



Select Committee on Food, Poverty, Health and the Environment

Corrected oral evidence: Food, Poverty, Health and the Environment

Tuesday 3 March 2020

11.40 am

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Members present: Lord Krebs (Chairman); Baroness Boycott; The Earl of Caithness; Lord Empey; Baroness Osamor; Baroness Parminter; Baroness Ritchie of Downpatrick; Lord Whitty.

Evidence Session No. 13

Heard in Public

Questions 94 - 99

Witnesses

I: Judith Batchelar OBE, Director of Sainsbury's Brand, Sainsbury's; Andrew Opie, Director of Food and Sustainability, British Retail Consortium.

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Examination of witnesses

Judith Batchelar and Andrew Opie.

Q94 **The Chair:** I welcome our witnesses. As you will be aware, this is an evidence session in our inquiry into food, poverty, health and the environment. We are very grateful to you for coming along to give us your experience and evidence in an oral session. I remind you that the evidence session is being broadcast live on the parliamentary website. A transcript of the session will be made available to you for comment and correction before it is published on the Committee's website. The relevant interests of members of the Select Committee are on sheets of paper that are available for those who are sitting in the audience. Before we proceed to the questions, may I ask each of you briefly to introduce yourself for the record?

Judith Batchelar: I am director of Sainsbury's brand, which means I look after all the product offer that has Sainsbury's name on it, and corporate responsibility, sustainability and public affairs. For the interests of this session, I am a non-executive director of the Environment Agency and deputy chair of the advisory committee to the British Nutrition Foundation.

Andrew Opie: I am the director of food and sustainability at the British Retail Consortium, a trade association for all major food retailers in the UK, both supermarkets and some of the major food-to-go brands.

The Chair: Thank you very much. Without further ado I will kick off with a very general question for both of you. What responsibility does the retail industry have towards public health? Is it up to individuals to make healthy choices, or do the industry and the Government have a role? As a further point, we have heard in a number of sessions that highly processed food, which is often both less healthy and more profitable than non-processed food, is in high demand. What options do retailers have to encourage healthy choices, maybe moving away from ultra-processed foods, while at the same time maintaining competitiveness?

Judith Batchelar: On the role that the food industry plays, speaking from the retailer perspective, there are a number of things. The first is offering a choice well supported by information, advice and support. What do I mean by that? For example, at Sainsbury's, we were the first to introduce multiple traffic light labelling back in 2005, which was the red/amber/green front-of-pack labelling. We did that because we knew that the reading of a nutrition panel on the back of the pack was not a legal obligation and indeed that customers did not really understand "per 100 grams" and "per portion". It was very complicated, so creating a system that enables people at a glance to understand whether something is good for fats, sugars and salt is important.

Of course, it only works if everyone does it. One of the roles that industry has to play, and the members in it, is to create a level playing field so that wherever customers go to make those choices they get the same

information presented in the same way. In 2015, when the Food Information Regulations came in, there was a fantastic opportunity for everyone to align around a new multiple traffic light, which is what we now have on front-of-pack labelling. That is not a level playing field at the moment because, although the information on the back of the pack is mandatory, the information on the front of the pack is not. Therefore, customers do not get, wherever they shop, as consistent an approach in information.

The first thing is making sure that everyday choice is a healthier choice. That is all about reformulation and making products as healthy as they can be, knowing that people still want to buy those things, but we can make them healthier. I think everyone has a pretty good track record on reformulation.

The second thing is that we have done all the work on reformulation but it has not really worked. We have been reformulating products for 20 years, but we still have a massive problem with nutrition, health, well-being and, at the extreme, obesity. That is because we have been unable to create equivalence on portion size. Over the same period of time, portion size has grown.

The Institute of Grocery Distribution, which acts on behalf of all the manufacturers and retailers, has done a good piece of work on portion size guidance. Years ago, we used to have that and we had prescribed weight legislation, which meant that things had to be sold in prescribed weights so you could not move portion sizes up and down. We have reformulated but at the same time we have increased portion size, and the two things have almost negated each other.

If we are doing the right thing with products and in the information we give customers, the third thing is how we incentivise them to make the healthier choice the easiest choice. There is some good evidence of the things that work. This is quite an interesting example: normally, we associate characters—in this instance Disney characters—with selling sugary breakfast cereals or sugary yoghurts, but this was done on fruit and veg, incentivising Disney collectables. Customers collect cards with fruit and veg, and that has been amazingly successful, as has giving customers loyalty points. There are 10 times Nectar points on fruit and veg. Finding ways to incentivise and make the healthier choice an easier choice is something that could be done.

