



Business Forum Report, March and April 2021

## Food, charity and the boardroom

The work of food companies on issues of food and poverty, how these have changed over the COVID-19 crisis and where that work could go next



### Understanding the context

### The rise of household food insecurity in the UK

Hunger has become an increasingly high-profile issue in the UK in the past decade. Household food insecurity relates to a lack of financial resources to secure reliable access to food to meet a person's health and social needs. The Food Standards Agency's Food and You surveys in 2016 and 2018 found that around 20% of the population experienced some form of food insecurity. During the COVID-19 pandemic food insecurity rose sharply, quadrupling in the early weeks of the first lockdown in spring 2020.<sup>1</sup>

One of the most high profile manifestations of severe food insecurity has been the increase in the number of emergency food parcels distributed by food banks in recent years. The Trussell Trust's network alone distributed 61,000 emergency food parcels in 2010/11, rising to 2.5 million in 2020/21<sup>2</sup>. Beyond the Trussell Trust food banking network there is a growing landscape of community food provision responding to issues of low income and access to food.

Whilst there are growing calls for national policy responses to food insecurity and increasing amounts of work done by local and devolved governments in this area, voluntary sector responses remain at the forefront of responses to hunger in the UK. These include food aid providers like food banks (providing food parcels or meals to people experiencing a food crisis), food assistance projects (targeted towards people on low income or living in deprived areas, providing access to free or heavily discounted food), and a wide range of community projects that work with food but may have a broader focus (community centre cafes, lunch clubs, cooking clubs, growing clubs).

#### The context for food businesses

Many food businesses have been getting involved in the charitable response to hunger, poverty and household food insecurity in the UK in recent years.

A lot of their work is done in partnership with charities across the UK that vary greatly in size and focus. Through these partnerships, businesses are able to provide a range of resources, from skills to surplus food. What is most often talked about through campaigns and the media is their role in providing growing amounts of food and funding donations to food charities – particularly projects like food banks that provide emergency food aid in response to experiences of hunger and severe food insecurity.

The COVID-19 outbreak saw further, unprecedented support from food businesses for these kinds of emergency food charity, with tens of millions of pounds (sterling) and other forms of support donated to community groups as an emergency response to hunger and hardship in the UK during the pandemic.

"We opened a foundation....(which) launched at the tail end of 2019, so of course, we were just going to gently go into this and then the pandemic came... I would say it probably accelerated us by, if I say modestly, five years, but probably more like ten years in reality, in terms of the volume that we've done and the amount of people we help.""

### What food businesses are doing

There is a widespread understanding among food businesses that addressing poverty is a complex issue and that there is no one size fits all. There is also an appreciation for the important roles food companies have to play as both employers and contractors (protecting the livelihoods and wellbeing of food workers) and as companies with resources to provide direct or indirect food access support (on their own, through partnerships with voluntary or community projects and in supporting campaigning initiatives).

### As an employer

Food businesses can sign up to be accredited real living wage employers<sup>4</sup>, as some have done – from Apetito to Growing Communities to Nestle. Furthermore, some businesses are stepping further – not just implementing living wage in their operations, but exploring if and how they can ensure real living wages throughout their supply chains too.

"Within the service industry, wages tend to be quite low. So, partnering with the Living Wage [Foundation] was really important for us to ensure that individuals get paid what they need to because of the work they've done."

<sup>&</sup>lt;sup>1</sup>https://enuf.org.uk/sites/default/files/resources/report\_covid19f oodinsecurity-final\_1\_3.pdf

<sup>&</sup>lt;sup>2</sup> Trussell Trust (May 2021), <u>State of Hunger</u> report

 <sup>&</sup>lt;sup>3</sup> All quotes in green are taken from participants at the workshops.
<sup>4</sup> https://www.livingwage.org.uk/accredited-living-wageemployers



Some businesses also offer employment programmes for particular groups (such as the vulnerably housed or those who have recently left the criminal justice system), partnering with charities who can recommend a work-ready candidate to their team. These candidates are then interviewed and potentially offered a job in a supportive store. They will be taken through workshops and counselling, being paid throughout (e.g. 14 weeks). At the end of that programme, they are usually offered a job.

"So, it's just moving beyond food in terms of trying to address poverty and looking at employment."

Making sure colleagues have access to wellbeing support as well as to financial support (including other benefits) – hence providing a rounded package of support - was felt to also be important.

