. Even providing affordable food needs an element of consumer protection. Consumers will not thank us for putting chlorinated chicken on their tables. They will not welcome a food apartheid where better off people eat better quality food. This was borne out in a recent You Gov survey in which nine out of 10 people thought British food standards should be protected in trade deals. Equally, a Which? survey asked what mattered most to consumers and when it came to food standards beat price to the top spot. Standards are important to people as they are seen as a guarantee of our health and safety. Why would you import food that could make people less healthy or even be life-threatening such as carcinogenic meat?

Most people view lowering standards as a backward step.

There is something very British about high food standards. Britain is at the forefront of pushing for more robust regulation in the EU and the UK is known around the world for its high standards. Most people view lowering standards as a backward step. Lower standards would lower consumer confidence in what they are buying. Currently, consumers can be confident that the food they buy is safe and healthy. It has already been vetted by the regulatory framework so consumers can spend less time scrutinising labels and shopping is less stressful because of this. As a result of the pandemic, we are all looking at how to restore and maintain consumer confidence, and this is a key measure of that.

Labelling is not a solution to differing standards because most people do not read labels; shopping is largely habitual, people do not have time and labels are unclear. Labelling also does not remove the moral dilemma around forcing people in the most difficult financial position to accept the worst food. The argument around greater choice is suspect, because it is a Hobson's choice if the only people that bought that food bought it because they could not afford anything better. Further, not all lower quality food would be sold in

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supermarkets. Some would be sold into the hospitality and food manufacturing sectors, and consumers would find themselves eating it unknowingly.

The immediate health risks of eating lower standard food is just one concern. There are also concerns around green issues, animal welfare and the future of Britain's domestic farming industry. UK farmers could be put out of business by undercutting and unfair competition and many of the participants in the Which? survey were adamant that they want the UK to produce the best food in the world. Consumers want our farmers to compete on quality and not be undermined by producers working to lower standards and with lower wages elsewhere.

We need to raise incomes to improve food affordability, not lower food standards.

Maintaining high food standards without improving affordability leaves millions of people unable to secure a nutritious diet, as highlighted by Marcus Rashford's campaign on free school meals and the higher levels of demand seen by food banks. However, I do not believe lower food prices are the way to go if it means a race to the bottom in food standards. We need to raise incomes and that means dealing with issues like the minimum wage, zero hour contracts, the value of welfare benefits and delays on receiving Universal Credit. We need to look at the cause of poverty, not just deal with the symptoms.

We should not be looking at lowering food standards at any cost, whether in the name of supposed choice or getting a trade deal over the line. Nobody in the future will thank us for allowing lower quality and less nutritious food onto our children's plates, even those on lower incomes.

Political Speaker: Luke Pollard MP

The issues around food have not been spoken about with the clarity, determination and action required for quite some time. It has fallen between the gap of local government, Westminster and Brussels so it has not been at the top of the political agenda anywhere. I want food to be more political so we can have a political debate around food. I do not want it to become party political, but we do need to look at all aspects of our food supply chain to check whether it meets the demands and expectations of voters, for our health and for the country. Are we even in the right place with the food debate? I suspect we may not be and that the country is concerned about growing levels of food poverty, the carbon intensity of food production, the risk of farmers going out of business, the worry about eating healthily. We are not in the right place to address these concerns and so we need to do something different as a country. The political debate tends to centre on food poverty and food standards to a degree. Those are the right concerns to have but increasingly they are not about food. Food poverty is not about food; there is more than enough food to go around. Food poverty is about poverty. It is about being unable to buy food, to pay for the heat to cook food, to buy plates and cutlery to eat with. Many of our poorest families do not have a table on which to prepare food on or eat around.

Food is a matter of national security.

Britain wants high food standards. There is no faction of our country arguing for lower standards, except for a very small group of right wing economists and political thinkers who regard taking away food standards as a liberating moment in which the free market takes over and we remove the bureaucracy that is responsible for higher costs. Except, that in reality Britain already has some of the lowest food prices in the world and yet we still have people unable to afford food and farmers going out of business. In 1945 the Labour Party declared food a national security issue and I think we need the language of national security back in the debate in the

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21st Century. On an international level food is a geo-political asset. We will see huge changes in the way food is dealt with as a result of the climate emergency, changing weather patterns and soil degradation across the world.

