

Written evidence submitted by Just Eat (COV0124)

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About Just Eat

Just Eat is a leading global marketplace for online food delivery, working with 35,700 largely independent restaurants and 12.7 million active customers across 95% of postcodes in the UK. We provide the platform and tools to help the restaurants we work with move online, connecting them with consumers to reach a broader customer base.

Overview of our submission

We welcome the opportunity to respond to the Environment, Food and Rural Affairs (EFRA) Committee's inquiry into food supply during the coronavirus pandemic.

As the market-leading food delivery app in the UK, we recognise our responsibility to support the national response to this pandemic. We are committed to playing our part to maintain uninterrupted food supply to the nation, and to support the independent restaurants that are the beating heart of our platform.

This submission is based on our experience as a food delivery platform operating during the coronavirus pandemic. As a marketplace, we also have a direct line of communication to the many restaurants on our platform, the vast majority of which are small independents, and unparalleled access and insight to the data behind food deliveries in the UK. As such, this submission is also informed by our understanding of how the pandemic, and the measures the Government has introduced to control the spread of the virus, has impacted the wider takeaway industry.

Have the measures announced by the Government to mitigate the disruptions to the food supply chain caused by the pandemic been proportionate, effective and timely?

As a food delivery marketplace, we are not best placed to comment on how the Government's decisions have impacted food supply chains upstream. However, we can comment on how government action has impacted the restaurant and takeaway sectors, how businesses have had to adapt to this new operating context, and the critical importance of food delivery during this time.

The restrictions on foodservice businesses introduced by the Government are undoubtedly needed in order to protect the public and keep workers safe. However, the impact on independent restaurants and their supply chains has been significant. Some have closed completely, while others are battling to stay open. Businesses have had to adapt very quickly to this new operating context in order to keep their doors open, in a way that protects the safety of their staff and customers.

In this context, it is clear to us that food delivery has a crucial role to play, both in ensuring food reaches those that need it, but also in unlocking new revenue opportunities for restaurant owners that have had to pivot their business models from "eat-in" to takeaway or delivery. We have seen businesses respond quickly. In recent weeks, almost 3,000 new restaurants have signed up to Just Eat's platform - from independent restaurants to regional and national chains.

We recognise our responsibility as a market leader to help our restaurant partners during this challenging period. Through our 30-day emergency support package, we handed more than £11 million to the many thousands of independent restaurant partners we work with across the UK to help them maintain operations and support their teams. We changed processes and protocols to help new restaurant partners get online as quickly as possible and relaxed any arrangements with

independent partners that may be in place to enable them to work with other delivery aggregators, regardless of existing contractual terms.

But we recognise that the impact of COVID-19 will continue for some time, and have therefore taken a number of additional steps to support our restaurant partners. We know that cash flow is a critical issue for businesses, so from 20 April to 30 June, we have moved to a twice weekly payment schedule. We have also launched a food safety and health helpline with NSF, the leading global food safety consultants, where restaurants can receive advice on related matters throughout the pandemic, and introduced an exclusive Booker and Makro fast track account registration, allowing restaurants to earn up to 7% cashback on purchases.

Finally, the Government itself has acknowledged the vital role that food delivery has to play during the pandemic - by reducing pressure on supermarkets and providing a much-needed service to people in communities across the UK, especially the vulnerable and isolated, during these difficult times. This recognition is much appreciated, demonstrating to takeaway owners, staff and delivery drivers that their work has not been overlooked, with DEFRA's #FoodHeroes campaign for example being incredibly well received by the thousands of independent restaurants on our platform. We would ask the Government to continue to offer public support for the sector in this way.

Are the Government and food industry doing enough to support people to access sufficient healthy food; and are any groups not having their needs met? If not, what further steps should the Government and food industry take?

As a business, we have put in place a number of initiatives to deliver food to groups impacted the most by the coronavirus outbreak – whether that's vulnerable and isolated individuals, or front-line staff working around the clock to keep the nation safe. More broadly, individual takeaway businesses up and down the country are stepping up to help people within their communities to access food.