"We've got a credit union, for example, to be able to support as well, so having those wrap-around services for colleagues is really important."

There is an opportunity for businesses to join up forces and collectively raise the wage standards in the food sector, and campaign together for government to make it mandatory and level the playing field.

## Work providing resources for food access initiatives

This tended to focus on a number of strands and operated a number of different scales (from local to national). Firstly, there is direct food access e.g. discount stores offered by some food businesses. Secondly, indirect food access support/ provision might involve donating food (e.g. to breakfast clubs) and partnering with (emergency) food providers; funding for food projects like start up grants for schools; and non-food support (e.g. health and safety advice).

"[We] started by just donating food. Since then, it has grown. Then we started donating money and financial grants to small grassroots charities."

Here, what is often most measured tends to be number of meals provided or tonnes of food donated, which is easier to standardise and measure at large scale.

There are challenges here, particularly in terms of the increasingly embedded emphasis on food aid and food provided in response, and a desire instead to move towards work addressing the root causes of hunger. This could include focusing on other kinds of responses (such as promoting secure incomes and livelihoods) as well as moving away from a focus on food outputs.

# Building capacity in other areas in local communities

Businesses also invest at a community level in other ways, through activities designed to build capacity. This may involve direct provision of non-food support for poverty issues (e.g. employability, skills, training), or funding for projects providing non-food support (including through foundations).

There is an opportunity for local and national charities and businesses to reflect on the nature of these relationships and their efficacy. Where businesses are keen to act as a key social investor in local community activities, dynamic relationships with local community charities will be important, where the needs and assets of a local community can be effectively communicated, and constructive solutions discussed in collaboration.

# Amplifying the voice of stakeholders and campaigners

Finally, food companies also provide resources and support for strategic partnership activity on food access issues (e.g. Marcus Rashford's Child Food Poverty Task Force) and poverty (not 'food') issues, for example working with Greater Manchester Poverty Action.

There is an opportunity for food businesses to connect to the range of campaigning and advocacy work in this area and explore with campaigning organisations where their support and resources may be most effective.

### Challenges moving forward

As the sector begins to look beyond the pandemic, more businesses are starting to think beyond the emergency response of food and money donations, towards the role they can play in long term solutions, through their practices and through working with charities, communities and food citizens.

### Finding balance between emergency and longterm responses

The pandemic has highlighted two major areas of focus: the emergency need to feed people now, and the long-term rebuilding of livelihoods, community life and food security.

# Tensions between drives to streamline and drives to reduce emergency food responses

In a drive to feed as many people as possible, efficiency of food redistribution has been the major focus to date, particularly due to increasing demands during the pandemic. This is compounded because food distribution is what food businesses excel at, and therefore where they can easily help. There is a strong call for more efficient and more coordinated redistribution of surplus food from businesses.

"Especially where we work with lots of grassroots charities that we deliver straight to, we do try and manage [the supply and demand], but if there was just more tech behind it, more integration, a better understanding of where the food is needed and where we should be delivering it to. I think that that would apply across different businesses if people were working together a little bit more to ensure that we weren't duplicating support for one charity where another charity was left without any."

There was a recognition however of the risk of deepening and entrenching the model of food surplus redistribution for emergency food aid, which was problematic and on its own would not address the root causes of food insecurity or food waste.

### Logistical difficulties linking national to local

Difficulties were highlighted in how to connect national coordination of activities to local impact. This can be exacerbated by the fact that different people in the business might manage the food charity partnership depending on the type of relationship (for example relationships with national charities can be led centrally and relationships with local charities led by individual stores).

There is often a **lack of joined-up working**. How can food businesses and food charities work (better) together? And what is the role for organisations that represent multiple businesses, such as food company trade associations?

The organisational models – both the business models and the charity models - determine the kinds of work. Large manufacturers can only typically deliver in bulk, which makes it hard to deliver small amounts to small charities. Partnerships with large charities may mean businesses cannot work with other charities. It can be hard for food businesses to reach smaller charities, so there is a tendency to only work with the largest charities.

# Obscuring long-term impacts and unintended consequences

There can be a **lack of evidence of long-term impact**. How can food businesses know what is the most effective way to help, when it can be so difficult to measure the impact of what they are doing? How should food businesses monitor what the charities are doing? Is the work aligned with a company's ethos, and how is it monitored (e.g. does the business have eligibility criteria for who can access the food)? This leads to questions around legacy and long-term implications of what food companies do. When big brands move away, what is left?

