# TOWARDS AN INCLUSIVE, LOW-CARBON FOOD SURPLUS SECTOR: RECOMMENDATIONS FOR UK POLICYMAKERS

### **KEY MESSAGES**

- High levels of food waste in the UK supply chain generate 5% of the UK's total greenhouse gas (GHG) emissions and undermine climate goals. For the UK to meet 'net zero', the priority action should be to prevent surplus food from being produced in the first place. The second priority should then be supporting the food surplus sector to effectively redistribute food waste that cannot be prevented.
- Better policy-making at local and national levels in support of a circular economy, waste management, education, and employment can create opportunities to make use of surplus food and create employment and skills training.
- Introducing mandatory food waste reporting and food
  waste reduction targets (that include on-farm waste) for
  businesses will be key for achieving the UK's goal of halving
  food waste by 2030, in line with Sustainable Development Goal (SDG 12.3). For
  faster-paced food waste reduction, the food use hierarchy should be enshrined into
  law and enforced through fiscal and regulatory measures.
- To support circular economies and inclusive employment, national and local strategies to support social enterprise, such as Scotland's Social Enterprise Strategy 2016-2026, should be created. Job programmes to get people back into work, including within food surplus organizations, must be designed in a way that is inclusive of marginalised communities.







### SUMMARY OF POLICY RECOMMENDATIONS

- Introduce mandatory food waste and reduction targets in line with UK objective to reduce food waste by 50% by 2030 against a 2015 baseline
- 1.1 Introduce mandatory food waste measurement (that includes on-farm waste) and reporting for businesses, with provisions to support SMEs
- Adopt a methodology to measure food waste that

   i) includes on-farm waste, ii) assumes an ambitious 2015 baseline from which to
   measure progress, and iii) integrates support for non-mandatory data collection
   methods from small and medium-sized enterprises.

### 1.2 Introduce mandatory food waste reduction targets for large food businesses

- In line with SDG 12.3, adopt a mandatory target of 50% food waste reduction by 2030 that applies to all large businesses and both edible and inedible waste, supported by financial penalties for and transparent data on non-compliance.
- Put in place the regulatory, fiscal, and enforcement regime to operationalise the food use hierarchy, in accordance with the 'polluter pays' principle
- To prioritise food waste prevention, enshrine the food use hierarchy into law and operationalise it through regulatory and fiscal policies that expand funding for activities that focus on food waste prevention and disincentivise activities at lower levels of the pyramid.
- 3. Strengthen legal and policy measures to equalise cross-supply chain power relations
  - In tandem with 'polluter pays' policies, enact measures to equalise power relations in the food system and hold supermarkets responsible for the waste across their entire supply chains, such as strengthening the Groceries Code Adjudicator.
- Create national social enterprise strategies with clear activities and targets to support the inception, development, and sustainability of social enterprises
- Create a national social enterprise strategy that promotes a thriving social economy and identify mechanisms for social enterprises to access sustainable financing—particularly for women, LGBTQ2+, and BPOC founders who may face additional barriers to accessing capital.
- 5. Provide financial incentives for social enterprises to encourage start-up and sustainability
  - In recognition of their benefits to society, help social enterprises to start up and become financially sustainable by providing them with tax breaks (similar to those for registered charities) or other forms of support.
- Strengthen job programmes for people who face barriers to accessing the labour market (while considering the specific needs of women, BPOC, and neurodiverse people) and improve incentives for joining social impact organisations
- 6.1 Reduce the administrative burden and delays associated with job programmes
- Ensure that job programmes to support people far from the labour market emphasize placement in social enterprises and make hiring as smooth for candidates and organisations as possible.
- 6.2 Mainstream gender equity, anti-racism, and social inclusion into job programmes
- Job programmes should be designed to explicitly account for the specific needs
  of women, LGBTQ2+, BPOC, non-national, and neurodiverse job seekers,
  including by supporting part-time as well as full-time work and providing
  employers with guidance on how to ensure accessible and inclusive workplaces.

### ${\it 6.3 Incentivise job\ programme\ placement\ in\ the\ social\ impact\ sector}$

- Incentivise more people on Universal Credit to join the social sector by allowing job programmes to promote or reward placement in a social organisation.
- Integrate education on food waste and the social economy into schools curricula and public awareness campaigns across the UK
- To capitalise on the opportunities presented by youth activism and reduce the burden of knowledge sharing on advocacy organisations, school curricula, and public awareness campaigns should incorporate topics related to food waste and social business.

### **BOX 1: KEY TERMS**

**AD:** Anaerobic digestion

**BPOC:** Black people and people of colour

**CIC:** Community Interest Company, a business legal structure commonly used by social enterprises in the UK

**FLAVOUR:** Food surplus and Labour, the Valorisation of Underused Resources', a regional food surplus and inclusive jobs project funded by the EU's Interreg 2 Seas Mers Zeeën 2014-2020 programme

**Food use hierarchy:** A tool ranking preferable outcomes for would-be-wasted food. The first priority is preventing food surplus from occurring; the second is to redistribute surplus food for human consumption; the third, to use it for animal feed, then followed by nutrient recycling, energy recovery, and then disposal (see Figure 1).

**Inclusive jobs:** Jobs that value, encourage, and promote account for diversity, across axes of identity such as employment status, ability, neurodiversity, gender, sexuality, ethnicity, race, class, and religion.

**'Polluter pays' principle:** a principle that holds the entity producing pollution responsible for paying for the damage or costs of offsetting that damage.