The last thing is the role of data and technology. A responsible sector would share the data we have in a way that would both provide valuable insights and inform actions, to make sure that where we intervene it is where it will be most material, given the issues. This is not a good example, but as a sector we share our sales data, our pricing data, with ONS to produce the retail prices index. We do that freely because it is good that everybody knows what the retail prices index is. It is of interest to everybody. We want it to be as accurate as it can be.

We do not do that with nutrition and health information, but we could. We have done some work on sharing with Public Health England data and insights on customer behaviours and Nectar data. Once we have legal teams and contracts involved, it becomes very laborious. We have been looking at some ideas on data trusts that could enable us to share that information quickly and easily. It would mean something like the sugar levy, and modelling how the sugar levy might work and what we would expect the impacts of the sugar levy to be. That kind of data would be insightful. We have it, we have measured it and we know what has happened with it, but data-led insights and decision-making are something that we as a sector could do if it was made easy for us to do it.

On the role of technology, we have a thing when we shop online called FoodMaestro. It is not a filter, but you can nudge customers. Nudging is quite helpful. Basically, they select the attributes that are interesting to them. It might be allergens, calories, sugar or salt. When they go to put something in their basket, we tell them that this is not necessarily consistent with the choices they have made. They then have a choice whether to put it in their basket or not. We have a thing called healthier swaps; when you put something in the basket it says, "Why not try...?" The reason for sharing those is that there is a big role for data and technology to play. We know that most customers want to make healthier choices; they just do not know how. It is difficult.

The Chair: Before I ask Andrew if he would like to add anything to that very comprehensive response, could I ask you, Judith, for a brief response on two things? First, what evidence do you have that the traffic light system has changed consumer behaviour? Maybe you would like to send us something rather than tell us about it here.

Judith Batchelar: Pass is the answer.

The Chair: If you can give us any data, it would be useful.

Judith Batchelar: Yes, we can do that.

The Chair: Secondly, although you talked about reformulation, you did not talk about whether it is the responsibility of the supermarkets to shift people away from highly processed food towards less processed or non-processed food. Do you see that as something you should be trying to do?

Judith Batchelar: It is an interesting one. If you look at where manufacturers dominate and where retailers dominate in a retail environment, it is mainly in the processed foods and longer-life ambient shelf-stable foods that there are the big FMCG global brands. In fresh foods, it tends to be the supermarkets that predominate. Own brand, as we would call it, is probably 98% of all fresh food that is sold. It is the complete opposite in highly processed food areas. A lot of that is the cost of manufacture; it is a barrier to entry.

As a retailer, we incentivise customers to buy more fresh food because that is our own brand and we over-index in that. It is a strength for our brand. If I was a branded manufacturer, I would want to optimise the brands that I sell. I do that mainly through advertising and other routes. Our business is about 50:50 big processed brands and fresh foods. It has been like that for a very long time, so it is a natural status quo.

The Chair: Andrew, if there is anything you would like to add, could you keep it fairly brief?

Andrew Opie: I will keep it very brief. I probably should have said that Sainsbury's is a member of the BRC, alongside other retailers.

Judith has captured the issue well, but I have a couple of things to say. In such a competitive market as we have for food retail, getting your brand right with consumers is essential. That is something consumers would absolutely expect every brand to do, alongside some of the other issues in food production that we will probably talk about later. It is crucial as a business imperative to retailers, and it is crucial to us as the BRC, which is why we invest so much time talking to devolved colleagues as well as the UK Government and the Food Standards Agency about the issues of nutrition and the role retailers can play.

To build on a couple of points that Judith made, we were the first sector to completely roll out the front-of-pack label. We were the first sector to completely remove artificial trans fat, some time ago. We were also the first sector to have a voluntary ban on sales of energy drinks to under-16s. We have shown, through both voluntary initiatives and collaboratively with the BRC, the progress that retailers are going to make.

The crucial point, which Judith touched on, is that it remains a very competitive food market. That bites on things such as reformulation at points where a retailer may go so far to reformulate a product, but eventually it may not have the quality or taste that a consumer might perceive to be what they want to buy. It is a competitive market, and not having some mandatory levels around things such as reformulation or labelling is a handicap and holds back further progress across the food industry.

The Chair: You would be in favour of more mandatory—

Andrew Opie: It sets a level playing field in many areas. With issues such as salt reduction, for example, it is a bit of a mystery why retailers have managed to remove so much salt and other manufacturers have not. I just put that as a question. That is a choice issue because it is a voluntary area.