Viewing food as a geo-political issue gives Britain the chance to establish where it wants to be as a nation. There is no denying we are at a crossroads with Brexit, with the climate & ecological crises and the public health emergencies we face. There is no business as usual in this context, so we have the opportunity, or rather the imperative, to make assertive political choices about our direction of travel.

Supermarkets have a much bigger ethical role to play around delivering the food system.

We must not lose sight of the role of supermarkets in this debate. The primary producer only receives a very small percentage of the price people pay at the till, and there is a massive downward pressure on what primary producers can charge supermarkets. Supermarkets have a much bigger ethical and moral role around how they deliver the whole food system because for many farmers supermarkets will have a greater influence on their business than government will do.

I agree with Yvonne that labelling is not the answer. I want to see clearer labelling and I want people to be able to make educated choices about what they put on their plate but lowering standards and excusing it with a little label that very few people will read is an attempt to legitimise a bad policy. We must not fall for that.

We cannot go back to business as usual because the system was not working. I would urge farmers and other actors in the food industry to make your voices heard and present an evidence-backed argument.

Question from Rosemary Shrager: Everything you have both said is absolutely spot on. I have been in the food industry my whole life and food has always been incredibly reasonable. At present restaurants are struggling with pandemic restrictions and if they had to pay the real market value for food (which would be more money) many of them would not survive as the revenue just is not there. On the other hand, we need to look after our farmers and make sure they get a fair price. We have the best farming and the best produce in this country and those farmers need rewarding and supporting. With Brexit and coronavirus hanging over us we are in a rubbish situation. We need to find that balance where farming and catering are both profitable and sustainable. The answer may be in subsidies, but outside of the EU who pays for these? Do the supermarkets have a role?

Sarah Calcutt (Chair): I'll chuck in an additional question here – do farmers actually want subsidies?

Luke Pollard MP: The government is intending to cut subsidies for farmers starting next year with a 5% reduction, the following year it will be an additional 15% and after three years 50% of direct payments will be removed. Some of that money will be replaced by the Environmental Land Management Scheme where landowners are rewarded for environmental gains such as soil health and flood mitigation. I was no fan of the Common Agricultural Policy but I am worried about the loss of subsidies for small farms, and family farms in particular. Some of the larger farms in the east of England do not need subsidies and feel they would do better freed of the requirements tied to subsidies. However, for the smaller family farms which are the backbone of our agricultural sector the subsidy is the difference between survival and foreclosure. Consolidation to more industrialised farming will produce cheaper food, but it will not necessarily be better for either our health or our environment.

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Yvonne Fovargue MP: Compared to what we paid for food in the 1980s food is cheaper now than it ever has been. The trend for cheaper food over the past 40 years may have changed our perception of how much we should pay for food. Public perception is now that less of our income is spent on food as time goes on; consumers expect food to get cheaper.

Business & Finance Speaker: Sarah Dodds

My client portfolio includes smaller arable and livestock farmers as well as larger producers and food processors so I like to think I see a broad spectrum of the industry and can form an opinion. The biggest problem I am seeing is the uncertainty around the Brexit impact and new funding proposals. It is difficult to plan when so much detail is still unknown and as with anything in the agricultural sector, the ability to plan long term is key. Right down to machinery replacement policies for example. They are often on five year replacement contracts and at the moment business cannot plan five years ahead because they have little detail around funding. I have seen amongst my own clients that their requirements have changed from compliance to financial forecasting and trying to plan ahead.

ELM is geared towards larger farms with land to put to qualifying projects.

From the latest information, I just do not see how the smaller farmer can continue as they are. They are losing the single farm payment which will be replaced by the environmental schemes, but these new schemes seem to be pitched at the much larger farmers. Reforestation and wetland projects for example are great for the environment but how does a farmer who is trying to produce a crop make a living if they turn their land over to environmental projects. So my concern is for the viability of smaller farms.