**Revalorisation:** The process by which surplus food is transformed into a value-add product.

**Real Living Wage:** A rate of pay based on what workers actually need to meet their everyday needs as calculated by the Resolution Foundation for the Living Wage Foundation

**SDG:** Sustainable Development Goal to be achieved by 2030

**SMEs:** Small-to medium enterprises

**Social enterprise:** a business with a positive social objective, that dedicates its work and profits towards achieving that social objective.

**Social economy:** The sector of the economy that includes cooperatives, mutual societies, non-profit associations, foundations and social enterprises that intend to create profits for people other than owners or investors.

**Systems thinking:** an approach to viewing the behaviour of a system as an interplay of interacting subsystems, rather than as a simple chain of cause-effect relationships.<sup>1</sup>

#### FIGURE 1: THE FOOD USE HIERARCHY

### **MOST PREFERABLE OPTION** Prevention · Waste of raw materials, ingredients and product arising is reduced - measured in overall PREVENTION redution in waste • Redistribution to people · Sent to animal feed Recycling · Waste sent to anerobic digestion; or · Waste composted Recovery · Incineration of waste with energy recovery **Disposal** Waste incinerated without energy recovery Waste sent to landfill • Waste ingredient/ product going to sewer LEAST PREFERABLE OPTION

Source: Sinclair-Taylor et al., 2020.<sup>2</sup>

### FOOD WASTE PREVENTION AND REDISTRIBUTION: AVOIDING CONFLATION

When using the food waste hierarchy, it is essential to avoid conflating food waste prevention and food redistribution. Although surplus food that is redistributed is not categorised by the hierarchy as waste, it is still not the ideal outcome. The priority of all food waste action should be to prevent food waste from arising in the first place. Prevention has the greatest environmental potential and avoids legitimising the redistribution of surplus food as a solution to both food waste and food insecurity, rather than tackling the root causes of these issues.

### INTRODUCTION

Food is a key climate issue, with the global food system accounting for approximately 30% of all human-generated greenhouse gas (GHG) emissions.<sup>3</sup> The colossal scale of food waste, responsible for around 6-8% of all human-generated GHG emissions, means that a significant chunk of these emissions is expended for nothing.<sup>3</sup> In the UK alone, around 9.5 million tons of food waste was generated in 2018, 70% of which was intended for human consumption. This accounts for approximately 5% of the UK's total GHG emissions.<sup>4</sup>

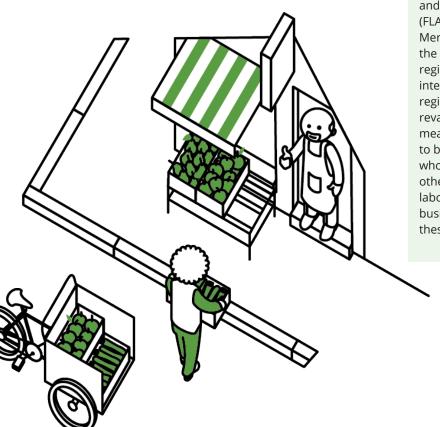
The food sector is a key part of the economy. As the largest manufacturing sector in the UK, the food sector employed 4.1 million people in 2019 (amounting to 13% of total UK employment). In 2019, over half of the jobs in the food sector were part-time, and women accounted for 56% of positions in food retailing. It also employs many non-national seasonal workers, who are key to the function of the fruit and vegetable sector. This suggests that the sector is critical towards supporting society's most vulnerable workers. But food workers were severely impacted by the adverse effects of the COVID-19 pandemic, with many finding that the government's furlough scheme was their only protection from long-term unemployment. This phenomenon, of course, has not been limited to the food sector; many people in the UK have found themselves out

of work since March 2020. Employment rates are slowly recovering but continue to lag behind levels seen prior to the pandemic.<sup>7</sup>

While these conditions are uniquely challenging, current policymaking has not begun to address the pandemic and accelerating climate crisis in an integrated way. There is potential to both increase measures to prevent food waste in the first place and support organisations to employ vulnerable workers to repurpose surplus food that does arise. As it currently stands, food waste redistribution in the UK largely falls onto charities and social enterprises8. The scale of food they move is significant: In 2020, nearly 740,000 tons of food surplus from manufacturing, retail and hospitality, and food service (HaFS) was redistributed by commercial and charitable routes in the UK.9 This suggests that supporting their efforts to reduce food waste will be key for the UK to reach net zero. Policies designed to help the social economy to reduce food waste can simultaneously create inclusive jobs for vulnerable workers. This brief makes a series of recommendations to achieve these goals based on the experiences of the FLAVOUR project, an innovative regional project designed to tackle food waste and reduce the number of unemployed people living with food insecurity (Box 2).

### **BOX 2: THE FLAVOUR PROJECT**

This policy brief highlights policy recommendations for UK policymakers based on the work of the 'Food surplus and Labour, the Valorisation of Underused Resources' (FLAVOUR) project funded by the EU's Interreg 2 Seas Mers Zeeën 2014-2020 programme. With partners in the UK, France, and Belgium, FLAVOUR is an innovative regional project designed to tackle food waste in an integrated way and to share findings with others in the region. It seeks to systematise the redistribution and revalorisation of food surplus while creating pathways to meaningful employment for people who are considered to be socially or economically vulnerable, including those who are neurodiverse, from a BPOC background, or otherwise facing personal or structural barriers to the labour market. FLAVOUR also works to identify the ideal business models and policy environment for achieving these objectives.