Judith captured it, but I want to pick up a couple of things about the choices that we can provide for consumers. There are other things that would underpin that. We need education for consumers so that they know when to make the right choices and build the right diet. That is a more

complex thing than just choosing the right individual product. I am not sure that we see as much of that as we could.

Similarly, to help SMEs to participate in this, particularly in some of the food-to-go sector, there probably needs to be help from local authorities, which have responsibility for public health, so that some of those smaller businesses can make changes that they probably could make without costing them business. There are lots of other areas that underpin it.

We talked about reformulation of areas, and the final thing I want to say is that the one myth we probably need to bust is that fresh food is expensive. I looked at the figures again. We do a monthly sales figure, and fresh food has never been cheaper in the UK than it is today. Even against inflation, fresh food and food in general has gone up less than the rate of inflation for the last decade.

There are issues for this Committee around affordability, which I absolutely get and am happy to talk about, but in presenting the case to consumers, fresh food is the best option to take. There is good evidence to show that pricewise. That brings into effect whether consumers have the skills. Do they have the capacity to store and cook products? That is a big issue in food poverty. The basic message we could all get through is the affordability of fresh food.

The Chair: We may want to come back to that. We heard earlier from the Food Foundation, which gave us the figure that for the poorest 10% the eatwell plate costs 75% of their disposable income. A straight yes or no: do you agree or disagree with that figure?

Andrew Opie: I have not seen that figure so it is difficult for me to comment. We follow the figures on inflation, both processed food as well as fresh food. I can only talk about supermarket sales. We do not collect other figures. There is good evidence to show that fresh fruit and vegetables and fresh produce—I have to be careful with my language—have gone up less in inflation terms. There is a question about affordability because of incomes, but when you go into your supermarket and buy products, the price of fresh food against other products has gone up less than inflation and less than processed food.

Lord Empey: Earlier this morning, we were told that something like 51% of our food consumption in this country is processed. That compared with countries such as Italy and France, where it is about 13% or 14%. How is there such a vast difference in the UK consumption of processed foods?

Judith Batchelar: There are lots of factors at play. Andrew talked about them. In education, right from the very beginning, it is what you get in school and how you get taught to cook. It is basic nutrition and how to feed yourself well and, as you grow older, your family. That does not really exist any more.

It is cultural. There are statistics about the number of people who have a dining table and sit down to eat a meal. It is lower than it has ever been.

It is also about the number of people eating alone. The percentage of calories consumed outside the home is now around 50%, so most people get half of what they consume outside their home, which means that they are eating processed food on the move. That is a completely different market situation from the rest of Europe. There are lots of messages.

Andrew Opie: I totally agree with the point about the market. It is very difficult. What has been interesting, for example, has been the growth in breakfast being eaten out of the home in the last decade. You would have thought that was one meal that would be consumed in the home. It has accelerated in the last decade or so. Whether that is due to lifestyles and the fact that we are always on the move, I do not know.

Another thing probably is that we have a highly innovative food manufacturing sector in this country. It will meet the demand of people who want those kinds of products, and it can produce them. There is a very different cultural system here. It is a different market, and the market responds to that demand.

Q95 **Baroness Boycott:** In a way you have slightly answered the first part of my question. It was on the food environment, which we hear a lot about, and what it means to you. Judith spelt some of that out. Andrew, you went on to talk about the innovation that the food industry is capable of. If we look back over 30 or 40 years, we have had the explosion of a different food environment. There is food everywhere. We cannot divorce that from a few companies that have made a great deal of money out of food that is high in sugar, fat, salt and things that are extremely irresistible to eat that have led to ill health.

Clearly, education has not been sufficient. The five-a-day campaign, as far as we understand, did not move the dial at all. Whose responsibility is that? You cannot always come back to education. Without a doubt, the food environment has changed. I would love to get your comments on that and your views about government regulation. As Lord Krebs said, do you actually want lots of regulation to make everyone straighten up?

Another staggering fact about Britain is that 40% of our food is on promotion. We go into supermarkets and it looks as if what they want to sell us is high fat, high sugar and dense calories. On your point about the affordability of vegetables, yes, the cheapest diet is obviously to buy yourself some cauliflower and some lentils, but if you want bang for your buck in calories and density it is still cheaper to buy processed food. I cannot remember the exact stats; we have them somewhere. There is quite a feeling that the food industry has a lot of responsibility for the muddle we are in. Some people would say that we have had the food politics of the food industry running the country for 70 years.

The Chair: Andrew, would you like to answer that?

Andrew Opie: On the food politics of the last 70 years?

Baroness Boycott: Whichever bit you like.

