

Strategic Level Report on Role of Organic Food in Alleviating Social Exclusion*

Background

1. The second English Organic Action Plan¹ included as one of the six priorities for future work by the English Organic Action Plan Group the question of 'social exclusion'. Put simply, we wanted to investigate whether organic food is too expensive for poor people to be able to afford to buy it, or whether there are other reasons, such as a perception that it is too expensive rather than a reality of high cost, or simple lack of access, that make more of those in social groups A, B and C1 buy organic food than those in groups C2, D and E. Priority 6 in the 'Two Years On' report reads in full:

Action Plan Group to examine and advise on issues of social exclusion, i.e. the inability of some people to purchase organic food either because of lack of supply in particular areas or because of price.

This area of work is similar to wider concerns about “food deserts” (areas where the range of food necessary for a balanced diet is not readily available at a reasonable price) and the ability of those on a restricted income to choose a healthy diet. It is a complex social issue which, for conventional food, has attracted a great deal of research. For organic food there may be scope for more to be done in the area of school meals where there are already examples of organic food being provided in socially deprived areas. The expansion of box schemes for the delivery of organic food, which have the advantage of a wide geographical coverage, could also be considered. The Soil Association’s Cultivating Communities Project, funded by the Lottery Community Fund, which links disadvantaged communities throughout the UK with local farms may also provide models for future action. The Organic Action Plan Group will examine the issue of how income and geography impact upon the ability of consumers to purchase organic food and will make recommendations.

2. A sub-group was set up, which included David Barling (Centre for Food Policy, City University), Peter Melchett (Soil Association) and Sue Dibb (National Consumer Council). At the sub-group's suggestion, DEFRA commissioned a review by Clare Devereux of 'Food Matters', and in December 2005 she produced a report entitled 'Feasibility research into increasing access to organic food for low income consumers'². The sub-group had suggested a review of the effectiveness of the various existing, publicly funded schemes to encourage people on low incomes to eat healthier diets, including in particular those promoting organic food, to see what was working. In fact the report that DEFRA commissioned was far more wide-ranging, and it made about twenty recommendations for further action, some of which fall well outside the remit of the Organic Action Plan Group (see Annex 1).

* ORG 249

¹ 'Organic Action Plan – Two Years on', July 2004

² See ORG 221 - Survey of organic food supply for poorer consumers and those in areas where organic food not readily available

3. The sub-group were keen to pursue one of the recommendations: to investigate whether all organic food really is more expensive than non-organic, especially if purchased locally or through box schemes. At that time, despite Ministerial support for this work to be done, DEFRA's statistical branch said the data could not be gathered (although they said some relevant data would be collected in future), and the sub-group did no further work.

4. In recognition of the priority action in the Groups latest work plan³, I was asked to write a paper to take this work forward. Instead of trying to produce a definitive report on the subject, I thought it would be more useful to review the work we have already done and try to suggest possible ways forward for the Group to discuss and agree. Also, I am late in completing this, so I regret it has not been possible to consult other members of the Group before it is circulated, and I have not therefore tried to write a definitive or conclusive paper. I therefore think it would be sensible for the Group to consider two basic questions:

- 1 **first, given the increasing evidence that the demographics of organic consumers are changing and that more people in social classes C2, D and E are buying organic food, is this still a relevant issue?** I have summarized some of the evidence for this below.
- 2 **Second, if we think there is more that can be done to increase the purchase of organic food by people on low incomes, and given our very limited resources and time, what would be the most useful aspect of the issue for the group to consider?** I have made a couple of suggestions of recommendations from the 'Food Matters' report which seem to me to be the most helpful and practical, as a basis for discussion, the full set of recommendations are attached as Annex 1 to this paper.

What social exclusion? more and more poorer people are buying organic

5. *"I believe we're seeing a fundamental shift in the priority that consumers place on food. The link between diet and health, interest in cooking, provenance - including local and fair trade - is also not only about affluent customers. The growth in the proportion of our customers buying organics is fastest among less affluent customers"* (Sir Terry Leahy, Tesco chief executive, quoted in The Observer, 2 September 2007).