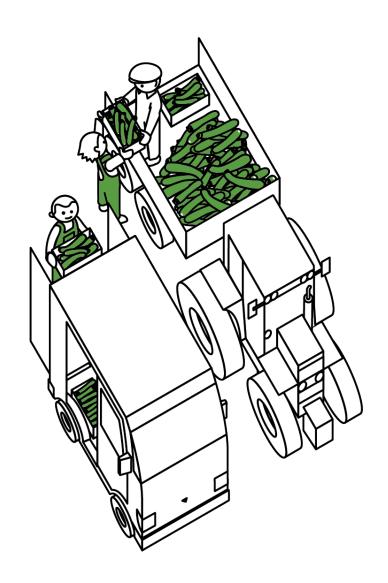
# WHAT IS THE ROLE OF THE SOCIAL ECONOMY AND SOCIAL ENTERPRISE IN DELIVERING A CIRCULAR FOOD ECONOMY AND BETTER JOBS?

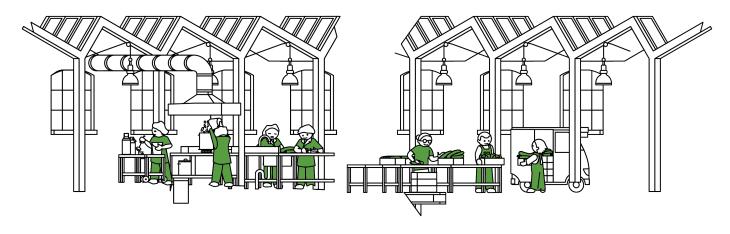
The social economy is the sector of the economy that includes social enterprises, as well as cooperatives, mutual societies, non-profit associations, and foundations. These entities operate with the aim of prioritising people and social and/or environmental purpose over profit and reinvest most profits back into activities that benefit members/users or society at large.<sup>10</sup>

This brief focuses chiefly on the role of social enterprises in the social economy. Broadly speaking, social enterprises are businesses with positive social and/or environmental objectives that dedicate their work and profits towards achieving those objectives. In the UK, a social enterprise has no clear legal definition but is seen as a 'way' of doing business. There are an estimated 100,000 social enterprises in the UK, collectively employing over 2 million people and contributing over £60 billion to the UK economy.<sup>10</sup>

Social enterprises have been found to provide more inclusive jobs through their work. With 47% of social enterprises being led by women, 31% having directors from Black, Asian and other minority backgrounds, and 76% paying a real living wage, social enterprises in the UK also demonstrate a firm commitment to necessary and urgent social change. <sup>10</sup> Having demonstrably diverse leadership in the UK social sector is particularly valuable when it comes to activities related to food. Culturally acceptable food is a key component of food security, and inclusive social enterprises can serve their communities more effectively and equitably.

A 2020 study by the European Network of Social Integration Enterprises (ENSIE) of nearly 400 social enterprises aiming to provide jobs to vulnerable workers in 10 European countries found that among 10,136 disadvantaged workers (40% of whom were women), 80% went on to find employment.<sup>11</sup> Up to 35% of these social enterprises were active in the food, restaurant, or canteen sector. This demonstrates that food or food-related businesses adopting or starting with social enterprise business models can contribute to building a greener, fairer economic model that tackles food waste more effectively.<sup>11</sup>





# THE CASE FOR POLICY IN SUPPORT OF THE SOCIAL ECONOMY AND AN INCLUSIVE FOOD SURPLUS SECTOR

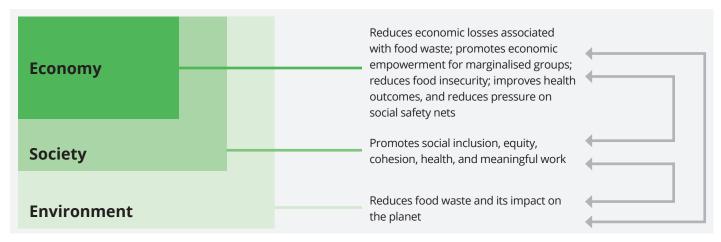
Responding to both the climate crisis and the COVID-19 pandemic requires innovative and synergetic policy solutions. There are real opportunities in taking an integrated policy approach to support programs and initiatives that address both food waste and labour market exclusion.

Firstly, the imperative for the UK to tackle food waste through stronger measures than the current voluntary reporting and reduction schemes is increasing. The UK has long seen itself as a trailblazer on voluntary food waste action by businesses: in the wake of Brexit, it is well-positioned to implement more ambitious food waste prevention measures in order to deliver on climate goals. The forthcoming government white paper in response to the National Food Strategy for England (see Box 3: 'The National Food Strategy for England'), which will include a consultation on mandatory food waste reporting by businesses, presents opportunities to strengthen policies related to food waste prevention and reduction.

Inclusive employment can be used as a mechanism to simultaneously work towards food waste goals. Food distribution and revalorisation platforms in the UK, including FLAVOUR pilot projects (see Figure 3), have proven their effectiveness to provide meaningful employment while preventing food surplus from being wasted. With job vacancies in the UK currently at an all-time high and apprenticeship placements falling, there is a strong incentive to create policies that support social enterprises working on food waste to employ vulnerable workers. 12,13

The progress made by the FLAVOUR project, despite challenges related to COVID-19, demonstrates the significant potential of the food surplus sector to achieve social and climate objectives.<sup>a</sup> Research and data gathered by FLAVOUR highlight that this type of socially inclusive innovation thrives only if cross-cutting policy action is taken to reduce barriers to effective food redistribution and social employment.