Andrew Opie: Slightly pushing back, the voluntary approach with the food industry is what we have really seen over the last 70 years and is what you are probably referring to. It has delivered some progress but it does not necessarily deliver the universal progress that you would see in a mandatory situation. The only caution I would add is on regulation. It could definitely have a role to play in a new front-of-pack label. Like it or not, it could be one of the first post-Brexit moves that the Government make because, of course, the problem with front-of-pack labelling at the moment is that it is not allowed within the European single market. It would be allowed within the UK, so it could move towards mandatory. We are not necessarily against mandatory regulation, provided it is evidence based and will make an impact on the problem. We will probably return to that around evidence.

Baroness Boycott: What about a restriction on advertising and the nine o'clock watershed?

Andrew Opie: It needs to be proportionate. I am not sure that we have seen the evidence. Are we talking purely about childhood obesity or obesity? All the figures that the Government produce show that there would be some impact on the calories that might be saved for children, but it is dwarfed by the scale of the challenge that we need to make to tackle obesity in general among children. One of the reports I saw had single figures of calorie difference. That was a government report, an impact assessment on the watershed against the 150 to 400-calorie reduction we need to make.

Most of the products that are advertised up to the watershed are not targeted at children. They are targeted at adults. I can only speak on behalf of our members rather than other people. The typical things that we would run into problems with would be our Christmas or Easter adverts because we tend to advertise a menu of products, some of which would be HFSS because people want to indulge at Christmas and Easter time, and some would not. That would be our primary approach.

You need evidence to show that it is going to make a real difference through other interventions that could happen. Where is the proportionality for retailers, manufacturers and advertisers—and consumers, for that matter—who might want to see adverts that are aimed at them?

The Chair: Judith, do you want to add anything briefly?

Judith Batchelar: To Baroness Boycott's points, there is no one solution to all of this. It requires both the Government and the sector to work across all areas, such as the legislation that we probably need to put in place to create a level playing field on a number of things. I think most people would welcome that because it makes life a lot easier for everybody.

It requires a review, even going back to what we do on infant formula for the first 1,000 days, and programming healthier choices right at that

early age, given the proportion of processed foods for infants. The guidance on that is not good. It requires, throughout all the touch points, a co-ordinated approach, which we have never had. There tend to be single-issue approaches, and that clearly has not worked.

The Chair: We do not want to go into this in too much detail now because we are a bit short of time, but it seems to me that whoever we talk to says, "We are doing a great job, but people are getting fatter in spite of that and it's nothing to do with us. It's the manufacturers; it's the individual; it's government; it's the out-of-home sector". This is just a warning to you that I am getting the slight feeling that you are saying, "We are doing a great job as retailers but actually the problem lies somewhere else; it is education, the out-of-home sector, lack of government consistency and people not making sensible choices". Very briefly, how do you respond to that? It feels as though there is a bit of blame shifting.

Andrew Opie: We are happy to take our responsibility. We have been called out many times in the nutrition debate and backed it up with the evidence around reformulation and the reduction of fats and sugars in the products. It is quite transparent and all the retailers give the information. We are quite happy to be held up by both our consumers and the media, and the media frequently do that to retailers.

I apologise immediately if this came over the wrong way; it certainly was not the intention. The point we are making is that we are not here to blame anybody else. I am here to accept the responsibility for retail, but if we want to make a real difference we have to see everybody in the food industry taking a more progressive approach to the issue. There is frustration, and I will be very candid with you, among those in the retail sector that they have gone much further and faster in many of these areas while their competitors have not, and their competitors have stolen some market share from them. There is frustration about that.

We need to build with everybody together, but it would be remiss not to talk about education and local authority support. Local authorities are responsible for public health education and support. I am not sure that they are getting the funding they need to tackle the SMEs, where many of our schoolchildren go after school. They do not go to a supermarket; they may well be going into a local food-to-go outlet.

It will be a comprehensive answer if we really want to make a difference. I am certainly not here to say, "It's them, it's them, it's them". What I am here to say is, "This is what is possible". We have shown what is possible in labelling, reformulation, removal of trans fats and healthier promotions. All of those things are absolutely possible. We just need universal application of those and support from government.

Baroness Boycott: Can we have a very quick definition of what Andrew means by his competitors who are doing all these things wrong? Do you mean fast food?

Andrew Opie: It could be anybody else in the food outlet, basically.

Baroness Boycott: But not the retailers?

Andrew Opie: You spoke about the food environment; that is absolutely right. That will comprise retailers. It will apply to convenience stores, to food-to-go outlets and, increasingly, to online sellers.

Baroness Boycott: That rather supports Lord Krebs's point that there is always a buck pass.