In revealing that the sales of their organic ranges were growing four times as fast as the rest of their food business, Tesco said in April 2007 that the proportion of shoppers buying organic goods has increased by a third to around 40 percent over the past year and that the largest part of that growth is among less affluent groups. The organic market is no longer simply a middle class market. Three quarters of parents in the UK buy organic baby food, which makes up about half the total sold. ASDA doubled their organic lines (from 500 to 1,000) last year. Three years ago it was reported that approximately

³ See para 13 the minutes of 8 March 2007 meeting where the group concluded that the list of priorities which emerged from its meetings on 6 July and 12 October 2006 was still relevant and should form the basis of initial high level strategic discussions with Sir Don Curry.

half of consumers were knowingly buying organic food⁴; that figure has now risen to 65.4% or nearly two in three shoppers. Four out of ten people (41%) are buying organic food at least once a month, while 25% are buying organic food once a week or more. Over 50% of those in the most disadvantaged social brackets – C2, D and E – are now buying organic food and drink⁵. The research found that purchasing is at 57% in the lowest income bracket - those earning under £16,000 a year (See Annex 2)⁶. TNS data suggests that in 2003, 76.5% of households brought some organic products, and this figure increased to 77.4% in 2004.

6. If people buy direct from farmers, for example via box schemes, an organic diet may be less expensive than non-organic food in supermarkets⁷. Information is very limited, and there is a lack of any good data. However, some case studies have shown that if shoppers shift away from a 100% non-organic diet high in ready meals and meat, and buy more healthy, fresh, seasonal fruit and vegetables and less but better quality meat, the additional costs of organic are more than offset.

7. Organic food is also increasingly available, especially for babies and children, in some of the lowest cost restaurant chains in the UK. For example, organic baby food is available free to parents who eat at IKEA restaurants, and they are supplying an organic lunch box for children too (IKEA serve a total of 13 million meals a year in the UK). JD Wetherspoons serve three organic meals in the children's menu (their 670 outlets serve 1,352,000 children's meals a year). Local organic food is featuring on some hospital menus (for example in Cornwall and at the Royal Brompton) and parents and governors at many schools have opted for at least part of their school dinners being sourced from organic farms. In addition, over the next 5 years the £17m Big Lottery-funded Food for Life Programme aims to get 3,600 schools signed up to meals that are 75% unprocessed, 50% locally sourced and 30% organic (570 million school meals a year are served in England).

If we want to do more - some key 'Food Matters' recommendations

8. If the Group feel, as I do, that there is more work we can usefully do, I would suggest looking again at the following four recommendations from the 'Food Matters' report:

(a) First, as the sub-group felt in 2005, a basic, initial step should be to have some good quantitative data on the actual cost differences between organic and non-organic, in the multiple retailers, but also covering box schemes in particular. The latter is important, as the 'Two Years On' document notes, because they have the capacity to provide good quality, fresh, organic fruit and vegetables to any household, anywhere in the country (thus avoiding 'food deserts' where there is a lack of retail outlets providing a wide choice of fruit and vegetables). The 'Food Matters' report recommended: *"Defra to undertake further research on the comparative pricing of organic foods in different retail outlets i.e. farmers' markets, box schemes, supermarkets, farm shops etc., in order to*

⁴ TNS omnibus poll commissioned by the Soil Association in 2003

⁵ Soil Association Organic Market Report 2006.

⁶ Market Tools Inc. Omnibus poll of 1,000 people; Soil Association Organic Market Report 2005

⁷ Research by Riverford Organic comparing the price of their fruit and vegetable boxes with the same, non-organic products purchased from local supermarkets

understand motivations for variations in costs. This in turn will help inform low income consumers on how to access organic food in the most cost-effective ways. Work should be undertaken with the multiple retailers on how to ensure a more consistent and equitable pricing structure for organic foods and increase accessibility in-store to organic ranges." **I suggest we pursue the first part of this recommendation, initially by requesting an update from the DEFRA statistical branch on any progress they have made in this specific area since the Organic Action Plan Group last discussed this with them in 2005.**