### FIGURE 2: TRIPLE-LAYER BENEFITS OF A THRIVING FOOD SURPLUS SECTOR



Credit: Feedback, 2022

### **BOX 3: THE NATIONAL FOOD STRATEGY FOR ENGLAND**

The National Food Strategy for England is an independent review of, and recommendations for, English food policy. Chaired by Henry Dimbleby, covers a wide range of food systems issues, including several themes that are directly relevant for addressing food waste and improving access to work in the food surplus sector. Released in two parts (July 2020 and July 2021), it mentions food waste and makes recommendations for mandatory food waste measurement, as well as making some relevant recommendations on increasing access to healthy diets. However, there is little focus on the possible benefits of a more circular food economy for employment. <sup>14,15</sup> In January 2022, the government is expected to present its white paper in response to the independent strategy review, which will lay out priorities for policymaking. Dimbleby has stated that policymaking related to the strategy will be taking place in 2023-2024. This means that there is time and scope to bring food surplus, and circular economy and jobs measures, more firmly into the picture.

a By the end of the project in 2022, FLAVOUR aims to have increased the employability of 250 persons who are 'far from the labour market'; created 50 new jobs; have 30 social enterprises start to distribute and/or process food surplus, and to redistribute 4,000 tonnes of surplus and process 300 tonnes of surplus.

#### FIGURE 3: FLAVOUR PILOTS AND THEIR LESSONS LEARNED

FLAVOUR has 10 partners in the UK, France, and the Flanders region of Belgium: Feedback Global, Fareshare Sussex, Brighton & Hove Food Partnership, Plymouth Marjon University, Panier de la Mer, HERW!N, City of Brugges, City of Mechelen, Milieu & Werk, and Vives Hogeschool. These partners are involved in 10 pilot projects, which focus on creating innovative socio-economic business models for redistributing food surplus or processing it into revalorised products. Employing people who were previously unemployed or face barriers to accessing the labour market is an important part of these business models. The table below summarises some of the pilot projects and their key learnings so far.

#### The UK Belgium (Flanders region) **France Pilots** GLEANING BRU Fanco NETWORK GGE **Partnership** The Surplus Food Network Foodsavers Brugge (City of Brugge): Panier de La Mer: processes surplus (Brighton & Hove Food Partnership) fish for catering and into long-life leads a food redistribution platform collaborative pilot: coordinating products while providing employment redistribution initiatives around to vulnerable workers Brighton **Foodsavers Mechelen (City** of Mechelen): leads a food redistribution platform Fareshare Sussex: runs an experimental kitchen for revalorised products and shares learnings across the FareShare UK network Milieu & Werk: leads the Foodsavers Zuiderkempen food redistribution platform Sussex Surplus (Feedback): takes fresh and surplus food in danger of being wasted and transforming it into soup and community meals, while working with communities to develop City of Antwerp: scaling up a food employment opportunities redistribution platform The FLAVOUR Kitchen (Brighton & Hove Food Partnership): processes

#### Select lessons learned

 Burden of education on food waste and social enterprise falls largely on NGOs

surplus food in a community kitchen

- Hiring government-subsidised employees under the Kickstart scheme can result in delays due to the number of agencies involved and rigid referral processes
- The continued 'charitisation' of the food redistribution sector (relying on volunteers and grants to operate, a legacy of food aid historically being seen as the remit of charities) puts organisations in a precarious position of relying on volunteer labour and being dependent on external funding
- Mandatory food waste redistribution laws can pose challenges to food redistribution platforms without adequate investment in infrastructure and staff
- Unequal power dynamics between food surplus redistributors and large supermarkets make it difficult for redistributors to assert their legal rights
- Food labelling laws set by the federal agency for food safety, FAVV, pose challenges for redistribution platforms when food is received in a bulk donation with one dossier
- Current government policy on green energy incentivises AD over food donation
- Government-subsidised positions are filled without input from redistribution organisations themselves, resulting in poor profile-position matches

# A FRAMEWORK FOR INTEGRATED POLICYMAKING ON FOOD WASTE, FOOD SURPLUS, AND THE SOCIAL ECONOMY

Integrated policymaking in the area of food waste and inclusive jobs is an effective mechanism to strengthen the social economy and incentivise proper following of the food use hierarchy. However, expanding food surplus redistribution efforts is not a systemic solution to poverty, food insecurity, or climate change. This is evidenced by new research on the future of food surplus redistribution in the UK, which concludes that food surplus redistribution paradoxically reinforces the same issues it attempts to solve. We, therefore, propose the following hierarchy for policy action:

- First, enact policy to prevent food waste from occurring
  in the first place. This includes policies that address
  the root causes of surplus food production (such as
  requiring contracts with farms to be based on hectarage,
  rather than tonnage, and facilitating more and stronger
  partnerships between government, social enterprise,
  farmers, and communities), as well as setting ambitious
  food waste reduction targets that are underpinned
  by actions to ensure food waste is transparently and
  properly measured.
- Secondly, enact policy to facilitate the optimal redistribution of food surplus that cannot be prevented from occurring, such as by mandating the use of the food use hierarchy (see Figure 1) in accordance with the 'polluter pays' principle.
- 3. Thirdly, ensure that policies related to food redistribution create an enabling environment for social enterprises working with food surplus to support other social objectives, such as providing employment to people who face barriers to accessing the labour market. Policies to support inclusive jobs in the social sector must be complemented by more systemic policy changes to strengthen social safety nets, such as establishing a minimum living wage.

