Scoping Study: Collective Action to Address Community Access to Food

Report

for

Community Food and Health (Scotland)

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Contents

1. Introduction

This Section describes the background and context to the study and outlines its objectives.

1.1 Background to the Study

1.1.1 The Community Food Sector in Scotland

Community food initiatives have developed over a number of years. This has occurred in remote rural areas where poor public transport services and low levels of car ownership prevent communities from accessing affordable, fresh produce. It has also occurred in deprived urban communities where price is the determining factor and it is generally cheaper to buy processed foods than fresh, healthy produce.

Initiatives can be about the supply of fresh ingredients, prepared meals or cooking classes, or could be a combination of all of these. They can also include non-food related activities such as the provision of advice.

Each community food initiative or project is different in terms of governance, management, and structure. However, they commonly involve a mix of professionals and community members.

Community food activity varies across Scotland. In some parts of Scotland, food networks have emerged to support local food initiatives. These areas include Aberdeenshire, East Lothian, Edinburgh, Forth Valley (Stirling, Clackmannanshire and Falkirk), Midlothian, North Lanarkshire and West Lothian.

1.1.2 Community Food and Health Scotland

The Scottish Community Diet Project was established in October 1996 as a result of the recommendations of the Scottish Diet Action Plan (1996). In November 2006, its name was changed to Community Food and Health Scotland.

The aim of the organisation is to ensure that everyone in Scotland has the opportunity, ability and confidence to access a healthy and acceptable diet for themselves, their families and their communities.

In recognition of the importance of local community food networks in achieving this aim, Community Food and Health Scotland has played a central role in the commissioning of, and support for, this study.

1.1.3 Origins of the Study

The need for this study emerged from the work of Holyrood's Cross Party Group on Food. At its fourth meeting, held on 3 May 2006, discussions focused on ways to improve the food access infrastructure serving disadvantaged communities.

Members of the Cross Party Group felt that a short-life Working Group should be set up to take these ideas further. This Working Group was formed, and included representation from Community Food and Health Scotland and local community food networks.

At the same time community food networks in east and central Scotland had been coming to together to explore opportunities to take forward their commitment to greater collaboration.

A meeting of the Working was held in June 2006, where it was recognised that a more detailed business case would have to be developed before considering the options for, and piloting of, action on these issues.

Following this, Community Food and Health Scotland agreed to fund this scoping study of the existing and potential capacity for collective action by community food networks on food procurement and access. This was endorsed and supported by the community food networks.

1.2 Focus of the Study

In order to examine the issues and opportunities for collective buying in a real-world context, Working Group recognised that the existing interest from food networks in east and central Scotland provided a good basis for the study.

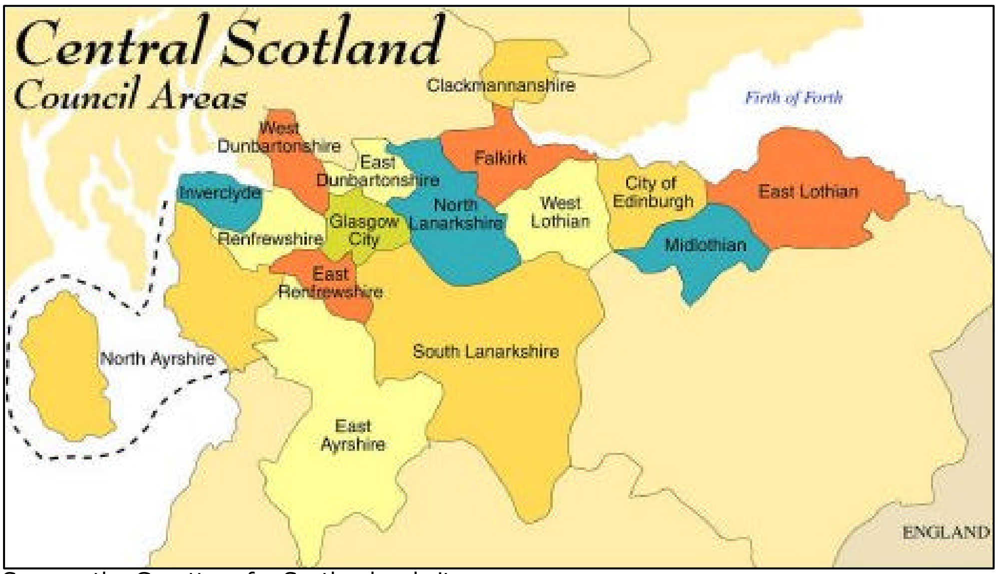
The focus of this area is therefore restricted to the following areas (albeit recognising that learning from the study would be applicable across Scotland and beyond):

- East Lothian
- Edinburgh
- Midlothian
- North Lanarkshire
- West Lothian

In each of these areas, the arrangements for improving community food access are different. A common theme for all, however, is the presence of a community food network as a focal point through which local community food work is organised and delivered.

