

**The Street food Revolution: The Social and Economic arguments in support of the UK's fledgling Street food industry**

*“Street food has taken over from Michelin-starred restaurants as this year’s most exciting trend”* Bill Grainger, the Independent  
(August 14th 2012)

**What is Street Food?**

Street food is the name given to the fledgling artisan food industry in the UK. It is not to be confused with the so called ‘greasy burger vans’ that you might find on road sides, industrial estates or town centre kiosks.

Artisan street food in the UK developed out of farmers markets, where traders realised that there was more value to be gained by selling cooked produce for immediate consumption than selling raw produce to be cooked at home.

The quality and provenance of the food offered maintains the farmers market roots, with food being prepared and cooked fresh in front of the customer. There are at least two Michelin starred chefs currently running street food businesses in the UK and many more who have trained to this level, as well as master chef winners and finalists and dedicated ‘foodies’. Street food offers a genuine alternative to traditional fast foods, rest assured, you will not get a frozen horse burger from a street food trader.

The industry has also taken inspiration from the development of the American Food Truck scene as well as street food in the developing world. The American food truck model is probably closest to what the British Street Food traders would like to see in the UK. With less prohibitive trading regulations, the American food truck industry has developed swiftly and led to the creation of several thousand small businesses and employment for many more. In a few short years it has become part of the cultural fabric of America, changing how people eat, improving standards of food, spawning TV shows and cookery books on both sides of the Atlantic and now even a food truck computer game.

**Why do chefs choose street food?**

**A Start-Up business with potential**

The failure rates for restaurants in the UK are well documented and the set up costs prohibitive to most people. These two factors make the risks associated with starting your own restaurant too high for many who would otherwise like to work in the food trade. The cost of setting up a restaurant is often well over £50,000; whereas a food truck can be bought for around £10,000 or a fully equipped

market stall as little as £3,000. This means that with minimum financial commitments and significantly lower risks, street food is an industry accessible to all.

The limitations imposed by the lack of space and therefore equipment and stock means that most street food traders serve between 1-3 dishes. The vendor becomes a specialist in what they offer, usually adopting innovative cooking techniques to maximise the flavour. The limited number of dishes also reduce the opportunity for waste, it is not uncommon to see a sold out sign towards the end of a street vendors shift.

One core ingredient of street food is the 'theatre' of seeing your food cooked in front of you, but this is a two way process as it allows the trader to engage with the customer, talk about the food and see their reaction to it. For many street food traders this encapsulates what they love about their work. Seeing the smiles on the faces of happy customers is a thrill very few restaurant chefs get to experience.

In order to win business, street vendors have had to adopt innovative USP's, usually based on their own interests. Michelin chef Jun Tanaka and his business Partner Mark Jankel opened a street food business to do just that. Their concept, to produce food from produce sourced solely in the UK – they don't even use pepper.

The success of their 'Street Kitchen' has now spawned a new concept of Asian street food created from produce grown in the UK and they are now working with farmers to get them to grow vegetables and spices from the orient in the UK, creating new markets for both themselves and their producers.

#### **A gap in the market:**

If the demand did not exist for street food, it would not exist. However, it has clearly found space in the market place to compete and prosper. If the coffee shops, sandwich bars and restaurants were providing for all, then there would be no need for street food. The traders do not compete on price with the 'bricks and mortar' food outlets as their produce sits between the cheap fast food outlets and fine dining. As one trader put it to me:

"In Manhattan they have some of the finest restaurants in the world, which is great for the stockbrokers and bankers, but what about the secretaries and the cleaners? Where do they eat? - on the streets."

The food trucks of Manhattan could never afford café or restaurant rents just as their customers could not afford to eat in them.