## POLICY AREAS RELATED TO AN INCLUSIVE FOOD SURPLUS SECTOR

Given the number of policy areas relevant to enabling inclusive employment in the food surplus sector, policymakers should take a systems-thinking perspective on food waste and labour market issues. This means working across departmental silos to understand opportunities, challenges, synergies, and tradeoffs. Below are the policy areas considered in this brief.

- Food policy
- Food waste and general waste policy
- Fiscal policy
- Agricultural policy
- Environmental and climate policy
- Labour market policy
- Social enterprise policy
- Education policy
- · Public procurement

In some cases, these policy areas may intersect (e.g., fiscal policies aimed to stimulate the social enterprise sector) and therefore these categories should not be considered mutually exclusive nor categorically exhaustive. Within each category, there are different policymaking approaches one could take to enact change (see Figure 4).

These areas of policymaking can take place at different levels of government: for example, food waste policy is created at a national level, while circular economy policy and public procurement policy may be enacted by municipalities. However, to standardise goals and facilitate action, it is important that the right national frameworks are in place across the UK with as much harmony in both means and ends as possible. The National Food Strategy for England presents an opportunity to articulate objectives that serve as a blueprint for the whole of the UK.

### FIGURE 4: APPROACHES TO POLICYMAKING RELATED TO FOOD SURPLUS AND INCLUSIVE JOBS

Change incentives that drive Provide systems of rules or objectives supported by legal individual and business behaviour Subsidies for food waste instruments Regulatory **Economic**  Mandatory FLW plans and targets reduction or redistribution • Landfill bans on food waste approaches Subsidies to employ approaches · Legal obligation to donate disadvantaged workers surplus food · Tax and tax concessions Do not use legal instruments or Shift or share decision-making or direct economic incentives authority to provide services · Education programs • Food donation infrastructure **Persuasive**  Campaigns Governance • Public databases · Voluntary agreements and • Reducing administrative approaches approaches efforts to access government labelling schemes Guidelines employment schemes • Training

Credit: Feedback, 2022. Adapted from EU FUSIONS (2016)<sup>17</sup> and the Government of British Columbia (2020)<sup>18</sup>.

### **POLICY RECOMMENDATIONS**

As defined in our framework for policymaking, to enable a thriving food surplus sector policymakers must first seek to prevent food waste, and then enable effective redistribution and revalorisation by promoting inclusive employment in food surplus organisations. Therefore we recommend policymakers take the following steps:

# 1. INTRODUCE MANDATORY FOOD WASTE AND REDUCTION TARGETS IN LINE WITH UK OBJECTIVE TO REDUCE FOOD WASTE BY 50% BY 2030 AGAINST A 2015 BASELINE

# 1.1 Introduce mandatory food waste measurement (that includes on-farm waste) and reporting for businesses, with provisions to support SMEs

The UK government has indicated that it will likely introduce mandatory food waste reporting requirements for England, following a consultation that will run in parallel to the release of its White Paper in response to Henry Dimbleby's National Food Strategy for England.<sup>19</sup> In line with UK and SDG goals of reducing food waste by 50% by 2030, FLAVOUR recommends adopting a food waste measurement methodology that interprets SDG 12.3 as a whole-of-supply chain goal (and therefore including primary production), in line with the best practices recommended by Champions 12.3, and using the more ambitious baseline of 2015, when the SDGs came into effect. Given that small and medium-sized enterprises (SMEs) constitute nearly 25% of the UK food producers and manufacturers but may struggle to bear the cost of reporting themselves, we recommend that SMEs be included in measurement schemes through alternative measures such as government-funded studies and/or voluntary reporting.20

To capitalise on the current voluntary food waste reporting by businesses, new mandatory reporting measures should build upon existing voluntary processes and structures. Data must be made publicly available from a centralised database that allows for accurate comparison and tracking. Consistent, accurate and transparent estimations of food waste levels are critical to ensure that food surplus organisations have the adequate capacity and infrastructure to sustain their operations. Reporting methodologies should be harmonised across countries in the UK as much as possible.

Primary production at large and medium-sized farms must also be included in mandatory measurement and reporting. Research by WRAP based on proxy data indicates that more food may be wasted at primary production than in UK HaFS sectors combined, at approximately 2.0 million tonnes per year (within an estimated range of 0.6-3.5 million tonnes).9 FLAVOUR's work also evidences that too much waste continues to be produced on farms: In 2017, Feedback's Gleaning

Network rescued 92 tonnes of fresh fruit and vegetables from UK farms across 5 counties, the equivalent of 1.15 million portions. In 2021, the FLAVOUR-funded Gleaning Network rescued 13.75 tonnes of on-farm surplus in Sussex alone. Drivers of on-farm food waste are varied and can be unpredictable, however measurement and reporting is undoubtedly the first meaningful step towards prevention.

Businesses who already have food waste data available and have to date been reporting privately to WRAP, or not reporting at all, should be required to publicly report this data as soon as possible. Large businesses that have yet to generate food waste data should be required to measure their food waste in 2023 and report this publicly no later than 2024.