Figure 1.1 shows the location of each of the areas on a map of Central Scotland. They form a contiguous area which makes them well placed for collective action. In addition, in terms of importing food directly, there are good road links to England and sea links at Edinburgh/Grangemouth.

Figure 1.1: Map of Central Scotland



Source: the Gazetteer for Scotland website

1.3 Aims and Objectives of Report

In March 2007, EKOS was commissioned to examine the feasibility and options for collective action around food procurement by community food networks in Edinburgh, the Lothians and North Lanarkshire.

The overall aim of the report is to establish options for collective action within this setting and to make an informed judgement as to the feasibility of each.

The detailed objectives of this report are to:

- establish the current usage of fresh produce (including the range of produce) by the community and voluntary sector in each of the target areas;

- establish the potential of future usage of fresh produce (including the range of produce) by the community and voluntary sector in each of the target areas;

- assess how much of the fresh produce currently used is grown locally and what potential exists for this to be increased/ maintained in future;

- determine a series of options for collective working in the following areas: storage, transport, refrigeration, training and IT/ communications;

- assess the set-up and running costs for each of the options identified, and assess the potential to make use of existing resources; and

- establish the different outcomes that could be expected from the identified options.

1.4 Format of Report

The remainder of this document is structured as follows:

- Section 2 provides an overview of the policy drivers for this study;

- Section 3 details each of the food Networks across the study area;

- Section 4 assesses the issues that surround the supply of food;

- Section 5 looks at the demand and usage of food by the Networks;

- Section 6 identifies opportunities for collective action;

- Section 7 appraises the alternative options; and

- Section 8 provides conclusions and recommendations.

2. The Policy Drivers

This section explores some of the main policy drivers impacting on community food initiatives in Scotland. These include a range of overarching policy drivers, together with specific ones relating to health inequalities, food access, and social enterprise.

2.1 Overarching Policy

Scotland has many health problems, and poverty and poor diet are implicated in most of them. A growing theme in policy development is the realisation that work on positive health has to be carried out across a range of policy areas and cannot be confined to health service policy.

The spending strategy *Building a Better Scotland: Spending Proposals 2005-2008* stated that growing the economy was the top priority for the Scottish Executive in order to raise the quality of life for people in Scotland. Scotland's health is recognised as a key challenge.

The four cross-cutting themes to which all portfolios had to demonstrate their contribution were:

- growing the economy;
- closing the opportunity gap;
- equality; and
- sustainable development.

These cross-cutting themes have a bearing on the development of food and health work in the community. In particular:

- *Closing the Opportunity Gap (CtOG)* (Scottish Executive, 2004) dealt with tackling poverty and disadvantage by increasing access to services and opportunities for all and closing the gap between the most disadvantaged communities and the Scottish average. It included targets for health inequalities for the first time;
- *The Equality Strategy* (Scottish Executive, 2005) intended to underpin everything the Scottish Executive does. It aimed to remove discrimination on the basis of gender, ethnicity, disability, sexual orientation, age, faith or religion; and

- *Choosing our Future: Scotland's Sustainable Development Strategy* (Scottish Executive 2005) aimed for a sustainable, innovative and productive economy with high levels of employment, and a just society promoting social inclusion, sustainable communities and personal well-being. Protecting and enhancing the environment and using resources efficiently were key aims.

2.2 Health Improvement and Health Inequalities

As *Healthy Communities, a Shared Challenge* (2006) points out, a succession of policies recognises the broad and deep-seated influences that affect health and well-being and create inequalities in health. They accept that health services alone, and indeed communities alone, cannot tackle these in isolation.

This focus reflected an ongoing shift in Scottish public health and health improvement policy as set out in *Towards a Healthier Scotland* (Scottish Office, 1999) and *Health Improvement-The Challenge* (Scottish Executive, 2003b). It also reflected that health improvement, as a step on from health promotion, was increasingly understood as a partnership activity between health, local authority, voluntary and community sectors, rather than residing only in the health domain.

