
A response to the Mayor's Draft Food Strategy

December 2005



Environment Committee's response to the Mayor's Draft Food Strategy

Compiled by Mike Tuffrey AM, on behalf of the Environment Committee

Introduction

On 4 July 1954, according to the BBC's 'On this day' record, the London Housewives Association held a ceremony in Trafalgar Square to celebrate the ending that day of meat and bacon rationing in Britain. We can only guess at what that no doubt estimable organisation would have made of today's typical supermarket offering some 30,000 individuals product lines. What is certain is that those intervening 50 years have transformed the availability, affordability and quality of our overall food supply.

However that success story comes at a price – a real question about its sustainability. The long run environmental impacts are probably more than the planet can support if we continue in the same way, while some social and economic impacts are more immediate, including the health consequences of current diets combined with our lifestyles and lack of exercise.

So the development of a food strategy for London is to be warmly welcomed.

The draft strategy document succeeds well in pulling together a comprehensive account of the main themes and issues running through the debate. This is a complex area with a wide variety of actors, as millions of individual consumption decisions by Londoners each day draw in supplies from countless providers all around the world. Unlike the food economy of 50 years ago, this process goes largely unplanned, with governments in the post war years not identifying food supply as a priority concern. This is now changing but the process of drawing up a London strategy inevitably requires getting many different stakeholders to talk to each other, and develop a common understanding of the problems and the solutions.

From our review of the draft strategy, it is apparent that this discussion is still on-going. Indeed the very success in drawing in so many interested parties has resulted in a draft strategy that risks losing sight of some of the hard choices amongst a multiplicity of laudable intentions.

Our central conclusion is that the strategy risks not being fully effective in making a significant impact on London's food sustainability until the priorities for action are more clearly identified, the main players are properly engaged, and specific actions are highlighted, distinguishing between short and longer term. A key tool to achieve this is economic mapping, to identify the flows of money in the food industry. This will illustrate the centrality of consumer choice in the food economy. We would also like to see environmental impacts given more prominence, acknowledging the impact food has on environmental sustainability.

Key findings

1. The scope of the strategy

The draft strategy identifies five principle themes (section 1.4, page 2):

- o Health
- o Environmental
- o Economic
- o Social and cultural
- o Food security

We agree that these encompass the main issues of concern to London.

Moving towards action, the strategy proposes six priority themes (section 1.6, page 6):

- o Ensuring commercial vibrancy
- o Securing consumer engagement
- o Levering the power of procurement
- o Developing regional links
- o Delivering healthy schools
- o Reducing waste

From a sustainability perspective, we agree these address economic and social issues but question whether they fully address the importance of the environment. Waste is identified as a priority area, but the environmental impact of London's food system is broader than this.

Studies of London's ecological footprint¹ show that food is the second largest component of all activity. City Limits found that food accounts for 41% of the footprint, after materials and waste (44%). The measurement of environmental impact is not an exact science, but the fact that the food sector has a significant environmental impact is beyond doubt, based on its size in the economy: the sector employs approaching half a million people and in manufacturing alone is London's second biggest sector.

It would be helpful therefore if the final strategy could also include a summary of the main environmental impacts. For example, some estimates say that 80% of food is imported from outside UK, driven by consumer demand for all-year-round availability and low prices. This raises obvious environmental concerns, which have come to be summarised by the phrase 'food miles'.

A Defra study (reference, June 2005) shows this to be a complex picture, pointing out that food produced sustainably overseas and transported to the UK by ship may well be more environmentally sound than if locally produced but artificially heated under glass. The only way to satisfactorily address such questions is through a life cycle analysis of individual products, factoring in issues such as transportation costs and packaging waste. The major food retailers have a central role to play here. It is through them that the practical steps to reduce environmental impacts will take place.

Recommendation

We recommend that the final strategy include priorities relating to environmental issues other than waste – principally energy usage and resulting carbon emissions.

2. Priorities for action

Having identified the priority themes, the draft strategy then treats them as though they are all of equal importance. We think this misses a crucial point, namely that there is a hierarchy – with consumer demand ('consumer engagement') driving the food economy ('commercial vibrancy' and 'procurement'), which in turn has social and environmental consequences (including 'healthy schools' and 'reducing waste').

Currently the 'detailed actions' part of the draft strategy contains nearly 30 separate 'visions' and over one hundred headline 'action areas', all of them laudable in themselves. As the draft strategy itself says, action areas need to be prioritised and key partners engaged. We recommend that the final strategy be amended to contain greater focus, otherwise it will have difficulty acting as a meaningful guide.

Priority actions need to be identified through pinpointing the key drivers in the food economy, so that interventions can be targeted in areas that will have the greatest impact. The GLA in particular needs to consider where it can most influence. This will enable the strategy to identify where inevitably limited public

¹ Best Foot Forward, City Limits: A resource flow and ecological footprint analysis of Greater London, 2002 and Sustain, Capital Eats: an analysis of London's food economy, 2004.

funds can best be directed, whether through influencing consumer behaviour, improving product labelling or subsidising demonstration projects to establish feasibility before mainstreaming. We believe the starting point for such a targeted approach is a map of economic activity in the food sector.

3. Economic mapping

The draft strategy contains an impressive array of facts and statistics. We would like to see them pulled together into an overall 'map' showing the size of various players in the food economy.

