## Aide-mémoire



### Cabinet paper

Date: 29 June 2020 Security Level: Cabinet Sensitive

For: Hon Carmel Sepuloni, Minister for Social Development

File Reference: REP/20/6/717

# Food Secure Communities: Strategic Approach and Update

Cabinet Committee	Social Wellbeing Committee			
Meeting details	Wednesday 1 July 2020.			
	Cabinet Committee meeting room 8.5EW 9.30am - 11.00am			
Expected attendees	s9(2)(a), s9(2)(f)(iv)			
Proposal	This aide memoire provides an overview of the MSD Food Secure Communities strategic approach and an update on implementation progress, with a view to your presenting an oral			
	item to the Social Wellbeing Committee.			
Talking Points	<ul> <li>Food insecurity is a significant problem in New Zealand. Last year's Ministry of Health survey on child food insecurity showed that 19% of children lived in households experiencing food insecurity. Food insecurity is associated with a wide range of indicators of poor health and wellbeing.</li> </ul>			
	<ul> <li>While it is a multi-faceted issue my concern is about where 'people are limited in their ability to acquire food that meets their dietary and cultural requirements in a socially acceptable way'. This largely comes down to the level of income.</li> </ul>			
	<ul> <li>Food insecurity increased significantly over the COVID-19 lockdown. Use of both foodbanks and hardship grants for food spiked to historic highs, with foodbanks reporting more than double their normal volumes, and the Salvation Army reporting a ten-fold increase in requests for food. Many iwi/Māori and Pacific organisations stepped up to help address the need for food in their communities. Civil</li> </ul>			

Defence were required to support these services to meet the demand for food.

- This increased demand has now reduced from its peak and while not yet stable, the increased demand is expected to continue, due to the economic circumstances the country is now in.
- Through Budget 2020, the Government through MSD is now supporting foodbanks, food rescue organisations and other community food services with \$32 million to address their increased demand over the next two years. The funding also puts in place measures to prevent future shocks to food insecurity.
- I would like to make clear that I see support for these community food services as supplementary for people and families who are in a financial crisis. Increasing incomes including through income support, and measures to reduce the cost of living are the primary way to ensure New Zealanders are food secure. This funding is a two-year funding window during the economic downturn and is needed alongside changes to improve income support.
- You have an A4 diagram that provides an overview of the strategic approach that MSD is taking to this work. This strategy was developed in coordination with the NGO sector, other government agencies and the philanthropic sector. It has three parts:
  - Community level support that will address the additional demand for food in communities and support the creation of food secure communities.
  - National level support for three organisations will help to improve sector practices, capacity and capability, and significantly increase the recovery of surplus food.
  - Partnerships across government and with the philanthropic and private sector will support the longterm sustainability of the approach.
- At the community level, short term grant funding worth \$2m is currently being rolled out to 135 foodbanks, food rescue and other community food services to help in the transition from Civil Defence support. Funding applications close this Sunday for a further \$21m of longer-term funding for services to meet the increased demand for food in their community over the next two years.
- People usually present at foodbanks requesting food, but the underlying reason for their situation is financial concerns. As a result, MSD are prioritising funding for services who have good processes in place for connecting people to support such

- as Building Financial Capability services and Work and Income service centres.
- While there is a need for foodbanks at present because of high levels of food insecurity, many across the NGO sector are also recognising that having to access food through a foodbank does not contribute towards solving food insecurity. They are considering more mana-enhancing ways to support people and families to be able to access food in their communities.
- To support communities to consider what this means for them, MSD has put aside \$1 million in funding over two years for communities to work together to develop and implement plans to create long-term, sustainable food security in their community.
- This might mean a 'social supermarket' where people can choose their own food; low cost fruit and vege boxes for families; or a community enterprise to grow and distribute good quality kai.
- The intention is that that people and families vulnerable to food insecurity have a more positive experience in accessing food; and that communities are better positioned to manage future shocks to food security when MSD's \$32m in funding comes to an end.
- The philanthropy sector has expressed interest in supporting and aligning to this part of the strategy.
- Kore Hiakai Zero Hunger Collective, a new NGO made up of a collective of the three City Missions, the Salvation Army, the New Zealand Christian Council of Social Services and Vision West has led the debate on changing to mana-enhancing practices. MSD will fund them \$0.8 million over the next two years as an umbrella group to build foodbanks and community food service's capability as they navigate this path.
- Significantly increasing the use of food rescue and recovery is another avenue that MSD is exploring reduce future shocks to food insecurity – through the redistribution of good quality, healthy surplus food.
- MSD's modelling for the Food Secure Communities programme is to provide 21 million meals at 71c per meal, with a large portion of this through rescued sources. This will also result in approximately 6,200 tonnes less food going to landfill, and 2,238 tonnes fewer CO2 emissions. As well as providing funding to food rescue organisations in communities, MSD is supporting the establishment of two new organisations:

- The New Zealand Food Network is being established across New Zealand by August this year, at a cost of \$5.5 million over two years. This is being set up by New Zealand's largest food rescue organisation: KiwiHarvest.
- The NZ Food Network is providing a one stop shop for national level food producers and manufacturers (for example Fonterra or Heinz Watties) to donate high quality, healthy surplus food for distribution to food rescue and foodbanks around New Zealand. They aim to supply food with an estimated retail value of \$59 million over the two years.
- A good example of the benefits of the NZ Food Network arose when animal welfare concerns arose for pig farmers who were not able to get pork to market under Level four lockdown. To mitigate this issue the Ministry for Primary Industries purchased an amount of this excess processed pork that could not be sold in the usual way. The meat was then distributed to foodbanks, iwi and hapū around New Zealand by KiwiHarvest and the NZ Food Network. Many families and whānau greatly appreciated the good quality kai during a time of hardship.
- MSD is also providing \$0.5m to fund an Aotearoa Food Rescue Alliance as an umbrella body to increase the capacity and capability of the food rescue sector. The food rescue sector are currently working together to establish this.
- Food rescue organisations have grown organically over the last 8-10 years with minimal government support. With the establishment of the NZ Food Network, many food rescue organisations will be needing to scale up fast: from managing crates of food from local supermarkets, to managing pallets donated from national food producers.
- MSD are working with the Ministry for the Environment on this, who are prioritising food recovery this year through their Waste Minimisation Fund.
- MSD's work on Food Secure Communities is a significant contribution towards wider government efforts to address food insecurity.
- Since COVID-19, Government agencies have begun taking a more coordinated approach to work on food security. DPMC have led this work and are planning a briefing to relevant Ministers for early July.

#### **Background**

#### Food insecurity is a significant problem in New Zealand

- Food insecurity limits people's ability to acquire personally acceptable foods that meet cultural needs in a socially acceptable way.
- Food insecurity is associated with a wide range of indicators of poor health and wellbeing.

- Child food insecurity is one of the Government's Child Poverty Related Indicators.
- A recent Ministry of Health survey on child food insecurity determined that 19% of children lived in households with moderate to severe food insecurity.
- In this survey, use of foodbanks and hardship grants for food was the least prevalent indicator of food insecurity. People frequently feel shame about using these services.

#### During the COVID-19 lockdown food insecurity increased

- Use of both foodbanks and hardship grants for food spiked, with foodbanks reporting double their normal volumes, and the Salvation Army reporting a ten-fold increase in requests for food at one point.
- Civil Defence were required to support foodbanks to meet the demand from communities for food.
- Requests for hardship grants for food also doubled from March to April.
- Demand has reduced significantly from this peak but is still above pre-COVID-19 levels, and has not yet settled, due to uncertainties about future employment and income levels.

#### MSD is taking a strategic approach to building Food Secure Communities

 In Budget 2020, the government invested \$32 million over the next two years through MSD to provide support for foodbanks, food rescue and other community organisations who are distributing food.