## 1.2 Introduce mandatory food waste reduction targets for large food businesses

The UK has long been seen as a leader on ambitious action to reduce food waste. The EU is currently conducting consultations on the ideal formulation of mandatory food waste reduction targets for its member states (MS) in a forthcoming directive and it is likely that some states will make use of reduction targets for businesses as part of their transposing of this directive into national law. As proposed in the 2018 Waste and Resources Strategy, the UK has the opportunity to act on the issue now. In line with SDG 12.3, we suggest implementing a mandatory 50% food waste reduction by 2030 target for large businesses. This target should encompass both edible and inedible food waste; WRAP's current methodology accounts only for edible food waste, which does not prevent overproduction in the supply chain.

These targets must be underpinned by financial penalties for non-compliance. Data on non-compliance must be made publicly available in a central database as part of the measurement and reporting scheme. To reduce barriers related to implementation and enforcement, these targets should be harmonised across countries in the UK. Farms should not be included in reduction targets until issues related to power imbalances and unfair trading practices by producers and supermarkets are solved systemically. Small businesses should also be exempt from punitive measures and instead provided with support through toolkits and targeted guidance.

# 2. PUT IN PLACE THE REGULATORY, FISCAL, AND ENFORCEMENT REGIME TO OPERATIONALISE THE FOOD USE HIERARCHY

In accordance with the 'polluter pays' principle<sup>b</sup>, the food use hierarchy (see Figure 1) should be enshrined in law and operationalised through regulatory and fiscal policies. FLAVOUR

b In implementing policy in support of the principles of 'polluter pays', policy should also consider evidence of rebound effects in food waste reduction efforts in the context of continued economic growth: in this case, the possibility that money businesses save by reducing food waste is instead invested into expanding production or other areas that have a negative environmental or social impact.<sup>21</sup> Studies have shown that the rebound effect may reduce potential emissions savings from food waste reduction by up to half—suggesting that ambitious action to achieve net zero by 2050 may be undermined by a growth paradigm of constantly increasing GDP.

partner Feedback has put forward clear recommendations for the UK to increase the costs of lower stages of the food waste hierarchy in their 2020 report, 'When there's no waste, there's a way (to net zero)'). These recommendations include expanding funding for activities that focus on food waste prevention, potentially utilizing an increase on taxes on sending food to incineration or to landfill; creating a minimum floor price for AD gate fees; and instituting a ban on landfill and incineration by 2030. Enforcing the food use hierarchy should also entail supporting organisations focused on food waste redistribution but only inasmuch as redistribution neither distracts from prevention, nor from the institution of policies to reduce inequity and strengthen social safety nets.

# 3. STRENGTHEN LEGAL AND POLICY MEASURES TO EQUALISE CROSS-SUPPLY CHAIN POWER RELATIONS

Measures to equalise power relations in the food system must be strengthened in order to ensure that responsibility for following the food use hierarchy is fairly distributed across the entirety of the supply chain.<sup>16</sup> Both manufacturers and farmers are subject to unfair trading practices (UTPs) such as last-minute order cancellations, resulting in food wasted by no fault of their own. This has implications for how the 'polluter pays' principle should be applied. Policy actions should hold supermarkets responsible for the waste across their entire supply chains and to avoid penalising the wrong actors for food waste creation. Options include reviewing agricultural subsidies and food governance structures that enforce retail concentration; strengthening the Groceries Code Adjudicator by ensuring it has better funding and enforcement powers, and extending its remit to cover indirect suppliers and to explicitly tackle behaviours that lead to food waste (like the tightening of cosmetic specifications); and requiring contracts between manufacturers and farmers to be based on hectarage rather than tonnage.

# 4. CREATE A NATIONAL SOCIAL ENTERPRISE STRATEGY WITH CLEAR ACTIVITIES AND TARGETS TO SUPPORT THE INCEPTION, DEVELOPMENT, AND SUSTAINABILITY OF SOCIAL ENTERPRISES

The UK government should create a national social enterprise strategy for England that lays out a clear definition of what constitutes a social enterprise, conducts baseline research on the sector, identifies mechanisms to access sustainable financing—particularly for women, LGBTQ2+, and BPOC founders who may face additional barriers to accessing capital—and increases public knowledge on the benefits of social enterprises. As seen with Scotland's Social Enterprise Strategy 2016-2026, this type of strategy, underpinned by concrete action plans, can play a key role in enabling a thriving social sector.

The social sector plays a key role in the UK's economy: according to Social Enterprise UK there are over 100,000 social enterprises throughout the country, contributing £60 billion to the economy and employing two million people. 10 It's also a

sector that is growing fast: over 40% of UK social enterprises are under five years old, compared to 14% of SMEs more widely. <sup>10</sup> UK social enterprises reporting impressive figures regarding diversity in leadership, economic impact on marginalised communities, pay levels, and employment of people who faces barriers to accessing the labour market. <sup>10</sup> The social economy brings particular value to policy intending to address food waste and increase the availability of suitable work for people further from the labour market by prioritising these environmental and social outcomes over financial profits or returns.