Question from Chris Newenham at Tiptree & Sons: As a fruit grower who is keen to expand, I simply wish to be given the tool to do my job. Without a viable seasonal workforce we can go nowhere. Where do you stand on this issue and what comfort can you give farmers for the long-term re investing in new technologies and workforce strategy?

Sarah Dodds: The reading of the legislation suggests there will be grants available for agritech, and if we improve how we produce food we may be able to get prices down to a level which deals with problems of affordability without sacrificing standards or our domestic industry. The government has also helped by extending the annual investment allowance so organisations can now fully offset up to £1m each year against tax. Hopefully, this will stimulate investment in new technologies amongst the larger businesses if they can afford to do so.

Luke Pollard MP: Farms right across the sector are not investing in machinery replacement due to uncertainties around Brexit and that poses a risk. There needs to be greater certainty and incentivisation to encourage the same level of investment as in previous years.

We are not on the very cusp of automated production so we still need people in the fields harvesting crops, and we are at risk of not having enough people. For the past few years Britain has struggled to attract seasonal agricultural workers and the Pick for Britain scheme launch during the first lockdown produced a very small number of workers. The Seasonal Workers Scheme which piloted successfully will only roll out for food crops; up to 30,000 workers from overseas will be allowed to pick and pack fruit and vegetables on UK farms in 2021.

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This leaves important sectors such as flower crops exposed to risk. The pandemic showed us what happens when borders are closed to seasonal labour and taught us that the Seasonal Workers Scheme and the wider immigration policy must be revisited with a view to meeting the labour requirements of British business. Any review must include looking into why farm jobs have been classified as unskilled for the purpose of importing labour and an honest assessment of whether these roles are attractive to British workers with their current package of salary, lifestyle and accommodation.

Yvonne Fovargue MP: It is not as simple as looking at the unemployment market and saying that people who have been made redundant from a retail role for example can go and pick fruit in a field seasonally. It is a totally different labour market; there are mismatches in geography amongst other barriers and as has already been said, people tend to be looking for permanent work.

Food Poverty Speaker: Vicki Hird

Sustain campaigns on food poverty, access to food and the underlying systemic issues around affordability of food. There is no silver bullet, Sustain has been calling for whole-system change since it was founded in 2000.

The issue of where the money goes and who has the power in the food system are critical issues. As has already been really well said, the issues around access to food and affordability are not about pricing.

**We need to talk about nutritional security,
not just food security.**

Consumers at any price point do not want to buy food that harms workers in other countries, drives poor animal welfare or contributes to environmental destruction. There is no need to enter into a twin system where those with money eat well and those with less eat sub-standard produce. One of the things we have seen in recent decades is the rise of ultra-processed foods made with very cheap commodities and this needs to be tackled. These foods provide cheap calories and poor nutrition. We need to be talking about nutritional security, not just food security. A whole range of measures need to be brought in to tackle the issue of fatty, high-sugar processed foods including how we regulate marketing, how we tackle incomes and how we provide access to alternatives such as fresh fruit and vegetables.

Agriculture policy is changing as we head towards Brexit and we adopt our own legislation. Royal Assent was granted for the coming into effect of the Agriculture Act 2020 on 11th November. The Act should be helping change the money and the power within the food system so it better supports the true cost of sustainable production. There are a lot of hidden costs in unsustainable production which are paid for further down the line: the NHS treatment for diet-related diseases; environmental clean-ups. We need a system which better supports farmers to move towards more diverse production for their local and regional markets.

**The Agriculture Act 2020 sets out numerous funding
streams in addition to ELM.**

The new Environmental Land Management Scheme is revolutionary in that it is transforming how government supports farmers to provide public goods. However, it could have huge risks. It could mean we lose thousands of small farmers in the transition. The Agriculture Act sets out many pilots and schemes for which funding is available and I would encourage every farmer to read those papers and get involved wherever they can, even those in horticulture and other sectors which previously have not benefited from subsidies.

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Better terms and fairer dealing for primary producers.

