NAVIGATE INSIGHTS • NO. 05 • NOVEMBER 2026

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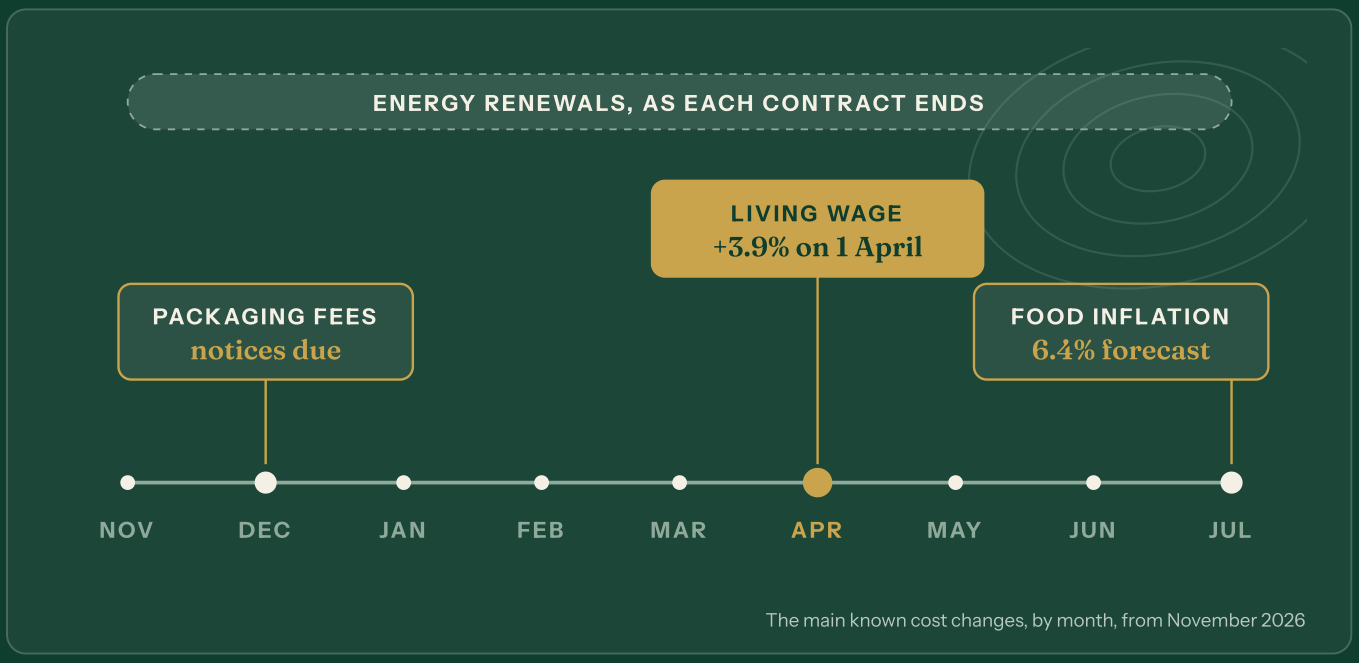
Your 2027 cost calendar

Packaging fees, the National Living Wage and energy renewals all move between now and spring 2027, while food inflation is forecast to climb. This guide puts them on one calendar and shows how to budget for them.



The main known cost changes, by month, from November 2026

£211,000+

extra a year for a food maker with 200 staff, before any price rises from its own suppliers.

Navigate worked example, page 3

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Navigate

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Strategic consultancy for UK food and drink

What changes, and when

Navigate

Most food businesses set next year's budget over the winter. This year several cost changes arrive close together, and most of them are already known.

End of 2026

Packaging fee notices

PackUK; Defra

PackUK sends each large producer a notice of liability for 2026-27 packaging fees. Treat it as an invoice. For the first time, hard-to-recycle packaging pays 20% more than the standard rate.