In exchange, the social economy needs strong regulatory support and enabling frameworks. Financial sustainability remains a challenge, particularly in economically marginalised areas of the country, and many organisations working on food surplus are forced to rely on charity and volunteers. A national social enterprise strategy would legitimise the existing evidence that social enterprises are good for both society and the economy, spur critical research and innovation, and facilitate channels of communication between social enterprise representatives and government leaders. <sup>22</sup> In absence of a national strategy, municipal governments can also play a role in laying out local action plans for the circular and social economy on a smaller scale, as exemplified by the Plymouth Resurgam COVID-19 recovery charter. <sup>23</sup>

### **BOX 4:** SCOTLAND'S SOCIAL ENTERPRISE STRATEGY

Scotland's Social Enterprise Strategy for 2016-2026 sets out a "wide-ranging, ambitious, and long-term programme" to support Scotland's social enterprise sector. It lays out a clear pathway to stimulating social enterprise activity, strengthening organisations, and capitalising on market opportunities. Most importantly, it frames social enterprise as central to achieving its vision of a fair society and inclusive economy. To deliver on these goals, the strategy is accompanied by three-year action plans that lay out specific objectives and ways for measuring success within the given timeframe.<sup>24</sup> It was developed in consultation with hundreds of Scottish social enterprises.

# 5. PROVIDE FINANCIAL INCENTIVES FOR SOCIAL ENTERPRISES TO ENCOURAGE START-UP AND SUSTAINABILITY

Fiscal incentives in the form of tax breaks or other support should be offered to promote the start-up and sustainability of social enterprises below a certain turnover threshold. Financial sustainability is a key challenge faced by social enterprises, including food surplus organisations, across the UK. Currently, a commonly used business structure of social enterprises in the UK, the Community Interest Company (CIC), is not eligible for the same tax reliefs or fiscal support that charities receive. Registered charities, on the other hand, do not pay corporation and other taxes and require structures of leadership and decision-making that are often challenging or incompatible with the effective operation of entrepreneurial social business.<sup>22</sup>

This binary distinction between business and charity is unable to accommodate the rapid growth of the social enterprise sector and according to research may "function as a constraint of the contribution of social enterprise to the common good".<sup>25</sup> Indirect support schemes like the Social Investment Tax Relief (SITR) have so far had a limited impact, generating just £3.4 million of investment in its first two years of operation (2014-16) against an original goal of £500 million in five years.<sup>22,26</sup> Other methods of supporting social enterprises with mechanisms to avoid unfair competition should therefore be urgently considered.

# 6. STRENGTHEN JOB PROGRAMMES FOR PEOPLE WHO FACE BARRIERS TO ACCESSING THE LABOUR MARKET (WHILE CONSIDERING THE SPECIFIC NEEDS OF WOMEN, BPOC, AND NEURODIVERSE PEOPLE) AND IMPROVE INCENTIVES FOR JOINING SOCIAL IMPACT ORGANISATIONS

## 6.1 Reduce the administrative burden and delays associated with job programmes

Job programmes to support people who face barriers accessing the labour market should endeavour to make hiring as smooth for candidates and organisations as possible. Food surplus organisations rely heavily on volunteers, yet unemployment levels in the UK are high. Each problem can clearly be used as a solution for the other. The now-expired Kickstart scheme, launched during the pandemic to provide funding for new jobs for people ages 16 to 24 on Universal Credit (UC), only met half of its target number of young unemployed adults moving into work.<sup>27</sup> FLAVOUR pilots reported administrative barriers and delays in hiring with the Kickstart programme due to the high number of government agencies involved and a rigid referral process that prevented organic recruitment. Any replacement should be designed with the principle of subsidiarity in mind: the lowest level of local offices and the fewest number of actors as possible should be involved in processing of employment contracts. With apprenticeship placements currently lagging, the government should move quickly on designing a more effective new scheme.13

## 6.2 Mainstream gender equity, anti-racism, and social inclusion into job programmes

Job programmes should be designed to explicitly account for the specific needs of women, LGBTQ2+, BPOC, non-national, and neurodiverse job seekers. Employers receiving workers from job schemes should be provided with guidance on how to ensure accessible and inclusive workplaces. All job programmes should support part-time as well as full-time work in order to account for the gendered dynamics of paid employment. FLAVOUR pilots in the UK have reported administrative difficulties in hiring disadvantaged workers on a part-time basis. Before the pandemic, 5.9 million UK women were working part-time, and since the start of the first COVID-19 lockdown UK mothers are 1.5 times more likely than fathers to have either lost their job, and are also more likely to have been furloughed;<sup>28</sup> care responsibilities

mean they may require targeted and flexible options to reenter the workforce.

## 6.3 Incentivise job programme placement in the social impact sector

More people on Universal Credit should be incentivised to join the social sector through job programmes that promote or reward placement in a social organisation. This would improve the financial and operational sustainability of social enterprises and reduce the "capture" of subsidised employees by big business. The Future Jobs Fund (FJF), a predecessor to the Kickstart scheme introduced during the 2009 economic recession, required state-supported job placements to "benefit local communities". <sup>29</sup> Another mechanism to encourage disadvantaged workers to join social enterprises would be to allow volunteer hours with a social organisation to count towards more than the currently permitted 50% of employment seeking hours required in UC 'Claimant Commitment'.

# 7. INTEGRATE EDUCATION ON FOOD WASTE AND THE SOCIAL ECONOMY INTO SCHOOLS CURRICULA AND PUBLIC AWARENESS CAMPAIGNS ACROSS THE UK

School curricula and public awareness campaigns should incorporate topics related to food waste and social business, in order to capitalise on the commitment to activism and social change demonstrated by UK youth without placing the burden of education entirely onto advocacy organisations with limited resources. <sup>22,30</sup> UK schools themselves are a large source of food waste—collectively producing up to 80,382 tonnes of it during an academic year according to one estimate—but also an opportunity to combat it.<sup>31</sup>

Accounting for estimates of how much food is wasted at primary production, about half of food is wasted at the consumer level.9 This suggests there are significant opportunities to reduce food waste at this level, including by including education for students, where the approach to working with them is currently piecemeal. A more institutionalised model can be seen in France, where an anti-food waste programme for primary schools achieved in partnership between the Ministry of National Education and social enterprise Too Good To Go will soon scale up out of its pilot phase (see Box 5: 'Spotlight on France's classroom food waste programme'). However, given the limited potential for the UK government to influence curricula in private schools in academies, it should explore other avenues for reaching youth and the wider public. This includes financing awareness campaigns, either at a national level or more local level, integrating successful elements of other public health campaigns, such as the NHS' '5-a-day' and Public Health England's 'Protect Against STIs'.