The Agriculture Act also requires the supply chain to deal better with their primary producers and we need to demand this is brought in swiftly. The Fair Dealing Clause will demand statutory codes of conduct enforced by a new regulator so the supply chain has to supply with certain standards when dealing with producers. We already have this for the biggest 12 retailers by way of the Groceries Code Adjudicator, however the provision in the Act could set up new codes of practice which require retailers not to bring in last minute changes to contracts & prices or demand promotional deals and all the other things we know happen. The Competition Commission identified these problems many years ago and it has never been dealt with adequately.

We need to address the National Food Strategy being led by Henry Dimbleby and ensure policies around food are joined up with the agriculture policy. We need to make sure the 8% farmers receive grows and this means finding new routes to more market, more direct routes to the consumer and working with better traders. More of every pound spent on food needs to make its way back to the farmer. Shorter supply chains will allow for that as less money is syphoned off for shareholders, offshore tax havens and other uses.

Finally, we deserve more respect for our food standards. The industry works extremely hard to maintain high standards and should not be undermined by cheap imports allowed by trade deals. We need those alternative routes to market I mentioned earlier as we are sadly not going to get the protection we need from Parliament. We need to help consumers buy direct or through much shorter supply chains.

Sarah Calcutt (Chair): Are you seeing any mechanisms in place to bring British produce to the fore?

Phil Acock: I would like to thank Luke (Pollard) for differentiating between food and poverty. Hardly anybody does and the problem with the term 'food poverty' is that everybody assumes food is expensive. Which it is not! We are spending far less on food in this country than ever before. Food in the UK is the cheapest in Western Europe and nearly 10% cheaper than the average for that area.

I was delighted to hear what Vicki (Hird) said about the Fair Dealing Clause and the expansion of the Groceries Code Adjudicator. We need the Adjudicator's remit to cover manufacturers and those further down the supply chain to assist businesses at every stage; more help is needed further down the supply chain if everyone is to benefit from fairer terms and fairer pricing.

Panel debate with Q&As:

Comment from Sarah Pettitt, former member of the NFU Horticulture Board: Subsidies are important for some sectors, but not all. Subsidies aside, farmers and growers need sustainable profit from a market place, retail and supply chain profit margin needs investigating as does education. It is not about increasing the price to the consumer. It is about all the risk being with the primary producer. It is about increasing the retail profit share to the primary producer to start building resilience and invest in the future.

Question from the Chair: If your profit share increased and you had a pot of money to invest, what would you do with it? Would you move towards a co-operative business structure to enable small growers to pivot quickly to create a new normal?

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Phil Acock: I do not have strong views either way on whether funding should or should not be in place. What I do have strong views about is that we get to play on a level playing field, and if we were then funding would not be required. If funding is required to make sure we are operating on a level playing field, then funding is what we have got to have. Operating on a level playing field is the important point for me.

Luke Pollard: If you started from scratch, you probably would not have funding. But from this starting point any changes to farm funding need to be gradually phased. There also needs to be an understanding that there will be winners and losers in the transition and support to offset the difficulties faced by those struggling to adapt. The fundamental debate about what we want our agricultural strategy has not happened, so we have government adjusting support payments in order to reduce spend without there being a consensus position on what we want from our food. I would like to see us become more food secure and increase domestic production from 60% to 65% with a long term target of 70%. It would be a really big change and means we would need to look differently at how our food system is funded and how it operates. The debate we are having does not address that the smallest farmers will lose out.

Question from the Chair: What would you do to help the smaller farmers, the multi-generational family enterprises who are wondering how to preserve their legacy?

Sarah Dodds: The smaller farmer either needs a subsidy or needs to be paid what the food is worth. Consumers expect to pay virtually nothing e.g. £3 for a chicken and until the consumer is prepared to pay what food is worth I do not see how the smaller farmer can survive. The reduction in subsidy should be accompanied by a rent reduction which will help alleviate some of the financial problem, and the other option could be looking into whether there are opportunities for diversification. And of course, trimming costs will help.

