

Supermarkets to join forces to feed the nation

The government is temporarily relaxing elements of competition law as part of a package of measures to allow supermarkets to work together to feed the nation.

The move allows retailers to share data with each other on stock levels, cooperate to keep shops open, or share distribution depots and delivery vans. It would also allow retailers to pool staff with one another to help meet demand.

The Environment Secretary George Eustice confirmed elements of the law would be temporarily waived in a meeting this afternoon with chief executives from the UK's leading supermarkets and food industry representatives.

The government has also temporarily relaxed rules around drivers' hours, so retailers can deliver more food to stores, and is waiving the 5p plastic bag charge for online purchases to speed up deliveries.

The support for supermarkets comes as the government and retailers continue to urge people to shop considerately and look out for their friends, family and neighbours.

Environment Secretary George Eustice said:

We've listened to the powerful arguments of our leading supermarkets and will do whatever it takes to help them feed the nation.

By relaxing elements of competition laws temporarily, our retailers can work together on their contingency plans and share the resources they need with each other during these unprecedented circumstances.

We welcome the measures supermarkets are already taking to keep shelves stocked and supply chains resilient, and will continue to support them with their response to coronavirus.

Business Secretary Alok Sharma said:

In these extraordinary and challenging times it is important that we remove barriers to our supermarkets working together to serve customers, particularly those who are elderly, ill or vulnerable in all parts of the UK.

The temporary relaxation of competition law for the food sector

will allow supermarkets to cooperate with each other to keep their shops staffed, their shelves stocked, and the nation fed.

I am clear that we will continue to do whatever it takes to support business through this extremely difficult period.

Andrew Opie, Director of Food & Sustainability at the British Retail Consortium, said:

We welcome this important decision by the government to give retailers greater flexibility to work together to tackle the challenges posed by coronavirus. Retailers have been working hard to ensure shelves are stocked and this is an exceptional step taken by government to help retailers and their suppliers cope with problems that might be caused by widescale absences across the supply chain.

This is a short term measure, in the spirit of working together, and will allow retailers to agree common specifications for products to bolster food production, and co-ordinate certain operations to ensure customers anywhere in the UK have access to the essential items they need.

Legislation will be laid shortly to amend elements of the Competition Act 1998, which prevents certain types of anti-competitive behaviour. It can be relaxed in exceptional circumstances.

This will be a specific, temporary relaxation to enable retailers to work together for the sole purpose of feeding the nation during these unprecedented circumstances. It will not allow any activity that does not meet this requirement.

The announcement comes as the government confirmed today it would temporarily relax drivers' hours rules to allow supermarket delivery drivers to meet the increased demand for home deliveries.

The change to GB drivers' hours rules, which will come into effect tomorrow (Friday 20 March), will mean delivery drivers are able to work slightly longer hours – helping supermarkets offer additional delivery slots, which is particularly important for vulnerable people and those staying at home during the COVID-19 outbreak. It will also provide extra capacity if drivers are unwell.

The move comes after the Government temporarily relaxed the EU drivers' hours rules for store deliveries, helping move food and other essentials more quickly so that shelves can be stocked-up.

Transport Secretary, Grant Shapps said:

We know supermarkets have seen unprecedented demand in light of COVID-19. We're relaxing the GB drivers' hours rules so that supermarkets can complete more home deliveries – which is especially important for vulnerable people at this time.

But driver welfare is of course key and we will be working closely with employers to make sure the safety of their drivers and other people on the road is protected.

On his call with retailers today, the Environment Secretary also confirmed the government will temporarily relax the single-use carrier bag charge for online deliveries in England, to speed up deliveries and minimise any cross-contamination from reusing crates. This will come into force on Saturday 21 March. The charge remains in-place for in-store purchases.

This follows a series of measures the government has introduced to support the food industry's response to coronavirus, including working with local authorities to extend the hours that deliveries can be made to supermarkets to ensure stores are replenished quickly and extending drivers' hours to speed up deliveries.

The UK's food supply chain remains resilient and the Environment Secretary continues to meet regularly with representatives of the food industry to ensure people can get the food and groceries they need.