Street food has also discovered, or exploited, a gap in the market - less formal, more social eating. Eating out at a restaurant in the UK can be an expensive treat, three courses plus wine for two people can be likely to cost upwards of £70. However, the same two people could eat and drink for half this amount at a street food market. They could also start with desert and then have two main courses if they like! The less formal and formulaic options provided by street food make it less likely that the cost of a meal out will get out of hand. This goes some way to explaining why street food has become so popular with young people who do not necessarily want the three courses and a bottle of plonk option. Research suggests that many young people are intimidated by 'proper

restaurants' the costs, the confusing wine lists and the various opportunities for social awkwardness due to perceived restaurant etiquette. This is one of the main reasons cited for the success of restaurant chain Nandos and the same applies to street food.

### **Location, Location, Location**

Location is critical for any food business, however, due to the limited opportunities to trade on the streets, many street food vendors are struggle to find enough lucrative pitches to maximise the potential of their businesses.

Due to the mobile nature of their businesses, mobile caterers are perfectly placed to provide services for areas that might not have access to services such as take away food. This is particularly relevant in rural communities where local services such as post offices and pubs are not profitable enough to remain open. Mobile catering rounds can move from village to village offering food on one or two days a week and support their businesses, while one village may not be able to support a food take away service, several villages could both support a mobile food business and benefit from one.

In the states, food trucks visit different parts of town depending on where the business is, so during business hours they will pull up to licenced pitches in the central business districts or wherever there is enough footfall, however, in the evenings they may move to other parts of town where the nightlife is based. They are therefore more able to respond to demand than bricks and mortar businesses.

### **A stepping stone**

Many street food traders would love to open 'bricks and mortar' establishments but without the finance and reputation required to do so, they see street food as a possible stepping stone to restaurant success. Several street food traders have gone on to run successful restaurants once they had built up a broad enough base of customers on the streets, two such restaurants were voted in the UK's top 100 restaurants in 2012 (see the case study on the meatwagon). They have been able to prove that their concept works, making it easier to get the backing and finance to move into restaurants as well as having a ready-made customer base.

Such has been the popularity of street food, several traders have also produced cookery books or become TV chefs. Their stripped back food concentrating on bold flavours have earned street food traders the reputation as some of the most innovative food producers in the UK, it is perhaps unsurprising that they have caught the attention of the print and film media.

Several street food traders have gone on to open restaurants on the back of the success of their food vans. The food vans allow them to trial the concept and learn the trade. To work on improving their processes, get the hang of sourcing and working with suppliers, perfect their cooking techniques and get to grips with the marketing and paperwork aspects of running their own business. Furthermore, it allows the traders to trial their food and build up a customer base before making the leap into bricks and mortar. Streetfood is therefore the ideal incubation business for trialling an idea if you want to go into a restaurant, without risking your life savings in the process. Simply having the opportunity to learn their trade before committing to a restaurant offers a viable risk compared to restaurants or cafés. The latest successful street food trader to move from mobile

to bricks and mortar is Yum Bun, winners of last years street food awards, they recently opened a takeaway in Featherstone St in the city as well as Pitt Cue Co who now run a highly successful restaurant in Soho after starting out in a trailer by Hungerford bridge.

<http://www.timeout.com/london/restaurants/pitt-cue-co-food-van>

By starting out in street food they have been able to trial their ideas and prove that they work, a far better starting point than an idea and your life savings. Many of these businesses could well have failed had they gone straight into restaurants. Through starting out in this way several successful businesses are now providing employment and paying business rates, VAT and taxes.

### **National & Local Government: the benefits of street food**

#### **The economic argument**

The street food industry currently directly employs around 1,500 people in the UK and supports around 500 SME's, predominantly in London where the scene first started and probably the same number in supporting industries such as agriculture. It has the capacity and demand able to support ten times this number of businesses and employees. Street food offers a real opportunity for government to support start-up businesses. In reality, they need very little support, just places to trade regularly. A re-interpretation of the Local Government (Miscellaneous Provisions) Act could help the government achieve part of its aim to develop and support entrepreneurship in the UK. The value to government is obvious, less benefit payments and greater tax revenue. This is just what the country needs and the government wants.

This is a great opportunity for government to support entrepreneurship in the UK at little or no cost to the taxpayer. In these desperate economic times, innovative new services such as street food should be encouraged and supported, rather than hindered by out dated legislation.