The basis of such a map is what Londoners themselves spend. The annual ONS Expenditure and Food Survey records average weekly food spending (2003/04 year, excluding alcohol and tobacco) as follows:

	£	
Retail: food and non-alcoholic drinks	44.6	61%
Restaurants and cafes	15.1	21%
Take away and snack food	10.8	15%
Contact catering	2.4	3%

In total, this accounts for annual spending in London of some £12.3 billion, with the largest share through retail outlets. The ONS data breaks this category down to reveal that nationally 82% is purchased from large supermarket chains, while the Competition Commission says that Tesco and Sainsbury's alone account for 70% of one-stop shopping in London, as the draft strategy acknowledges.

The stark fact behind these figures is that no food strategy can succeed in London if it does not engage effectively with the large supermarkets and recognise the key driving factor behind the food economy – individual consumer choices.

A full economic map would also factor in institutional spending on subsidised catering, typically public and private employers and public institutions like schools and hospitals. Nationally the government estimates that £1.8 billion is spent on public sector food procurement, covering the NHS, the armed forces, schools and other governmental agencies and activity. If proportional to population, London's share would be around £300 million – significant sum but only 2.6% of the amount Londoner's themselves spend.

Recommendation

The final strategy should include an economic 'map' of the main players, such as retail outlets, restaurants, markets, suppliers institutional purchasers and others, with recommended action linked to areas of greatest potential impact.

4. Individual consumers

A mayoral food strategy is different from others – such as transport or energy – where the public infrastructure and state regulation are crucial components, whether railway lines, power generation and distribution, or monopolistic suppliers. With food, individual purchasing and consumption decisions several times a day by millions of Londoners are paramount – what to eat, how to cook (from fresh ingredients to reheating 'ready meals'), whether to eat in or out, where to buy lunch, and so forth. Even free or subsidised institutional food provision – work canteens, school meals, hospital food – is ultimately dependent on whether individuals want to eat what is provided.

The strategy framework (page 16), which starts with primary production (stage 1) and ends with disposal (stage 8) is a really important analytical tool to understand the whole process and the environmental, health and other impacts along the way – and is one of the key strengths of the draft strategy. But we think that,

as the strategy moves towards identifying priority actions, the framework should be reconfigured, based on the economic mapping that we recommend. This would show Londoners at the centre, driving all the key players – primarily as consumers acting on the economic players but also as voters driving or constraining policy makers and regulators.

The draft strategy contains some evidence of consumer attitudes, including showing growing interest in so-called ethical information on labels, albeit from a low base. But a study by the Food Standards Agency², which asked about (national) consumers' primary motivation for choosing a product, highlights the limitations:

Price 46%
Taste 18%
Quality 12%
Country of origin 3%

Research by Mintel³ in May 2005 asked national consumers about attitudes to processed food. While 70% say they purchase as much fresh quality produce as possible, 71% also said they purchase ready meals.

Such findings provide an important 'reality check'. Simply put, actions that negatively impact price are unlikely to succeed outside small, niche sectors. However this is not a prescription for inactivity. Many environmental improvements have been found by manufacturers to reduce costs (so-called eco-efficiency). Within the retail sector, street markets can play an important role, including catering for the diverse needs of London's many ethnic communities. Typically street markets enjoy lower overheads and charge competitive prices, and probably have lower environmental impacts than large supermarkets. Such thinking will help focus the strategy where it can have the most practical impact, in this case using the planning system to influence the retention and growth of cost-effective retail outlets. Furthermore, it is important to recognise that consumer demand is influenced by many factors other than price, such as advertising and availability.

Recommendation

The final strategy should recognise the central role of individual consumer choice in the food economy, with areas for priority action chosen accordingly.

Conclusions

We believe that the strategy will not have a significant effect for Londoners unless it more clearly identifies the money flows through the economy and acknowledges the primacy of individual consumer spending. This should show where strategic interventions can be made most effectively and have the most significant impact, thus leading to priority actions.

Effective implementation of priority actions can only come from real engagement with the key players, the big retailers who interpret consumer demand and mediate between consumers and suppliers. We see this strategy as an important step in the right direction, however the final strategy should not be revised and published without leading players, including the London Retail Consortium and especially Sainsbury's and Tesco, being confronted with their responsibilities and engaged in the process. Only then can the strategy act as an effective driving force for change.

Mike Tuffrey
December 7, 2005

² Telephone polls carried on behalf of Food Standards Agency, September 2001

³ Mintel International Group Ltd, Attitudes towards processed food – UK, May 2005

The London Assembly Environment Committee

Terms of Reference

The Environment Committee is a cross-party committee of London Assembly Members, with the following terms of reference.

- To examine and report from time to time on –
 - the strategies, policies and actions of the Mayor and the Functional Bodies
 - matters of importance to Greater London
- To examine and report to the Assembly from time to time on the Mayor's Air Quality, Biodiversity, Energy, Noise and Waste Strategies, in particular their implementation and revision.
- To consider environmental matters on request from another standing committee and report it's opinion to that standing committee.
- To take into account in its deliberations the cross cutting themes of: the health of persons in Greater London; and the promotion of opportunity.
- To respond on behalf of the Assembly to consultations and similar processes when within its terms of reference.

The terms of reference for this response to the Mayor's draft food strategy were agreed by the Environment Committee on 6 September 2005 and are as follows:

- To respond to the draft food strategy on behalf of the Environment Committee
- To investigate and make recommendations on other sustainability issues concerning the food industry in London
- To recommend further work to be undertaken by the Assembly in this area

We contacted the following organisations for their views on the strategy:

Friends of the Earth

Tescos

London First

British Retail Consortium

Institute of Grocery Distribution

Association of London Government

Confederation of British Industry

Demos

New Economics Foundation

Committee members

Darren Johnson (Chair)

Murad Qureshi (Deputy Chair)

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