Briefing

The strong economic case for expanding UK horticulture

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green alliance...

Summary

The consumption of fruit and vegetables across the UK needs to increase by 86 per cent to meet dietary guidelines, according to previous work by the Food Foundation.

We estimate expanding domestic horticultural production across the UK to meet this demand would add £2.3 billion to the UK economy, create 23,520 jobs and boost farm profits by three per cent across the country.

This profitable activity would need less land than the area currently growing inefficient bioenergy crops, which are subsidised by the government.

To realise this opportunity, the government should publish a horticultural strategy identifying routes to increase demand and supply right across the UK, as called for in a recent report from Green Alliance, the Food Foundation and the Good Food Institute. This strategy must address barriers faced by UK producers of high energy prices, unfairness in supply chains and a system where retailers disproportionately profit from selling unhealthy food.[1]

Introduction

A strategy to grow the UK's horticulture industry could help to meet the government's intentions to grow the economy, combat diet-related ill health and boost farm profitability.

Horticulture is one of the more profitable agriculture sectors, estimated to be worth over £5 billion a year. But the UK is far less self-sufficient in the products of horticulture than other foods, despite only a third of UK adults eating the recommended five portions of fruit and vegetables daily.

Growing more fruit and vegetables to grow the economy

In new analysis, we estimate the considerable value to the economy of expanding UK horticulture to meet the 86 per cent increase in the consumption of fruit and vegetables needed to meet healthy diet guidelines, as estimated by the Food Foundation.

Based on government datasets outlining the value of the UK's horticultural industry, we found that boosting fruit and vegetable production to meet this extra demand would add £2.3 billion to the UK economy, create 23,520 jobs and add three per cent to farm profits across the country.[2]

This assumes the same proportion of fruit and vegetables would continue to be imported as now. However, there is a substantial opportunity to increase the fraction of the higher consumption that is domestically produced. Increasing UK self-sufficiency in fruit and vegetable growing by ten per cent could add a further £3.3 billion to the economy, on top of the £2.3 billion from expanding demand.

The Land Use Framework should facilitate horticulture's growth without reducing self-sufficiency in other foods

Expanding horticultural production need not come at the expense of UK self-sufficiency levels in other foods. We estimate 113,622 hectares of land would be needed to expand horticulture production by 86 per cent. This is less than the 133,000 hectares currently used to grow bioenergy crops.[3] These crops are an extremely inefficient way to generate energy: per hectare, they produce 100 times less energy than solar and require government subsidy to be viable.

As well as removing incentives for bioenergy crops, the government should use the forthcoming Land Use Framework to facilitate horticultural expansion by identifying suitable sites and soils. A related horticulture strategy is needed to identify the support needed to increase production and the policies to drive increased consumption.

The Land Use Framework must deal with the tricky challenge of how to expand horticulture whilst reducing emissions from lowland peat (which arise from these carbon rich soils when they have been drained for cultivation or grazing). Over three quarters of lowland peat supports livestock grazing and cereal production (mostly for livestock), the remaining quarter grows approximately 22 per cent of the country's vegetables.

Our assessment shows it is possible to both increase vegetable production and cut the greenhouse gas emissions from peat. Many vegetables – an estimated four fifths by value – are suited to growing on other soils; the Land Use Framework should identify areas of the country where production of these crops should be targeted.[4] The remaining fifth includes crops, such as celery, watercress and lettuce, which could be grown in wetter conditions where emissions are substantially lower.

Recommendations

To realise the major opportunity for economic growth from developing this valuable sector, the government should produce a horticultural strategy to outline routes to increase both demand and supply of domestically produced fruit and vegetables. In England, this should work alongside the Land Use Framework to identify where horticultural production could be expanded while at the same time preventing further pressure on lowland peat.

For more information, contact:
Lydia Collas, head of natural environment, Green Alliance
lcollas@green-alliance.org.uk

Endnotes

[1] Barriers to expanding horticultural production are explored in detail in the NFU, 2024, 'UK horticulture growth strategy' whilst barriers to increasing consumption are discussed in the Food Foundation's SHEFS, 2022, 'Policy Brief 4: How can policymakers boost fruit and vegetable production and consumption?'.
[2] We assumed horticulture expansion would replace cereals and so first estimated the value of this expansion before subtracting the value of cereals currently grown on the needed area, as follows. We estimated the additional value an 86 per cent growth in horticulture production would add to the economy to be £2.5 billion, based on an 86 per cent increase in the value currently added by the horticulture industry (excluding plants and flowers), as cited in: Department for Environment, Food and Rural Affairs (Defra), 2024, 'Horticulture statistics – 2023'. To offset the value lost by what this replaces, we estimated the area this would require based on an 86 per cent increase in the area detailed in the same dataset, and then subtracted the value of cereal production on that area based on a per hectare estimate of the value of cereal production estimated based on: Defra, 2024, 'Agriculture in the United Kingdom 2023, Chapter 7: Crops'. We then estimated the number of additional jobs using per hectare labour requirements obtained from: Defra, 2025, 'Structure of the agricultural industry in England and the UK at June'. Finally, we estimated the growth in farm incomes by applying an 86 per cent increase in the revenue currently generated from horticultural food crops (ie excluding plants and flowers), which we converted into income using a two year average ratio of revenue to input costs as cited in: Defra, 2024. 'Farm accounts in England, Chapter 3: Cropping Farms'. We estimated this growth in income as a percentage of current total farm incomes in the UK, taken from: Defra, 2024, 'Total income from farming in the UK'.
[3] Whilst the land used to grow bioenergy crops may not always be suitable for horticultural production, it could instead be used to grow cereals for human consumption to free up land currently growing cereals that is suitable for horticulture.
[4] Green Alliance analysis based on the feasibility of growing each crop listed in 'Defra (2024), Horticulture statistics – 2023' on other soils.