Funding (\$m)	2019/20	2020/21	2021/22
Addressing increased demand for foodbanks, food rescue and community food services	2.0m	10.5m	10.5m
Communities developing & implementing plans for food secure communities		0.5m	0.5m
New Zealand Food Network: bulk food storage & distribution		2.75m	2.75m
Aotearoa Food Rescue Alliance: umbrella group for food rescue		0.25m	0.25m
Kore Hiakai Zero Hunger Collective: umbrella body for foodbanks and community food services		0.4m	0.4m
MSD staff to implement the programme		0.6m	0.6m

Total	\$2.0m	\$15.0m	\$15.0m

- Appendix One provides an overview of Food Secure Communities approach.
  - Community level support will address the additional demand for food in communities and support the creation of food secure communities.
  - National level support from three organisations will help to improve sector practices, capacity and capability, and massively increase the rescue and redistribution of surplus food.
  - Partnerships across government, and with the philanthropic and private sector will support the longterm sustainability of the approach.
- Further detail of these components is detailed below.

#### Addressing the additional demand for food in communities

- Currently we are rolling out \$2m in funding to 135 foodbanks, food rescue organisations and other community food services as they transition from support by Civil Defence to support from MSD.
- Another funding round with \$21m to provide support over the next two years will close soon.
- We are seeing a change in the sector with iwi/Māori and Pacific organisations stepping up over COVID-19 to provide support for families and whānau. These organisations are well placed to provide support but will need to consider what is sustainable over the longer term.

#### Growing food secure communities

- While there is an accepted need for foodbanks at present because of high levels of food insecurity, many across the sector are also recognising that they do not contribute towards solving food insecurity.
- A priority for the sector is to consider more positive and mana-enhancing ways to support people and families to be able to access food in their communities.
- MSD has put aside \$1 million in funding over two years for communities to work together to create long-term, sustainable food security in their communities.
- This will mean that people and families vulnerable to food insecurity have a more positive experience in accessing food; and that communities are better positioned to manage future shocks to food security when MSD's funding comes to an end.
- The philanthropy sector has expressed interest in supporting and aligning to this part of our strategy.

 MSD is also funding Kore Hiakai Zero Hunger Collective as an umbrella body to build foodbanks and community food service capability as they navigate this path.

#### Increasing the use of food rescue and recovery

- The University of Otago Food Costs Survey 2019 estimated the minimum basic cost of food per week for a family of four living in Auckland was \$216 per week, or \$2.57 per person per meal. However, by redistributing good quality, healthy surplus food this cost can be reduced substantially.
- Our modelling for the Food Secure Communities is to provide 21 million meals at 71c per meal. This will also result in approximately 6,200 tonnes less food going to landfill, and 2,238 tonnes fewer CO2 emissions.
- MSD is providing \$5.5m of funding over two years for the NZ
  Food Network: where national level food producers and
  manufacturers can donate high quality, healthy surplus food
  for distribution to food rescue and foodbanks around New
  Zealand. The retail value of this food over two years is
  expected to be around \$59 million.
- We are also supporting the establishment of an Aotearoa Food Rescue Alliance as an umbrella body to increase the capacity and capability of the food rescue sector.
- Food rescue organisations have grown organically over the last 8-10 years with minimal government support. With the establishment of the NZ Food Network, many food rescue organisations will be needing to scale up fast: from managing crates of food from local supermarkets, to managing pallets donated from national food producers.
- We are working with the Ministry for the Environment who are also prioritising support to the sector this year through their Waste Minimisation Fund.

#### Cross government coordination on food security

- MSD's work on Food Secure Communities is a significant contribution towards wider government efforts to address food insecurity.
- Since COVID-19, Government agencies have begun taking a more coordinated approach to work on food security. DPMC have led this work which is related to making progress on the Child Poverty Related Indicator which measures child food insecurity.
- Other agencies include: Ministry for Primary Industries, Ministry for the Environment, Ministry of Education, Ministry of Health, Te Puni Kokiri as well as MSD.
- A briefing to relevant Ministers is planned for early July and will focus on current and planned actions across government that support food security, and cross-cutting matters such as the underpinning measurement framework.

Author: § 9(2)(a) Senior Analyst, Māori, Communities and Partnerships)

 $Responsible \ manager: \ (Kelvin \ Moffatt, \ General \ Manager, \ Services \ and \ Contracts$ 

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