16 Dec 2026

Next official price figures

ONS release calendar

ONS producer prices for November: the evidence you will need for customer price talks.

1 Apr 2027

National Living Wage up 3.9%

Budget, 28 Oct 2026

From £12.71 to £13.21 an hour for workers aged 21 and over. Younger workers' rates rise too. Employer National Insurance stays at 15%.

As each contract ends

Energy renewals

FDF, Sept 2026

Gas prices more than doubled from February 2026. Businesses on fixed contracts feel it only when they renew.

Jul 2027

Food inflation forecast to peak

FDF, Sept 2026

The FDF expects food inflation of 6.4% in July 2027, and 5.5% on average across the year. Another round of price talks.

All of these are on the calendar today, so all of them can go in the budget.



Dates and figures as published by 20 November 2026. Packaging fee notices are expected at the end of the calendar year.

ADDING IT UP

What it could cost you

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An example of how it adds up for a food maker with 200 staff. It is not a client: it shows the method. Write your own figures in the last column.

COST	EXAMPLE	EXTRA A YEAR	YOURS
Staff on the wage floor 50p an hour more for 37.5 hours a week, plus 15% employer National Insurance	60 people × £1,121	£67,000	
Staff just above it To keep the gap between grades. Often forgotten	30 people × £1,121	£34,000	
Packaging fees From £423 a tonne to £455 (standard) or £545 (hard to recycle). Household packaging only; 2026-27 illustrative fees	300 tonnes of plastic	£10,000 to £37,000	
Energy The 25% is an assumption for the example. Use your own quote	£400,000 a year, renewed 25% higher	£100,000	
Your suppliers' price rises Not in the example total. Ask your main suppliers what is coming	Ingredients, services, haulage	Ask them	

EXAMPLE TOTAL

Before any price rise from suppliers of ingredients or services

£211,000 to £238,000

THE WAGE FIGURE

£1,121

extra a year for each full-time worker on the National Living Wage, including employer National Insurance.

Navigate calculation: 50p × 37.5 hours × 52 weeks, plus 15%

WHAT IT MEANS

On sales of £30m, £225,000 is three-quarters of a percentage point of margin. If customers will not move on price until the summer, that comes out of profit and cash in the meantime.

Illustration. Your own split will differ.

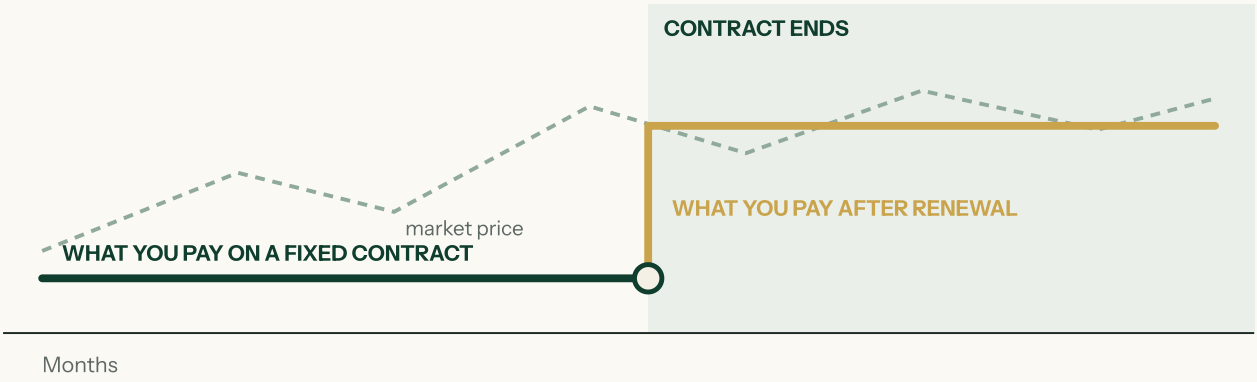
ENERGY

The contract cliff

Navigate

Many larger food makers fixed their energy prices before this year's rise. That protection ends with the contract, and the FDF says many expect sharp rises when they renew.