The Chair: You have given us a comprehensive answer to that, Andrew.

Q96 **Baroness Osamor:** How can consumers be provided with the right information at the right time to allow them to make healthy choices?

Judith Batchelar: There are two things. One is, again, mandatory control of what can be said. To give you a different example from the one earlier, we have the multiple traffic light label but it means that you can still make a nutrition claim about an aspect of a product, even if there are lots of reds on the multiple traffic light label. You can talk about something being reduced fat, but it could be high in sugar. At the moment that is perfectly legitimate. That is very confusing for customers, and it incentivises them to buy a product that might be healthier for them in one aspect and not another.

We need a better definition of healthier. HFSS is one definition, but it was brought in for the purposes of advertising. It was not brought in for the purposes of what an optimum diet looks like. We need a better definition of that. We need to fill the gap. For example, wholegrain is important for the UK diet, but there is no definition of wholegrain and there is no accepted database, such as McCance and Widdowson, to look at wholegrain. If you want to make a wholegrain claim at the moment, you can do what you like. We have to stop those things.

Andrew Opie: I want to stress that the food-to-go sector, for example, is not a homogeneous group. There are very progressive companies. I will give two examples. First of all, many of them now offer calorie labelling in their stores. It is not a legal requirement but they do it anyway. The second is that many of them have supported the Department of Health's approach to try to help consumers think about how many calories they consume at each meal during the day: the 400, 500, 600-calorie approach. You try to build that and leave some scope for snacking between meals, to take you up to the maximum amount. There are meal options as well as calorie labelling going on. There are good examples, both in supermarkets and in food-to-go companies. Unfortunately, it is not universal across the piece.

Baroness Parminter: Judith, you mentioned earlier mandatory responsible portion sizes. Andrew, could you confirm that your organisation would support that? It is a shame that the caterers are not here because it would have been good to discuss that with them. That is the first thing. Secondly, what more could the Government do with the

eatwell plate to help give consumers better information?

Andrew Opie: Yes, obviously Sainsbury's is here. We work very closely with the IGD through its nutrition group. We see real merits in that. The problem has been arriving at what the figures are, as I understand it, but we are very supportive and have spoken to the nutritionists at IGD about their work as well.

Baroness Parminter: And eatwell?

Andrew Opie: My view is that there is a problem in communicating with consumers more generally. I do not know whether that is an issue around campaigning or because it is lost in the noise, but I genuinely do not think that there is very good knowledge about eatwell that extends outside those of us who are more interested in food.

Judith Batchelar: We have done a lot of research recently on the eatwell plate, for two reasons. The first is net zero greenhouse gas emissions. If you were to follow the eatwell plate diet, greenhouse gas emissions would be reduced by 31%. That is hugely motivational to customers, particularly 16 to 24 year-olds, who are more motivated to eat a healthy diet for planetary reasons than for their own personal health reasons. That is a really interesting insight, so we are doing some more work on that. What came out of it was that the eatwell plate itself and the way it is presented is not very helpful or engaging. We are doing some work to see how you can bring it alive in a way that is more positive and engaging than it is at the moment. It is just the physical manifestation of it.

The Chair: Judith, what proportion of your customers look at labels?

Judith Batchelar: I do not know the answer to that off the top of my head, but we can come back with that information. The amount of time they spend making a decision at the shelf is around six seconds, which is why most of them do not even turn to the back of the pack. That is why front-of-pack labelling is so important, not just the multiple traffic lights but the positive marketing messages that you are currently able to use when, fundamentally, the product is not as healthy.

The Chair: Those are things such as the low fat claim that you were talking about, which may actually camouflage the fact that it happens to be high salt or high sugar.

Judith Batchelar: Yes.

The Chair: My other question, which we touched on at the beginning, is about product placement. There is a lot of talk in the academic sphere I move in about how product placement can guide people's choices. It is a kind of nudge, so it is the bit at the end of the aisle or where you are queueing up to pay at the self-service checkout where you first enter the store. How important do you see product placement as part of the answer to Baroness Osamor's question about how you guide consumers towards healthier choices?

Judith Batchelar: We have done two bits of research on that just recently in Southwark and Lambeth as part of a childhood obesity programme. They are very small trials. I think one was 16 stores, and another, in the north of England, was 14 stores over a three-month period. We looked at two things. One was editing choice, basically looking at limiting calories. The other trial looked at only products that met the PHE sugar guidelines, which effectively meant taking out 25% of the range, and placement within the fixture, so not at eye level, and all the things that you would look at from an academic point of view. The results within the space itself were exactly as you would predict. Sales were down. Those sales transferred to other areas. They went out literally to source those products from other categories. The impact within a single store was very limited, but it was a very small sample. It would need to be repeated.

