





Including Support for Food Redistribution in Farming Incentives

An opportunity to deliver on economic, environmental, health and social priorities

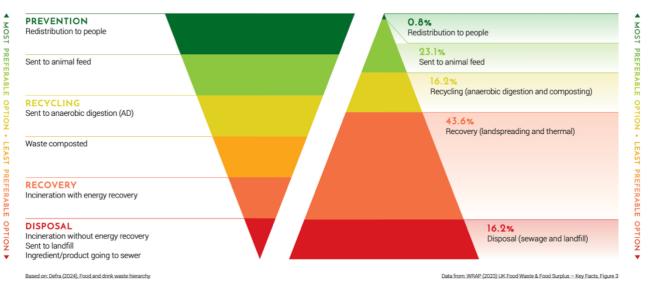
The opportunity that exists

- We're missing out: Just 4% of redistributed food comes from farms yet vast quantities of nutritious fruit and vegetables go to waste while millions across the country face food insecurity.
- The solution is ready to go and cost-effective: A new study from Argon & Co shows 120-180kt of surplus farm produce (~350M meals) could be redirected to people, for a modest investment of £10-23M, generating £90M of value in food.
- **Farmers want to help but need backing**: With fair incentives and simple logistics, farmers are willing to participate they just need the system to support them.
- Now is the moment to act: The ongoing Sustainable Farming Incentive (SFI) review is an opportunity to make redistribution part of the sustainable future of farming.
- **This isn't just good policy... it's common sense**: Integrating redistribution into SFI would tackle waste, feed people and reward farmers, delivering on economic growth, environmental, health and social priorities all at once.

Context: Reforming the SFI

WHERE SURPLUS FOOD SHOULD GO

The SFI is currently under review, creating a timely opportunity to reimagine its purpose – not only to reward environmental stewardship, but also to ensure publicly funded schemes deliver public good. Redistributing edible surplus aligns strongly with that principle, reducing waste and increasing accessibility and affordability of fresh food. At present, despite the government's Food Waste Hierarchy (below), **less than 1% of surplus food is redistributed to people**.



VS WHERE SURPLUS FOOD ENDS UP







Economic Impact

This policy has the potential to unlock **£90M in food value** for frontline organisations working to alleviate poverty, supporting the resilience of the voluntary sector and making a material difference to households facing hardship. It would also provide a source of **additional income to farmers** (£0.5–1.1M) at a time when many are contemplating their future in the sector.

Environmental Impact

Incorporating farm-level redistribution into farming incentives would help realise Defra's ambition for **Britain's zero-waste economy**, prioritising food for people over anaerobic digestion (AD) or landspreading. While this may decrease feedstock to AD, the emissions benefit of shifting more consumption to domestically grown produce and away from imports (which make up <u>40% of UK food</u>) is likely to be significant. This policy would also help **boost national food security**, a vital aspect of national security.

Health and Social Impact

The need for increased access to fruit and vegetables is urgent. According to the DHSC, just <u>9% of children aged 11–18 and 17% of adults</u> meet the recommended 5-a-day target. The Felix Project specializes in redistributing fresh fruit and vegetables, with <u>50% of food delivered to the most deprived 20% of neighbourhoods</u>. In addition to **public health benefits**, this policy would strengthen the **community circular economy** by providing much-needed food to grassroots organisations across the country.

Summary

The UK Government has an opportunity to deliver against multiple priorities by including support for surplus food redistribution in future farming incentives.

- Value for money: A modest investment of £10-23M could deliver £90M worth of food to frontline charities across the country.
- **Food security**: Making sure more UK-grown food reaches people would increase supply chain resilience, reducing reliance on imports from abroad.
- **Zero-waste Britain:** Incentivising redistribution would help farmers work towards making the Food Waste Hierarchy a reality.
- **Getting nutritious food to people who need it most**: This policy will help deliver fresh, nutritious fruit and vegetables to the UK's most deprived communities.

For further details, please click <u>here</u> or scan the QR code to read the full report or contact Dan Byam Shaw (<u>dan@thefelixproject.org</u>).



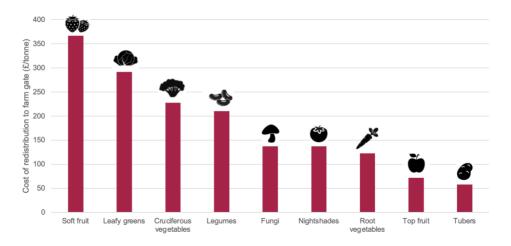






Appendix: How would the scheme work in practice?

- **Defined Geographic Scope aligned to SFI**: Incentive applies only to produce grown in England, aligned with SFI scheme limitations.
- **Nine Key Crop Types:** Differential rates paid for crops including potatoes, root vegetables, top fruit and leafy greens, averaging £100 per tonne.
- Multi-Year Agreement to provide certainty: Farmers sign up for a 3-year term and receive an annual retainer (~£500) to cover admin and coordination costs.
- **Eligibility and Verification**: Only edible surplus (as verified by the redistributor) qualifies for payment. Farmers must sort food before collection.
- **Payments to Farmers**: Quarterly payments made at per-tonne rates, based on crop category, to support cash flow and cover handling costs (plus a 5% margin).



Cross-Sector Collaboration

This policy has been developed in collaboration with colleagues from across the farming and food sectors, and has also been supported in a private letter to the Secretary of State by business sector leaders.

- **The Felix Project** is London's largest food redistribution charity, with a vision of a London where good food is never wasted and no-one goes hungry.
- **FareShare** is the UK's largest charity fighting hunger and food waste, saving good food from going to waste and redistributing it to frontline charities.
- **Argon & Co** is an award-winning business management consultancy firm specializing in operations, procurement, supply chain planning, sustainability and more.