

FLOUR, COVID-19 & BREXIT



UK flour milling industry continues to raise itself despite ongoing challenges

by Nick Donovan, Commercial Director at Allied Mills UK & Chairs the UK Flour Millers Communication committee

It was a year of worst-case scenarios. Yet despite Covid and Brexit, the UK's flour milling industry has excelled itself in 2020, says Nick Donovan.

The scene is a dockside warehouse at night. Outside, a shifty-looking man in a baseball cap waits impatiently in a car. "We're collecting the stuff now!" he says urgently, as a second man emerges from the building, carrying a large sack over his shoulder. "Hurry up! Move!"

We cut to a scene of the two men carefully weighing out quantities of white powder from the sack, a third man samples it. "That's good stuff," he nods appreciatively. "You'd get serious money for that."

The dealer shakes his head. "We're not going to rip the customer off. We're only going to charge £1.59 for two kilos."

It could be the opening of a gritty gangster movie – except it's not. The "dealers" are staff at the Super-Valu supermarket in Dundalk, Ireland, and the white powder is flour.

The 50-second spoof video emerged in March last year, and immediately went viral because it brilliantly lampooned the media-fuelled panic about reported flour shortages in the first weeks of the Covid pandemic.

In fact, there never was a shortage of flour. The reason some supermarket shelves

were briefly empty was due to packaging issues, combined with a sudden explosion in home baking which saw a 92 percent increase in sales of grocery flour in March compared with the previous year.

The issues – which involved a temporary shortage of smaller retail bags, which in normal times make up just four percent of the market – were quickly resolved and by early April the nation was contentedly baking banana bread once again.

Meanwhile bulk supplies of flour continued to be delivered, uninterrupted, to bakeries and food manufacturers as they had been throughout the height of the lockdown. Business as usual?

Hardly. But in a year of unprecedented challenges, the resilience of the UK flour milling industry and the contribution of the people who work in it has been exceptional and the figures bear this out.

Continued resilience despite gloomy predictions

According to the latest survey by the Agriculture and Horticulture Development Board (AHDB), UK flour production in 2020 was down by just one percent on the previous year, and slightly higher than in 2017 and 2018.

This is quite something, considering the gloomy predictions based on the closure of the hospitality trade and the reduced demand in prepared sandwiches due to



people working from home.

And let's not forget that although the UK produces around 90,000 tonnes of standard flour each week, at the start of the pandemic only 12 of the 50 mills in the country were geared towards retail.

At the same time, the craze for home baking had seen demand double to four million bags of flour per week (I'm not joking about banana bread – the BBC Food website saw a 540 percent increase to its banana bread recipe in March 2020).

To meet the extra demand, round-the-clock production became standard procedure – and I'm not just talking about the likes of Allied Mills, which has mills in Tilbury, Manchester and Belfast and supplies the group bakeries throughout the country, supporting household bread brands such as Kingsmill, Sunblest, Burgen and Allinson's.

Back in April I was heartened to read about the Wessex Mill in Oxfordshire, a family business which had begun running a 24-hour operation for the first time in its 125-year history.

This four-fold increase in production was achieved despite losing about 15 per cent of their staff to self-isolation. In order to replenish their workforce, father and daughter team Paul and Emily Munsey set about recruiting local people who were out of work because of the lockdown, including builders and chefs.

Meanwhile they, like many other independent flour producers, ramped up their online business to ensure customers did not go short. In Wessex Mill's case, record traffic forced them to close their site down and only open for 10 minutes a day.

It's a story which was repeated across the country. The Traditional Corn Millers Guild, which represents about 35 traditional mills across the UK from Orkney to south-west England, saw extra flour production increase by 200 and 500 per cent.

Meanwhile industry body UK Flour Millers (then known as nabim) teamed up with retailers to create a nationwide "retail flour network" of sellers, able provide the public with bags over 3kg, which were normally supplied to caterers and businesses.

The resulting map meant people could now search for local bakeries, wholesalers and supermarkets where the larger bags were available for the general public to buy.

UK Flour Millers also set up an early warning system, which enabled its members to flag emerging problems before they became critical. This provided vital time for issues to be addressed, both from the industry's own resources and, where necessary, with the support of government or other parts of the food chain.

Weathering the perfect storm

In what could be seen as a perfect storm, the flour milling industry's Covid-related issues were compounded in 2020 by the small matter of Brexit. And while millers had more pressing issues to deal with than the ongoing wrangling between Whitehall and Brussels, the spectre of a No Deal outcome loomed ever larger as the clock ticked down towards the December 31 deadline.

In fact, UK Flour Millers director Alex Waugh and his team had been working closely with government officials ever since the Referendum in 2016 – although as Alex admits, "We'd voted to leave, but nobody actually knew what that meant, or indeed what the UK's objectives were in leaving."

Whatever the outcome, protecting the industry's interests remained paramount. "We wanted to continue to have access to tariff-free wheat from the European Union and access to high quality wheat from around the world also on a tariff-free basis," Alex says.

"We also wanted to be able to continue to sell flour and products made for flour, without tariffs into the European Union."

Behind the scenes monthly meetings continued throughout 2020, although of course they were now being conducted via the medium of Zoom and Microsoft Teams. And it is testament to their doggedness that the deal has resulted in a minimum of disruption for the flour milling industry.

There are still kinks to be ironed out, of course, with one of the more bizarre consequences of the new relationship between the UK and the EU is that pepperoni pizzas have to be given the all-clear by a qualified vet before they are exported to the continent – but that's another story. But as with Covid, the absolute worst-case scenarios have been avoided.

Indeed, that is the story of 2020. And while we're not out of the woods yet, millers can be proud that they passed the sternest of tests with flying colours.

Another slice of banana bread anyone?