#### **Saving the high Street?**

As highlighted in the Portas report, artisan street food markets could be one way to encourage the public back to city centres and high streets. There are several examples of street food events and markets increasing footfall in town centres. By reclaiming and re-invigorating under-utilised public space, street food has helped with the urban regeneration of deprived areas.

With 1 in 7 high street shops currently lying empty and online shopping increasing year on year, it would seem that the high street's days are numbered, leaving gaping holes in the beating heart of our communities. The high streets cannot compete on value for money or ease of use with the internet, up and down the country, shopping parades are repositioning themselves as fun places to spend the day, opening up free wi-fi and enhancing their food and drink offerings, with retail only one aspect of what they offer rather than their sole purpose as a reaction to changing shopping habits. Street food can not only raise revenues for local councils it can help to re-invigorate public spaces. An increase in the number of licenced streets and licences to trade on them could raise much needed revenue's for local government.

## **A fighting response to Economic Hardship**

In these austere times, with many people out of work and many youngsters having never been employed, a new breed of entrepreneurs is developing, determined not to spend their time wasting away on benefits. These entrepreneurs need support in order to get their businesses started. Street food is one of the few affordable start-up businesses available to people in this situation, however, current street trading laws are acting as barriers to their entrepreneurial aspirations. We should be encouraging people to create opportunities for themselves not holding them back.

**CASE STUDY: Exeter Innovations Market:** The Exeter innovations market opened in Spring 2012 Trading outside the guildhall shopping centre it offered pitches to local artisan pitches including street food, in less than a year the footfall at the shopping centre increased by 17% whenever the market was hosted. The initial market increased footfall at the shopping centre by 18,000, by September the year on year increase was calculated at 20,766 extra footfall. Before the Exeter innovations market opened, footfall at the shopping centre had been in decline.

According to its founder, Karen Smith, the addition of street food to the market brought families to the event for the first time. Families and friends could meet at the market, get some food, do a bit of shopping and know that their kids would be entertained and safe. By including seating areas and live music, they have created a family festival vibe which has had positive effects for the traders, the public and the shopping centre.

The Exeter innovations market re-opened recently on an extended four day a week run.

Andrew McNeilly, centre manager at the Guildhall Shopping Centre commented

*“When we held the first Exeter Innovations Market in March last year we could not have predicted that it would be the sensation it has become. Each month it has drawn more and more visitors to the centre who have not only spent money with the market stall holders but also with shops & café’s in the centre. We are delighted to welcome the Exeter Innovations Market back, together with the new weekly street food market for this year.”*

By offering artisan produce from local suppliers the Exeter innovations market has created opportunities for small businesses to thrive but also to support the more conventional retail within the shopping centre, the street food element of the market has been so successful for all stakeholders that it is due to re-open on a weekly basis.

### **Re-claiming the urban landscape**

Street food has helped communities to reclaim their public spaces, often transforming no go areas into destination venues. There are several examples of street food assisting with the regeneration of an area.

Market Row in Brixton was a largely vacant shopping parade in Brixton, South London. The shops in the parade were offered at nominal rents to street food traders on short term leases, on the proviso that rents would be increased if the tenants wished to stay after the initial period. Several street food traders took up the challenge and now market row is fully leased with a waiting list for new businesses and several street food businesses have made the successful step from the streets into

bricks and mortar. Bukowski Grill opened up a second site (their first being in the shipping containers of BoxPark, Shoreditch –another great example of streetfood and retail working together), El Panzon moved from outside a local Brixton pub. The arcade is now as busy with custom as it has ever been and is a destination for hipsters and foodies across London.

The redevelopment of Whitecross market has been equally impressive,

“improvements to the street include new pavements and shop fronts, as well as better and more defined sites for market traders. In addition to it’s daily general market, the weekly specialist food market, which runs every Thursday and Friday, has been key to reviving Whitecross Street. (in London guide)

Broadway Market is another great example of a street market not just creating opportunities for small businesses but also of regenerating a deprived area.