Baroness Boycott: Could you answer this yes or no? Do people pay for product placement? Do manufacturers pay to be at eye level or on the corner aisle?

Judith Batchelar: It varies.

Baroness Boycott: But some do?

Judith Batchelar: More for promotional space.

Q97 **Baroness Parminter:** What are you doing to ensure that food is provided that is environmentally sustainable?

Judith Batchelar: We have just made a commitment to net zero greenhouse gas emissions and the eatwell plate fulfils that, as well as actually having impacts on reduced land use and disability-adjusted life years. We lead a longer healthier life; we use less land, produce fewer greenhouse gas emissions and everything is fine.

A diet low in greenhouse gases is not necessarily an environmentally friendly diet. On the basis that 50% of the food we consume is imported, our footprint is in the rest of the world. A big piece of work for us, as well as all the work that is going on with the Agriculture Bill and the Environment Bill, is to understand where those hotspots are, whether it is the Amazon, Malaysia or Indonesia, and then understand what effectively we can do and where we can have a material impact.

It would be fair to say that everyone has the same challenges; everyone has the challenge of the Amazon and everyone has the challenge of Malaysia and Indonesia. Everyone has the challenge of the health of our oceans. Most of our work, and it would be the same for the other retailers and the big global FMCGs, is through a thing called the Consumer Goods Forum, which is a worldwide CEO organisation. Our CEO is co-chair of the sustainability pillar of that. It has what it calls coalitions on action, on things such as refrigeration gases, plastic and deforestation. We work collaboratively on those things because we cannot sort them out on our own.

On an earlier point, I can sit here and say that 98% of our timber is sustainably sourced and I can prove it. However, last year more trees were chopped down than since records began, so it is not working. Those broader global things have to be a collaboration, but I think the collaborations on actions are quite a good model.

Andrew Opie: I definitely endorse that. It goes back to my earlier point that consumers just expect retailers to do the right thing when they are going in. They are not asking questions all the time about what a retailer is or is not doing about the environment. They certainly have questions if something goes wrong and it is in the media, so it is absolutely in the retailer's interest to anticipate that and remove risks in the supply chain around the environment.

Judith is absolutely right about collaboration. We see that widely across the UK market and beyond at the moment. You will be aware of various round tables that have been set up to look at soy and palm oil, for example. Some of the work with some of the certification bodies on fish is another good example of where retailers can work with their suppliers to demonstrate the provenance of their food and that they are doing the right thing.

The one area where we will definitely see an increase of activity, particularly with COP 26 at the end of the year, is carbon and carbon reduction in the supply chain, particularly, as Judith said, reaching out into the supply chains. Most of the major retailers have done a lot of work within their own operations to date, which is fine. They have probably also done work with their UK suppliers, but reaching out beyond the UK to our major supply chains—how you identify the hotspots, what difference you can make and what steps you might be able to take as an individual retailer—is the focus of many retailers going forward. It will be the focus of our work in the next year as well, because we aim to have something to present as a progressive approach, at least from the retail industry, before COP 26 at the end of the year.

The Chair: While we are talking about international trade, obviously we are very much in a changing world as the Government seek to negotiate new trade deals with countries outside the European Union. I wondered about your comments on something that the House of Lords European Union Committee reported on a few months ago. It said that the Government's post-Brexit objectives may be to ensure that food and farming in the UK remain of higher quality, and to seek lower prices for consumers, but they "risk exacerbating differences in food consumption. Those who can afford it will be able to buy high-quality local produce. Those who cannot afford that option may well base their diets on cheaper, imported food, that witnesses were concerned could be produced to lower standards to keep costs down". The lower standards could be in food quality or food safety, animal welfare or environment. My straight question to you is this: would the big supermarkets contemplate selling lower-quality environmental, animal welfare, food standards food that was imported from third countries but was cheaper,

alongside higher-quality food that was for people like us, who can afford to pay more?

Andrew Opie: Since the referendum, our campaign has been absolutely clear. It is a fair deal for consumers. We focused on consumers rather than retailers.

The Chair: What does that mean?

Andrew Opie: Delivering good-quality, affordable food and maintaining to a certain extent what we already have. The key thing, which I think you alluded to in that statement, is that about 80% of our food imports come from the EU and it is therefore absolutely pivotal that the UK gets a good deal with the EU, not just tariff free but as close to friction free as possible. That is our main source. It is a well-run, very efficient, well-audited supply chain that delivers high-quality produce to consumers.

