

Why UK supermarkets are rationing food and how to prevent future shortages

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Credit: AI-generated image ([disclaimer](#))

Calls for the government to provide better support to U.K. food producers have intensified recently as supermarkets have been forced to [ration sales of some fresh produce](#). Weather-related disruption has caused supply shortages of vegetables from places including Spain and North Africa.

Former Sainsbury's chief executive Justin King has [partly blamed](#) the government's decision not to subsidize producers' spiking [energy costs](#) this winter under its plan to help businesses affected by the cost of living crisis. The National Farmers' Union has also [called on the government](#) to "back British [food](#) production in order to secure a homegrown supply of sustainable food or risk seeing more empty shelves in the nation's supermarkets."

Food prices rises and produce shortages have been an ongoing problem for the U.K. recently—affecting everything from [eggs](#) to [turkeys](#). As of January 2023, food price inflation was at [a nearly 50-year high of 16.7%](#).

Gaining an understanding of the U.K.'s complex food supply chains can help explain why this is happening and also provides some ideas about how to prevent such shortages in the future. Here are three potential solutions based on current problems with U.K. food production, supply and import practices.

1. Diversify sources of imported food

Although it's [one of the most food-import dependent countries in the world](#), the U.K. produces over 50% of vegetables consumed domestically, but only 16% of its fruit. Most of its fresh vegetables come from domestic and European sources, but its fruit supply is spread across the EU, Africa, the Americas and some domestic producers. Some of the [main countries used for these imports](#) include Spain, the Netherlands, Morocco and Egypt.

After Brexit, this dependency has [become more expensive](#). This is because of new customs procedures and paperwork, which has led to delays and disruptions at ports and borders. Fresh produce with a short shelf life such as lettuce, tomatoes and citrus fruits are affected most by

these changes.

The U.K. could diversify its sources of imported food to reduce reliance on particular regions or countries that may be subject to [bad weather](#) or other disruptions. Promoting local food systems could also reduce reliance on imported food by encouraging consumers to buy more seasonal and locally grown produce.

2. Increase support for domestic food production

Providing consumers with more local options would require better support for U.K. farmers and producers. Boosting domestic food production, particularly for crops that are currently being imported, could involve providing more subsidies or tax breaks to encourage farmers to grow more food. The government could also invest in research and development to improve yields, and create more favorable regulatory conditions for agriculture.

More immediate support is also necessary. Any fresh produce that is grown in the U.K. requires greenhouses. Significant increases in energy costs over the past year, following Russia's invasion of Ukraine, have added to the cost of production and contributed to the food inflation. Some reports indicate that farmers renewing their energy contracts this autumn [faced cost increases of up to 400%](#).

The U.K. could also expand seasonal worker programs to allow more migrant workers to come and work on farms during peak harvesting seasons. This could help alleviate labor shortages and ensure that crops are picked in a timely manner, reducing the risk of food waste and shortages.

3. Improve food supply infrastructure and logistics

But while factors like weather, war and worker shortages cause price rises and rationing, these issues also mask serious underlying supply chain problems that affect the networks used to transport goods from farm or factory to shop shelves.

Modern food supply chains are efficiency driven, [relying on the just-in-time delivery method](#). This means that, rather than buying in more stock than needed "just in case," retailers attempt to predict precisely what consumers will need and when. This type of "lean" thinking saves on storage costs but leaves no margin of error if supply chain resilience is tested—as is partly happening at the moment in the U.K.

Indeed, just in time delivery is not very effective in the face of a major shock such as a pandemic, extreme weather conditions or changing geopolitical dynamics. Shoppers have experienced these problems first hand during the COVID pandemic and after Russia's invasion of Ukraine affected commodity supply chains last year.

The U.K.'s food supply chains are also vulnerable to disruptions due to their use of the Port of Dover for food imports. It represents [a significant bottleneck](#) in the U.K.'s food distribution network.

Compounding this bottleneck, U.K. supermarkets tend to use large warehouses for storing and distributing produce that aren't always close enough to stores to respond quickly to changes in demand or supply. This system cuts back on the cost of running lots of smaller warehouses, but it is difficult to adjust it in reaction to any volatility, uncertainty or complexity in the supply chains. The large warehouses are not close enough to supermarkets to respond quickly when conditions change.

Investment in improving this infrastructure and logistics would make it easier and more cost-effective for food to be transported from farms to supermarkets and other retailers. This could involve improving port

capacity, rail links and creating more efficient distribution networks between warehouses and shops.

Preventing food waste

The problems with the U.K. food production industry and its supply chain not only lead to disruptions and shortages, but also food waste.

My research shows food producers' [operating costs are significantly higher](#) across processing, storage and distribution as a result of poor transportation and when buyers change products. This, alongside machine maintenance and inefficiency issues, human errors and product defects create food waste, as well as higher costs that could be passed on to consumers.

The solutions above would help supermarkets and consumers to reduce costs and manage shortages, but could also address food waste by ensuring timely delivery of the products that people want and need to buy.

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