Vicki Hird: There is a big gap in training, advice and support for farmers, particularly the hard to reach farmers. Farmers need to be able to access advice and transition support, and whether or not that support is in the budget is a big worry. We really need to be investing in alternative routes to market and training so farmers can collaborate and pool their produce to feed into larger contracts. The pot of money could be really well used to support the creation of alternate routes to market with the necessary training, development and collaboration. On a side note, in the future farms will not be receiving subsidies. Farms will be paid for delivery of public goods and food will be paid for through the market.

The Chair: There has been a lot of discussion on the chat around how we support new farmers and encourage new entrants. Some farms are not profitable without subsidies and possibly need to be handed over to a new owner who can inject efficiency and profitability so the business can stand on its own two feet. Moving on I would like to bring in Rosemary Shrager to respond to some of the chat around food education & its place in the curriculum, eating a nutritious diet on a shoestring and teaching the younger generation better food habits.

Rosemary Shrager: Education in schools is the most important tool we have to engender greater respect for food, farming and nutrition. Young people also respond well to health influencers such as Joe Wicks who shared recipes and workouts online before going on to write hugely successful recipe books. The average person does not have a good understanding of where their food comes from and what it takes to produce it; this needs rectifying if people are to understand what food is worth and be prepared to pay for it. Cooking is a fundamental life skill and every child should learn to cook, including how to handle fresh produce and prepare a meal from scratch using seasonal ingredients. Food should not be as cheap as it is and I feel very strongly that Britain's farmers should be producing more of our food.

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Mark Lumsdon-Taylor: I just wanted to make three quick points. First, the issue of profit share upstream and downstream of the supply chain. We do not talk enough about this or do anything about it so I welcome the efforts of the Agriculture Act to address how players within the supply chain treat one another. Secondly, where does food sit in terms of government priorities? At the moment it does not feel like a priority for government and yet we have heard Luke (Pollard) talk about food and self-sufficiency as a geo-political issue and many of today's speakers have touched on the challenges around food affordability and hunger. Thirdly, government needs to see how food has a role to play every area of the economy: education and workforce strategies; research and development of new technology; investors and the stockmarket showing more interest in food businesses; a healthier population requiring fewer services from the NHS.

Vice Chair: Yvonne (Fovargue) could I ask you to reply to some of the comments we have received on the chat about food poverty and food scarcity.

Yvonne Fovargue: Poverty amongst people in work has risen phenomenally and food banks are seeing an increase in people asking for cold food parcels because they cannot afford the utilities to cook the food. When you can buy a 99p fast food meal at the end of a long day at work it is very tempting, and we need to provide people with more options about how they feed themselves and their families. I agree with Rosemary (Shrager) that we need more cookery in schools. We also need to capture for older people who may have missed out and would now benefit from these skills, such as targeting new mums clubs. Although, providing people with the skills to cook is pointless unless we address the underlying issues around poverty and make sure people have enough money to live on. Many families on limited incomes are very good at managing their money; they just do not have enough.

Food Business Speaker: Phil Acock

I am the owner and managing director of Fourayes, the third generation in a family business which has been in existence for 67 years. We have been farming for all of our 67 years and are one of the largest Bramley growers in the country. By far the larger part of the business is fruit processing; we are the largest fruit processor in the UK and regard ourselves as fruiticians. All our additional fruit is sourced from neighbouring farms and we buy the product supermarkets do not want. We turn that fruit into purees, jams, slice & dice it and sell it the manufacturers who make the finished product such as deserts, cakes, ice creams, sauces, mince pies and of course, the quintessentially British Bramley apple pies. We operate in the first two parts of the supply chain, less flatteringly termed the bottom two parts. As the growers and creators of food we are the most important part of the supply chain, but it is not always a comfortable place to be. Above us is the manufacturer and at the top is the supermarket.

Price competition between supermarkets is strangulating investment and progress in farming and food processing.