None of our members is saying that their consumers anticipate buying lower-standard food going forward. In fact, I think they are going to find it quite a challenge to do that. Our plea to the Government all the way through is to think about consumers, particularly food consumers and those who are the most vulnerable consumers and therefore the most price sensitive, by getting the best deal with the EU. That will maintain the incredible system that we have at the moment.

The Chair: But all the signals are that that is not the way the Government intend to go. They are saying, "We do not want regulatory alignment. We want to strike a free trade deal with the United States". The Secretary of State for Defra said the other day at the NFU conference that in effect he would not rule out importing, for example, chlorinated chicken. Would you guys sell it?

Andrew Opie: I have seen nobody at the moment suggesting that consumers want to lower their standards, so I do not believe that is the case as we stand here at the moment. I just do not believe it.

Judith Batchelar: It works in two ways. There is a legal minimum and there is what organisations do for themselves. Everybody abides by the legal minimum, but, depending on the organisation, they have their own standards that go beyond the legal minimum. I will talk about the legal minimum as opposed to what we might do. I think everyone is proud of the system we have in this country. We have talked about some of the things that might be better controlled and better managed, but we believe that the food system here works well. We only need to look at food safety and incidences of things such as food poisoning or illness through food compared with the rest of the world to see that we perform really well. I do not think that anybody wants to undermine the system that we have here today, including the minimum standards to which we produce. The court of public opinion would have a very strong view on that. Clearly, we are a consumer-focused business and we want to give our consumers the best that they possibly can have, at the best value for money.

The Earl of Caithness: I am finding your answers frustratingly vague and opaque. If we are allowed to import chlorine-washed chicken, will you sell it or will you not? Just give us a straight answer.

Andrew Opie: I do not actually sell chicken myself; we represent retailers that do. All I can do is give you the answer that we have discussed it with people and what they have said to me is that they do not anticipate consumers lowering their current standards. If that were the case, you would not see somebody selling it today.

Judith Batchelar: At Sainsbury's, we go beyond the legal minimum. We are the biggest retailer of higher-welfare poultry. We are the biggest retailer of RSPCA assured in the world, and we have spent years developing a business that is based on higher standards than the legal minimum.

The Chair: You still have not answered the Earl of Caithness's question.

Judith Batchelar: On that basis, we would not sell chlorine-washed chicken because that is not what our customers would want. Most of the time they are looking for things that go beyond the legal minimum when they shop with us, but I cannot speak for everybody else.

Baroness Parminter: Does that include ready meals and things beyond fresh produce?

Judith Batchelar: All our ready meals are made with British chicken. All our poultry is British. We do not import poultry. If you go into our stores, that is what you will be able to buy. We have no plans to change that, so importing something made to a lesser standard would mean that we were not 100% British. That is Sainsbury's business. I cannot speak for anybody else.

The Chair: That is very helpful. Thank you.

Q98 **Lord Whitty:** We have covered quite a lot of this ground. I will reformulate my question slightly because we have touched on voluntary reductions of salt and mandatory reductions. If you want to add anything more on that, please do, but I would like to focus on relativity to the people you are blaming, namely fast food and food to go, some of whom are in your membership, Andrew. In some cases, there is fast-food production within the same shop.

As far as consumer choice is concerned, if you buy a raw chicken, you know it is produced to certain standards, by the Red Tractor mark or something. If you buy a ready-made meal or a chicken soup, it will have the nutritional value on it, but if you go round the corner—sometimes in the same shop—and get chicken or a burger to eat, it will have no such nutritional value on it. You mentioned a few exceptions, but in general that is true even within big retailers and pretty substantial chains of fast-food stores. If they are to blame, what do you think the Government should do about it, or do you think that they are already taking some measures?

Andrew Opie: There are very many progressive food-to-go outlets, and it will not surprise you if I tell you that they are obviously BRC members. They sit around the table with the supermarket nutritionists and the labelling guys, for example, to learn from them, as much as anything, and take that progress forward. We are starting to see that.

The issue with the food-to-go sector generally is that it is more diverse than food retail, by which I mean supermarkets and convenience stores. There are a lot more SMEs and franchise businesses. Therefore I think, as well as maybe government activity around level playing fields, as we have discussed, we would certainly be up for a discussion around why the product would be different in a food-to-go store than in a supermarket; if there is no good reason for that, the question can legitimately be asked. Many SMEs in the market might be able to make a difference for their consumers but genuinely do not know how to do it and therefore need support.