Efforts to reduce food waste at the household level cannot be limited to education but must also seek to change the environments in which consumers make decisions (such as changing supermarket policies like best-before dates, and reducing incentives to overbuy) which significantly influence consumer behaviour. Similarly, any efforts to educate the public on the issue of food waste should go beyond framing food waste as solely a household issue. They must communicate how individual behaviour in relation to food waste is influenced by systemic factors such as the gendered dynamics of household food management, cultural perceptions of food waste, corporate marketing, and more.

### BOX 5: SPOTLIGHT ON FRANCE'S CLASSROOM FOOD WASTE PROGRAMME

'Mon école anti gaspi' (or 'My anti-waste school') is a free educational programme provided to French primary schools by social enterprise Too Good to Go, which works on food waste redistribution, in partnership with the French Ministry of National Education. It offers teachers and educational professionals the tools—including food waste factsheets, animations, posters, board games, and videos—to carry out age-appropriate activities around food waste. Currently being tested in pilot schools, the programme will scale up in May 2022 for any interested schools and teachers.

#### **BOX 6: FURTHER READING**

The FLAVOUR project is impacted by a complex set of policy areas. For more detailed information related to food surplus and inclusive jobs, please refer to the following documents:

### On food surplus reduction and redistribution

Feedback Global. (2020). When there's no waste, there's a way (to net zero). https://feedbackglobal.org/wp-content/uploads/2020/10/Feedback-2020-When-theres-no-waste-theres-a-way-to-net-zero-low-res.pdf

WRAP. (2021). Food surplus and waste: key facts. https://wrap.org.uk/sites/default/files/2021-10/food-%20 surplus-and-%20waste-in-the-%20uk-key-facts-oct-21.pdf

#### On the labour market and the social economy

Devine, B.F., Foley, N., and Ward, M. (2021). *Briefing paper Number CBP06838: Women and the Economy.* House of Commons Library. <a href="https://researchbriefings.files.">https://researchbriefings.files.</a> parliament.uk/documents/SN06838/SN06838.pdf

Social Enterprise UK. (2019). *Capitalism in Crisis? Transforming our economy for people and planet.* https://www.socialenterprise.org.uk/wp-content/uploads/2019/11/Capitalism-in-Crisis.pdf

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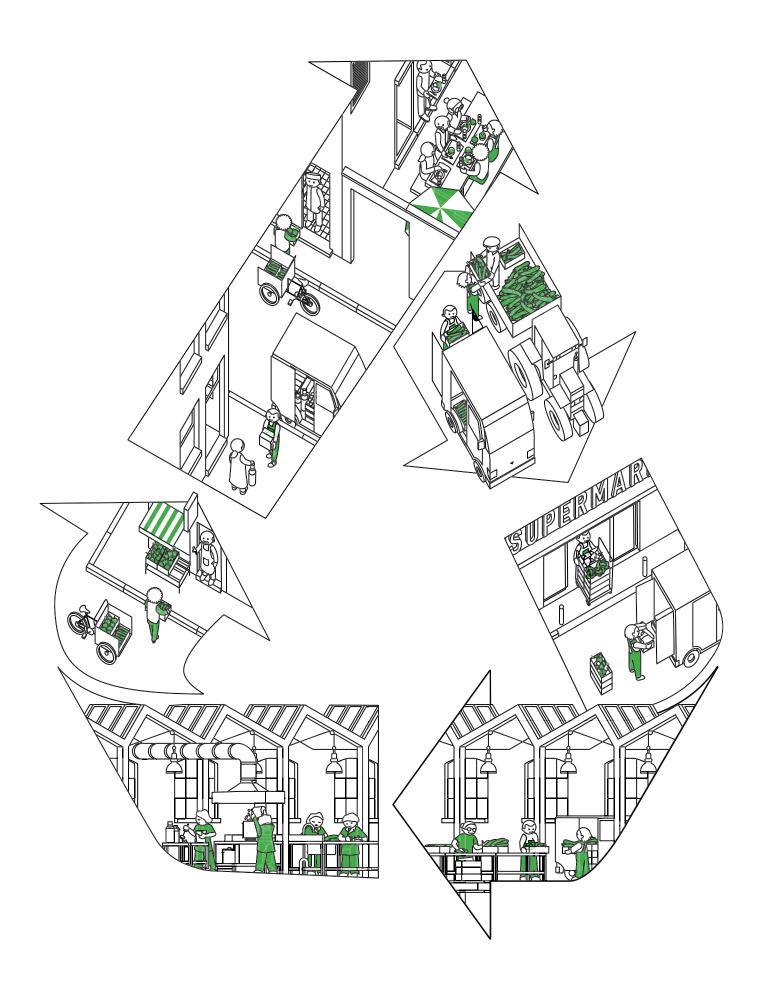
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