THE CONTRACT CLIFF



Illustration, not to scale. A fixed contract hides market rises until it ends.

120%

rise in the gas price over the first half of March 2026

Energy UK, April 2026

2×

Gas prices have more than doubled from February 2026 levels

FDF, September 2026

Up to 1 year

for higher costs to fully come through for makers on long-term agreements

FDF, April 2026

FIVE QUESTIONS FOR THIS MONTH

- [ ] When does each energy contract end, for each site?
- [ ] What does a renewal quote look like today?
- [ ] Can you fix part of your volume now, and leave the rest flexible?
- [ ] Which products use the most energy per tonne?
- [ ] Have you claimed every relief and exemption you qualify for?

DO THIS FIRST

Ask for a renewal quote now, even if your contract runs well into 2027.

It is the energy figure your budget needs, and it tells you how big the step will be.

WHAT TO DO

Build it into the budget now

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THIS MONTH: FIVE ACTIONS

1 List every known change

Wage rates, packaging fees, energy renewal dates, rent and rate reviews. Put a date and an amount against each.

2 Cost it product by product

Labour, packaging and energy hit products differently. Find the ones that move most.

3 Check your packaging ratings

Hard-to-recycle packs pay 20% more in 2026-27, 60% more in 2027-28 and double in 2028-29.

4 Get energy quotes early

Know your renewal price before you agree next year's selling prices.

5 Plan the price conversation

Decide which customers, how much, when, and what evidence you will bring.

Budget checklist

Seven lines to check are in next year's budget.

- [ ] Pay rates from 1 April, including staff above the floor
- [ ] Employer National Insurance on the increase
- [ ] Packaging fees by material and rating
- [ ] Energy cost from each renewal date
- [ ] Price increases from your own suppliers
- [ ] Timing of your own price rises
- [ ] Cash: the months you carry the cost first

Start the budget with the costs you already know about.

There are about four months until April: enough to cut costs, plan price talks and arrange cash, if the work starts now.

SOURCES (opened 20 November 2026): Budget 2026, 28 Oct 2026: National Living Wage from 1 April 2027; PackUK, producer disposal fees modulation statement and Year 2 illustrative waste disposal fees, and Defra, Waste disposal fees for large producers, updated 28 Oct 2026 (gov.uk); FDF, UK food inflation forecast 2026 to 2027, 9 Sept 2026, and statement of 1 Apr 2026 (fdf.org.uk); Energy UK, Middle East conflict and non-domestic energy contracts, 30 Apr 2026 (energy-uk.org.uk); ONS release calendar. Contains public sector information licensed under the Open Government Licence v3.0.

GET IN TOUCH

Talk to us. The first call is free.

Tom Baker and Amanda Wright founded Navigate in 2026 to help food and drink businesses improve, grow and succeed, using what they learned in 50 years of running them. If this guide sounds like your business, book a call.

FIRST CALL, FREE

An hour on Teams about your pressures and plans. We will tell you plainly whether we can help.

AN HONEST VIEW

Whether we can help, or more scoping, still free, if it isn't clear yet. We work from the data you already have.

THE WAY THAT FITS

Fixed fee, shared savings or a monthly retainer: we agree the way of working that suits you best.

Amanda Wright

CO-FOUNDER & COO

Hands-on food and drink director with 25 years across procurement, supply chain and operations, most recently at board level, managing up to £300m of direct spend.

Tom Baker

CO-FOUNDER & CFO

Board-level finance and strategy director with 25 years in food and drink. Turnarounds, acquisitions and investments delivered across the UK and Ireland, Asia, Africa and the Middle East.

WHAT YOU CAN EXPECT

- You work directly with both of us, with no hand-offs or junior teams.
- Actions your team can own, not a report that sits on a shelf.
- We tell you what we find, including what you may not want to hear.

Our success is linked to yours.

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