“by the eighties, the community was crumbling. The Thatcher recession and planning blight killed shops. Many residents bought their council houses, sold up and moved out. The street market all but died. Successive attempts by Hackney Council to revive the market failed. Then in 2004 the community renewed itself. Volunteers from Broadway Market Traders’ and Residents’ Association revived the Saturday market as a project to repopulate the street. New shops and restaurants arrived. Now the community is thriving once more.” (Broadway market website)

### **Streetfood explained:**

As any new industry develops it will encounter issues which it will need to overcome. The DIY nature of the early days of British street food led to a laissez faire approach to health & safety for some. However, with considerable work from the Nationwide Caterers Association, the industry is now ‘getting it’s house in order’ in order to further guarantee safety and food hygiene.

### **Gas safety:**

The New NCASS gas guidelines represent a huge leap forward in terms of gas safety for street food. While there will always be risks that will require sensible and diligent work practices, by standardising safety procedures and providing affordable solutions to traders, we expect this will significantly reduce any potential risks. It is worth noting that street trading is currently allowed, although not at the level we would like, and the instances of issues surrounding gas safety at markets and catering pitches nationwide are few and far between. We would expect as new traders enter the market, adoption of the new guidelines will reduce the existing risks of gas explosions at catering units.

### **Food Hygiene:**

The same rules apply to mobile traders as to restaurants and cafés and just like fixed sites premises, the caterer has a legal requirement to produce a food risk assessment for their business and act diligently to prevent food hygiene related issues such as food poisoning. It is worth noting that unlike a restaurant, the public can see inside the traders’ kitchen and are likely to vote with their feet should they see unhygienic practices. Street foods traders therefore have to be as diligent if not more so than fixed site establishments to ensure that the public are confident that they run safe and hygienic businesses.

### **Illegal traders:**

There is an argument that by allowing more licenced traders onto the street it will encourage unlicensed traders to trade. This is a strange argument as licenced traders are far more likely to report an un-licenced trader taking business off them or risking the entire streets licence.

### **Effects on local businesses:**

As previously discussed there is significant potential for street food to increase footfall in retail areas and food hubs, however, there is the risk that street food could impact negatively on existing businesses. However, as I understand it, local councils are not allowed to protect existing businesses from competition or create barriers to trade. It is dubious whether this reasoning could legally be used to prevent street trading. If managed correctly, street food should increase footfall in an area.

Furthermore, greater competition should lead to the existing businesses becoming more responsive to the demands of their customers. If an existing business needs to be propped up by government then it is likely that the business was not destined for success in the first place and will need to evolve and respond accordingly.

### **Litter, waste and blocking roads.**

The cost of litter collection and waste refuse should be included within the licence cost, traders should not be allowed a free ride and should be incentivised to provide waste receptacles, to use the minimum packaging possible and always use compostable or bio-degradable.

Traders are already required by licencing conditions to ensure the area around their pitch is kept tidy and litter free so local councils already have the tools required to mitigate any potential problems.

### **Problems facing the industry**

The main issue holding back the street food industry and its ability to support existing retail, re-invigorate local communities and provide sustenance for the workforce is the interpretation of the miscellaneous provisions act. For good reason local authorities had been wary of allowing street trading in the past, when it may have had far less to offer to the community, however, this situation is now changing but a lack of awareness at local government level has held back the industries development. Many local councils are simply not aware of the street food revolution and what it can offer their communities, hopefully this document will go some way to changing perceptions and raising awareness.

With just limited support, the street food industry has the potential to allow communities to reclaim their social spaces and create opportunities for small businesses as well as rejuvenating and celebrating what is best about our communities and shared culture.

*This document was written by Mark Laurie, Director of NCASS. It was sent to the Department of Business Skills & Innovation in support of the UK street food industry as part of their consultation on changes to the street trading and pedlary laws in March 2013. It is not to be re-produced or distributed without the express permission of the Nationwide Caterers Association.*