Working with our longstanding charity partner, FoodCycle, and our delivery partner, Stuart, we are delivering free food parcels to those who are vulnerable or have been isolated as a result of coronavirus. FoodCycle is providing food parcels made up of donated surplus food, including groceries such as fresh fruit, vegetables, and store cupboard essentials. The packages range in size and feed anything from individuals who are isolating alone, up to a family of four. This work enables us to support some of the most vulnerable in society, including low-income families, people affected by homelessness, and those experiencing physical and mental health problems.

To show our appreciation for the extraordinary work of the c.1.3 million NHS employees across the country, we also offered a 25% discount for NHS workers during the month of April. We saw an overwhelming take-up of the discount, with NHS staff saving £3.3m collectively over the duration of the discount.

Following on from this initiative, on 1 May, we launched our four-week Super Hero Sunday campaign, during which we are donating 20% from every order from selected restaurants donated to charities supporting the NHS, volunteers and patients impacted by Covid-19, the 1.5 million care home and social care workers across the UK, and frontline key workers across a wide range of sectors including child care, emergency services, food banks and farming. Funds will be distributed across three charities - NHS Charities Together, National Emergencies Trust and the Care Workers' Charity - which all do pivotal work to support those working hard to protect lives.

Through our membership of the British Takeaway Campaign (BTC), we also launched an initiative – Good Deed Feed - to highlight how local takeaways and restaurants are supporting their

communities. From feeding staff at local hospitals to delivering care packages to the elderly and vulnerable, many takeaway owners and their staff are working hard across the UK to help those in need, despite facing the impacts of COVID-19 themselves. We have also used our network to support collaboration between suppliers, partners and charities.

What further impacts could the current pandemic have on the food supply chain, or individual elements of it, in the short to medium-term and what steps do industry, consumers and the Government need to take to mitigate them?

As the Committee is aware, the foodservice sector is one of the sectors most impacted by coronavirus. We have worked closely with the BTC, and engaged directly with our restaurant partners, since the outset of the pandemic to understand the challenges facing restaurants across their supply chains.

We know that many industries have been severely impacted by a drop in demand resulting from the hospitality restrictions. As suppliers manage their cost base and production in the face of this, some are restricting the number of products on offer to drive efficiencies. Restaurants that remain open are therefore seeing a limited number of options in fresh food, oils and ambient products. Supply of cleaning materials, especially gloves for food preparation, are also in high demand, which has an on restaurants from a cost perspective.

As restaurants increasingly look towards reopening, we know that cash flow and supply will be the biggest joint challenge for many. Most businesses will be required to buy goods ahead of receiving the sales to cover costs, while supply will initially be limited due to the time it takes to build capacity up again.

We appreciate the significant support measures that the Government has introduced in order to ease cash flow pressures and help businesses to cope with the impact of the pandemic. Looking ahead, we would ask the Government to provide as much advance notice as possible of when elements of the hospitality restrictions will be lifted to enable businesses to plan.

How effectively has the Government worked with businesses and NGOs to share information on disruptions to the supply chain and other problems, and to develop and implement solutions? How effectively have these actions been communicated to the public?

In our experience, the Government has communicated effectively with businesses throughout the pandemic. We have engaged directly with a number of government departments on food supply and wider issues, and are in ongoing dialogue with DEFRA, BEIS and MHCLG, offering our support in conversations around food supply chain resilience.

Additionally, we have appreciated the detailed guidance issued by Public Health England (PHE) and the Food Standards Agency on maintaining social distancing within the workplace, specifically in relation to food production and delivery. In partnership with the BTC, we are providing information and guidance to all restaurant partners about how they can follow the Government's guidelines regarding social distancing and best practice health and safety standards. This guidance has enabled restaurants to continue to operate and supply food, while protecting the safety of staff and customers.