(b) The second recommendation from the 'Food Matters' report I would highlight is that: *"There should be less ambiguity and clearer endorsement from Government on the environmental and health benefits of organic food, where there is evidence to support this, in order to better inform consumer choice. More collaborative working between Defra, the Food Standards Agency and the Department of Health on this and other related issues would be beneficial".* **One possibility would be for the Organic Action Plan Group to ask Defra to organise an internal seminar for key officials from the FSA, Natural England, DH and DfES to discuss the scientific evidence for the environmental sustainability and other benefits of organic food set out in ORG 245: 'Public goods delivered by organic farming'.**

(c) Third, linked to this, 'Food Matters' also recommended *"Defra to look to support and fund educational initiatives and the provision of information about organic food and its benefits, led by organisations that work with low income consumers".* **I assume Defra is as ever short of funds, but this seems to me a recommendation worth pursuing.**

(d) Fourth, 'Food Matters' recommended that *"Further work should be undertaken, e.g. focus groups, to fully understand attitudes to organic food among the socially excluded and those living in poverty, in order to inform further action, such as how best to provide information and raise awareness about organic food among these communities".* **This qualitative data is the second essential piece of evidence that the Group requires. Without this information, the reasons regularly given for fewer poorer people buying organic food are largely guesswork, usually guesses made by relatively well-off people on the basis of anecdotal evidence or their personal opinions. One route to a better understanding of what discourages people in social groups C2, D and E would be focus groups which could look at the mix of issues - price, convenience of purchasing, cooking from scratch versus pre-cooked food, and assumptions about what sort of people buy organic.**

[A personal opinion

9. Finally, my own personal prejudice in this area is based in part on watching two shoppers in an Iceland store in Kentish Town some years ago. They decided not to buy significantly cheaper organic frozen peas, and instead bought the more expensive, non-organic Birds Eye frozen peas (both packets the same size), because, as one of them said 'Oh - that's organic - that's not for us'. My opinion is also based on some quantitative data (see Annex 2) which shows that people in social groups C2, D and E care as much or more about the benefits that organic farming and food deliver to consumers as those in social groups A and B. A poll carried out for the Soil Association in February 2005

found that, when buying food to serve to their family or friends, 76% of those in social group E wanted to avoid food grown with pesticides, compared to 66% in social group AB. High animal welfare standards were important to 79% of social group E, 72% of AB; and encouraging wildlife - E 74%, AB 62%. Low prices were more important to those in social group E (65%), compared to 57% for all respondents, but quality and taste were rated far higher - they were seen as important by 94% of social group E (85% for all respondents). So I think the priority is simply finding effective ways of showing people on lower incomes that organic is for them, through school meals and restaurants like JD Wetherspoons and IKEA, and through suitable role models - the work on Food for Life meals that the Soil Association has done in Scotland with Celtic Football Club, for example.]

Peter Melchett
05 October 2007

Annex 1

Recommendations in Food Matters' report (December 2005)

8. Recommendations

8.1 General recommendations for addressing food poverty:

Government should pursue policies that lift people, and in particular children, out of poverty.

There should be a strategic approach and more integrated action across all Government departments, and in partnership with industry and the voluntary sector, to provide a mixture of community action and structural changes to alleviate food poverty and improve diets.

The development of comprehensive food strategies, at both local and regional level, which address food poverty, health inequalities, economic development and sustainable production and consumption, should be encouraged and supported.

8.2 General recommendations for increasing access to organic food among low income consumers:

There should be less ambiguity and clearer endorsement from Government on the environmental and health benefits of organic food, where there is evidence to support this, in order to better inform consumer choice. More collaborative working between Defra, the Food Standards Agency and the Department of Health on this and other related issues would be beneficial.

Further work should be undertaken, e.g. focus groups, to fully understand attitudes to organic food among the socially excluded and those living in poverty, in order to inform further action, such as how best to provide information and raise awareness about organic food among these communities.

Defra to look to support and fund educational initiatives and the provision of information about organic food and its benefits, led by organisations that work with low income consumers.

Farmers Markets, box schemes and healthy food outlets should be encouraged to register with the forthcoming *Healthy Start* scheme in order to provide diverse opportunities to access organic food and vegetables, accompanied by information on the issues.