There have been some brilliant pilots around the country. There is one in West Yorkshire, for example, that worked with SME food-to-go businesses. They were not part of major chains and they were not getting support from them. They were helped to make small but important differences around things such as salt cellars or the oil they were using. To me, that is another area that the Government could look to support a bit more, to make a difference at local level.

Lord Whitty: What do you mean by support?

Andrew Opie: In the West Yorkshire example I was thinking of, environmental health officers, as well as doing the general hygiene inspection in the store, were able to give tips to businesses about how they could make a difference. An obvious one was salt cellars. They looked at the oils they were using and the product they were purchasing. Many food-to-go businesses buy from wholesalers or cash and carries. Those businesses offer them a choice of the product that they finally cook and present to the consumer. Often there is a difference in the specification and the design of those products.

I am on the London Food Board. We went to JJ, I think it was, in Enfield and looked at the choice offered to different outlets. We can give those businesses a bit of education to say, "You can make a difference; it won't harm your business and you're not going to lose money, but you could play your part in just inching at least towards healthier food; it is possible to do that". But they need support.

Judith Batchelar: The issue is not whether it is food to go, fast food or food service; it is the difference between the requirements for manufacturers and retailers of packaged foods versus the requirements placed on manufacturers and retailers of unpackaged food. That is a historical thing that has gone on for many years, based on the fact that, when supermarkets came into being and we had an outbreak of legislation in the 1970s and 1980s, most unpackaged foods were sold through individual outlets. They were independents and therefore were

not expected to do those things. That has changed wholesale because a lot of food service outlets or restaurants—whatever they may be—are no longer independents. They are part of big companies that have the resources to do that, but they are not asked to do the same things when they are selling food unpackaged as they are when they sell food that is packaged.

Q99 Baroness Ritchie of Downpatrick: What would be your key policy ask to ensure that retailers and caterers—it is disappointing that a representative of the catering organisation is not here—can enable universal access to healthy, sustainable food?

Judith Batchelar: One thing?

The Chair: Yes.

Judith Batchelar: We have not mentioned it, but for me there is something around the 1,000 days and healthy start, and how you can make sure that we give every single individual born in this country the healthiest start. Under the banner of healthy start, I would do something about the scale and scope of healthy start vouchers. I would do something around infant feeding and formula and what can be marketed in those spaces. I have a long list of asks, so perhaps I could put them in a separate communication.

The Chair: But that is the one that comes to your mind when put on the spot. Andrew, what comes to your mind?

Andrew Opie: I am going to cheat slightly and have two, if that is okay. I would have the right profile within government. That gives you the ability to co-ordinate across various government departments. I know there is ongoing work on a food strategy, but I feel that we have not seen the same kind of profile for public health Ministers, and the importance of public health more generally, in policy-making in the last few years as we did previously. If that were the case, it would drive co-ordination.

I am not going to apologise for saying it again: you need all those things to solve the obesity crisis. It would help as regards a level playing field and what you expect food companies to do, as well as education and support for young people as they are growing up. All those things could be co-ordinated. I do not see that as a main policy issue at the moment in co-ordination across government.

The Chair: Thank you. Was that two or one?

Andrew Opie: That was two. I talked about the profile of the public health Minister as well as their ability to co-ordinate across the piece.

The Chair: Thank you very much. Before I draw the session to a close, there are a couple of things that I would like to ask you to write in about. Judith, you said you would let us know what research you have on the proportion of consumers who look at labels. You gave us the figure of six

seconds to take it off the shelf. If you are a very fast reader, you might be able to read the label in six seconds as well, but I doubt it. When I was at the Food Standards Agency, it was estimated that around 25% of people actually look at labels in supermarkets, but I do not have the up-to-date numbers. If you do, that would be helpful.

Andrew, we pressed Judith very hard on the question of cheaper imported food post Brexit that may be produced to lower standards, in some way defined, but would be cheaper, and therefore we would end up with a stratification such that poor people, who are the focus of our inquiry, buy lower-quality and cheaper stuff while the richer people buy higher-quality and higher-standards stuff. Judith said fairly unequivocally that Sainsbury's would not be envisaging that kind of segmentation of their offer.

If you were able to write in with any other information from the major retailers that you represent, or indeed from out-of-home retailers who are involved in your organisation, that would be helpful. We are focused on the concerns of people who are poor. One concern is that they will end up buying poorer-quality food in the post-Brexit world. We would like to know what the retailers and caterers that you represent think about that.

Andrew Opie: No problem.

The Chair: In that case, I draw the session to a close and remind you that there will be a transcript. Before it goes on to the website, you will have an opportunity to make any corrections you wish to make. Thank you both very much indeed for your very helpful evidence.