### An evolving role for business

There are questions relating to what the role of food businesses should be. Some asked how much their actions might be 'letting government off the hook'. Questions of the roles and responsibilities of different actors and institutions will be critical in shaping the post-pandemic responses to food and inequality.

"As a food company, what is within our gift."

# What can food businesses do going forward?

Learning from existing food businesses, here are some potential actions others can implement or strengthen within their own organisations:

### Role as an employer

- Use your power as an employer in addition to points noted above (e.g. living wage accreditation in operations and supply chain), suggestions included support with employability programmes.
- 2. Offer affordable and accessible good food for all e.g. staff lunches for all (subsidised, healthy food for everyone)

### Role as a charity partner

3. The future of surplus food – Businesses talked about moves to reduce food loss in supply chains and the need to maintain a focus on planning for the prevention of food surplus. Others questioned whether there were different models for turning food surplus into meals – via existing food factories increasing their shift hours slightly or by creating a separate surplus factory? Thinking differently about systems designed to re-purpose food surplus will be important. Serious concerns were raised about entrenching a model of surplus food redistribution for charitable emergency food aid.

### Role as a community-building partner

4. Shift mindsets to address root causes and build resilience – this could include listening sessions with (national and local) charity partners to understand root causes through to prevention approaches and focusing on work that is building capacity, not just responding to the emergency.

"Not just doing what we have done for the last 10 years or so. This may mean unsettling the existing charitable sector, but will lead to better outcomes for individuals in need."

5. **Transform relationships with charities** – through collaborative working and allowing both businesses and charities to challenge each other.

#### Role as a collaborator and advocate

- 6. Collaborate for greater impact whether that be partnering with academics to help with measurement and impact evaluation through to industry-wide joint action and/ or pooling resources with another business to address a mutually understood issue that is solvable.
- Advocate for structural change, including influencing policy – ideas included broad campaigning with charity partners on national policy issues relating to household food insecurity to specific support for Universal Basic Income.

"I think we're not really a front foot, leading the charge on this. We tend to do things and keep it quiet. We're actually quite modest about what we do..."

### Concluding comments

The right to food is a fundamental human right, recognised by the United Nations. With persistent levels of food insecurity, worsened by the pandemic, it is vital that meaningful work is urgently done towards realising that right for all in the UK. It is our collective responsibility that everyone can fulfil this right. This will require actors across our food, social and economic systems to ensure their practices and activities contribute meaningfully towards ensuring secure livelihoods and access to food for all. Food companies

have a vitally important role to play within this as employers, powerful actors in food systems and organisations with significant resources.

### What next?

#### Within your business:

- How are current employees looked after? In terms of wages, staff benefits and access to good food during working hours?
- How about workers elsewhere in your supply chains?
- Which department (if any) has responsibility for addressing household food insecurity? What impact does this have on your company's approach to it?
- Who should champion the issue at Board level?
- How much does your work currently focus on responding to a need (hunger) and how much does is focus on addressing root causes?
- Who manages the relationships with charity partners (are these done locally and/ or centrally)?
- What role is there for separate foundation arms of food businesses to deliver philanthropic activity?
- What support/ training do staff have? How is staff turnover at local level assuming longevity is important to build and maintain relationships?
- How invested are local staff in local community activities? How much support do they receive from head office to invest into local partnerships, both in terms of skills and time?

#### **Further resources**

#### **Other relevant Business Forum reports:**

- Beyond food charity: how can the food sector tackle household food insecurity? link <u>here</u>
- Below the breadline beyond reach? What should food businesses do to address food poverty? – link here

This is a report summarising two Business Forum workshop meetings held online on 23<sup>rd</sup> March 2021 and 27<sup>th</sup> April 2021. Dan Crossley, Executive Director chaired the meeting, with support and input from Anna Cura, Lead Systems Strategist (both at the Food Ethics Council) and Dr Hannah Lambie-Mumford, Research Fellow at SPERI (Sheffield Political Economy Research Institute), University of Sheffield, author of 'Hungry Britain: The Rise of Food Charity' & co-author of 'The Rise of Food Charity in Europe'. This workshop series is a partnership between the Food Ethics Council and the University of Sheffield. The views expressed in this report do not necessarily represent those of the Food Ethics Council, nor its members, or of the University of Sheffield. For more information on the **Business** Forum. contact Dan Crossley dan@foodethicscouncil.org +44 (0) 333 012 4147.