Defra to undertake further research on the comparative pricing of organic foods in different retail outlets i.e. farmers' markets, box schemes, supermarkets, farm shops etc., in order to understand motivations for variations in costs. This in turn will help inform low income consumers on how to access organic food in the most cost-effective ways. Work

should be undertaken with the multiple retailers on how to ensure a more consistent and equitable pricing structure for organic foods and increase accessibility in-store to organic ranges.

Further evaluation should be undertaken of successful projects to see how well they are providing organic food to low income consumers, and commercial ventures such as Eostre Organics should be supported to undertake social auditing in order to assess how well they are meeting their social objectives.

8.3 Recommendations to support community food projects and other initiatives

The Food Standards Agency and Department of Health should conduct more evaluations and reviews of the long term value of community food projects, looking at their cost effectiveness in comparison to national interventions such as *the National Fruit and Vegetables in Schools Scheme*.

Defra to review its various funding/grant streams, both current and ended, that have supported local food projects, in order to evaluate where such investment has resulted in positive and sustainable results, to inform how best to continue to support the financing of projects that support organic food access in low income areas.

Defra to consider ways to support community food projects growing or producing organic produce who might wish to obtain organic certification, for example, through a dedicated fund, or a concessionary rate with certification bodies.

Legislation concerning the sale of produce grown on allotments should be clarified, and if necessary changed, and local authorities/allotment managers should be encouraged to support those projects that are delivering on social objectives.

Defra, in collaboration with the Department of Industry, should look to provide start up funding for community food projects to become social enterprises, and take measures to provide training and build capacity for projects to be better placed to contribute to public procurement provision.

8.4 Recommendations to support the organic supply chain

Measures should continue to be taken to develop local infrastructure for the organic sector e.g. work to link wholesalers with local growers and producers, produce local directories for public sector purchasing officers, look to direct support to areas with less organic production etc. The issue of expense of certification for small scale producers should also be examined.

Attention should be given to the development of organic horticulture in particular, in order to support the supply of organic fruit and vegetables available in the UK, as this will help support health targets of increasing consumption of fruit and vegetables.

Policy should continue to support and provide start up funding for direct marketing opportunities for organic producers such as farmers' markets, box schemes, producer co-operatives.

Defra should look to support and encourage more Farmers' markets, or micro markets, in areas of deprivation and in community venues such as schools, community centres, health centres and the workplace.

Action should be taken to develop and support more organic producer co-operatives, and increase networking opportunities, particularly in areas where there is less organic supply, using existing successful co-operatives such as Eostre Organics as examples and mentors.

More recognition and financial support for commercial ventures to undertake social auditing would be beneficial in understanding how and where these organisations are successfully delivering health and sustainability outcomes, and look at how to build on this.

Annex 2

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Access telephone omnibus survey - value voters issues survey

Which of these are important to you when you buy food for a meal to serve to family or friends?

Base: All respondents aged 16+

	TOTAL	SEX		SOCIAL GRADE						
		Male	Female	AB	C1	C2	D	E		
(Unweighted) Total	1010	470	540	254	336	171	106	119		
(Weighted) Total	1010	486	524	177	166	91	129	201		
		100%	100%	100%	100%	100%	100%	100%	100%	100%
Quality and taste	963	464	499	250	281	166	150	86		
		95%	95%	95%	97%	97%	93%	91%	94%	
Avoiding food grown with pesticides	656	278	378	170	187	114	99	69		
		65%	57%	72%	66%	65%	64%	60%	76%	
High animal welfare standards	715	333	383	184	205	117	114	73		
		71%	68%	73%	72%	71%	66%	69%	79%	
Farming methods that encourage wildlife	637	294	342	160	174	109	107	68		
		63%	61%	65%	62%	60%	62%	65%	74%	
Avoiding artificial colouring or additives	688	292	396	198	194	107	102	68		
		68%	60%	76%	77%	67%	60%	62%	74%	
Low prices	574	281	294	118	158	115	106	60		
		57%	58%	56%	46%	55%	65%	64%	65%	
Don't Know	6	3	3	2	2	1	-	1		
		1%	1%	1%	1%	1%	1%	-	1%	1%
None of these	4	2	3	1	1	-	3	-		
	*	*	*	*	*	-	2%	-		

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