Food price wars are not new. I have felt the effect of them for as long as I have been in business. Most recently there have been price wars with the arrival of Aldi and Lidl, before that Asda created a greater degree of price competition between supermarkets, before that the growth of own brands brought competition to the name brand products and then there was the expansion of M&S food halls. All these examples are contributing factors as to why food in the UK is some of the cheapest in Europe. This downward effect on pricing has been catastrophic for the most important two parts of the supply chain – those of us at the 'bottom'. Generally, the

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more cash available to the small and medium sized businesses which largely make up the bottom of the supply chain, the better for the economy. This is because they tend to be owner-managed, entrepreneurial, innovative, faster to make decisions and faster to spend when compared to corporates which are slow and cumbersome, and the reality is that the economy is driven by the velocity of money. So a healthy economy needs businesses with a healthy profit at the bottom of the supply chain.

As things stand there is not a fair distribution of profit through the supply chain. Our experience is that when margins are squeezed every part of the business is affected from staff earnings and bonuses to capital investment, training, morale, stress and confidence. Overall the food industry is not a high profit industry but what we do have is hugely passionate workforce who care about producing good food. But, where is the new blood coming from? The average age of the British farmer is now 59; not far off retirement. In technology the average age is 38. It is commonly thought that the next generation are not interested in all the effort and exposure to the weather when there is no money to be made at the end of it. It is difficult to attract young talent when profits are continually squeezed over decades, and that is probably the best argument for reviewing how profits are distributed through the supply chain.

Profit redistribution within the supply chain is needed urgently.

My personal challenge as a business owner-manager at the most important end of the supply chain is that while I am working on very tight margins, I cannot invest as fast as I would like. This is massively frustrating for me personally and for my staff. Everybody gets a kick out of delivering capital investment projects and making improvements to benefit your customers and drive efficiency & quality. The other big problem with tight margins is that you only need a little bad luck – something like bad weather, a global pandemic or government policy which favours food imports – to cause business to fear for their survival. I also find myself questioning whether the ever tighter margins are a contributing factor in food fraud; I suspect the relentless price pressures cause some companies to cheat to survive. After years of innovation which inevitably cut costs you run out of areas where you can save money and those at the upper end of the supply chain become more inventive in how to gain an advantage.

Supermarkets have made improvements and now pay their suppliers in good time, but manufacturers have picked up where the supermarkets left off. Manufacturers are demanding a minimum of 60 day terms, quite often 90 days and some global food manufacturers demand 120 days. When you explain that you have incurred the costs of growing a crop for 12 months, the harvesting costs, storage costs for up to a further 12 months, processing costs and then supply it to them fresh, it is not rude to expect fair payment terms. To compound this further the global suppliers of key ingredients such as pectins and starches do not negotiate their terms, so we lay out all our costs long before receiving a penny for our product. We need regulation or legislation to standardise credit terms and remove them from negotiations.

Price pressure has been the mother of innovation and entrepreneurialism in farming. It has driven efficiency and quality, and what is coming of the farms now is so much better than ever before. With redistribution of profits down to the bottom two parts of the supply chain we can do so much more, we can attract talented new entrants to the industry, we can reward our staff more generously, we could improve food security and provide up to 70% of the food we consume instead of the current 50%. There has been a lot of talk around Brexit about independence and taking back control. Reliance on the rest of the world for 50% of our food is not independence, it is not being in control. Profit redistribution would stimulate greater inward investment in quality and yields while at the same time reducing costs. This is what I would like to see in place for the next generation. The best thing we can do to beat Brexit, counter coronavirus and back British farmers is to eat more Bramley apple pies, and other British produce.

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The Polls

Two polls were taken during the debate to capture how farmers and businesses leaders are feeling about the future of the food industry.

Poll 1: What is the best way to educate consumers about the value of food?

- 90% Including nutrition, food and cookery in the school curriculum
- 36% Public health campaign
- 36% Working with clinicians in NHS and private health providers
- 31% Sexy marketing campaign
- 09% We simply need to put prices up

Analysis: The role of good food needs more prominence in our institutions and culture. Greater integration of food into the country's education and healthcare systems is seen as the most important way consumers can be educated about the value of food.

Poll 2: Brexit is bringing greater competition to our supermarket shelves. Do you have the appetite to fight back?

- 74% Yes
- 19% Undecided
- 07% No

Analysis: Britain's farmers are prepared to fight back against imports allowed under trade deals which do not require equivalence of standards.

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