Collaborative approaches to improving health and well-being are becoming established through formal and informal local partnerships, which became further formalised through Community Planning.

In the last few years, changes have been made to the way that local services are structured, such as the introduction of Community Health Partnerships. These new structures require agencies to consider ways to build relationships with their local community and partners.

We also now have *Standards of Community Engagement* (Communities Scotland, 2005) and *Patient Focus and Public Involvement* (NHS Quality Improvement Scotland, 2006) which have been produced with the aim of making sure that local people or patients have a say in decisions that affect them within these new structures.

The *Healthy Communities: A Shared Challenge (2006*) from its work showed that involving the local community in shaping health improvement services can result in a service more appropriate to the local community. The service is also more likely to reach its target audience. The same report showed that community members who get involved in local health improvement services also benefit. The benefits to them include more confidence, development of skills and a sense of belonging.

2.3 Food and Health

Since the *Black Report* in early 1980s, the increasing gap in British health and life expectancy has been well documented, highlighting the differences experienced by people living in poverty and those living in prosperity.

In 1992 the policy statement *Scotland's Health: a Challenge to Us All* explored Scotland's poor health record and stated that extensive action was needed; the following year the "James Report " *Scotland's Health: a Challenge to Us All: the Scottish Diet*" highlighted the need for a concerted action plan on the Scottish Diet. Over the next three years a working group consulted on this and in 1996 *Eating for Health: a Diet Action Plan for Scotland* was launched by the health minister.

Over the next ten years a number of policy documents with implications for food and health were developed. These included the 1998 *Food Standards Agency – A Force for Change.* This white paper outlined plans and purpose for establishment of FSA and FSA Scotland.

In 2003 *Improving Health in Scotland – The Challenge*, a strategic framework for health improvement policy, set a health vision for 2020 with a new framework for health improvement and seven special focus programmes, including diet/healthy eating.

A new strategic framework was developed by the Scottish Executive in 2004, *Eating for Health: Meeting the Challenge* to guide national policies and actions as well as local food and health action plans. Community food projects were promoted as one of the solutions to addressing food poverty and health inequalities among a range of measures.

A recent independent review of the implementation of the Scottish Diet Action Plan between 1996 and 2005 found while much positive work had been done on community based work, the dietary targets set for 2005 were not achieved. There was little or no improvement across most food and nutrient groups.

NHS Health Scotland is also concerned with worrying trends, including the increase in obesity. Between 1995 and 2003 the proportion of men who were either overweight or obese rose from 56% to 64% and the percentage of women rose from 47% to 57% (2003 Scottish Health Survey).

Therefore, bringing about positive changes to the Scottish population's diet remains a major challenge to policy makers and the NHS.

2.4 Social Enterprise

The policy backdrop is important in providing a lead on how community food work should be delivered; not just what it should deliver.

Given impetus by the public sector modernisation and reform, social enterprise in particular has moved up the policy agenda, as a method of addressing a variety of issues, including public sector procurement, social exclusion, regeneration, and health inequalities.

Social enterprises are businesses that operate in the market by providing services and goods. It is a new way of look at an old concept; using business methods for community good, rather than for the benefit of shareholders.

Scottish policy priorities for social enterprise were first developed through the Scottish Executive's *Review of Policies to Promote the Social Economy*, published in early 2003. This set out the Executive's commitment to developing the social economy's role in the delivery of public services.

Later in 2004 the Scottish Executive set out its policy framework *Futurebuilders Scotland: Investing in the Social Economy*, which set out £18m programme of investment in the sector. This recognised and promoted the need for organisations to operate in a more business-like way and to strengthen their financial sustainability (through increased earned income and reduced grant dependence).

In response to growing policy attention on the economic dimension of community and voluntary sector, a differentiated strategy for social enterprise (Scottish Executive, 2007) has now been introduced. This puts social enterprise forward as a distinct business model and sets in place a framework and action plan for its development.

The Sustain policy briefing paper on *Social Enterprise for Community Food Projects* (2006) suggests that social enterprise offers great potential for some community food projects, although this potential is not yet being met.

Whilst support for social enterprise is high on the government's agenda, support for community food projects seems to be diminishing - with funding often precarious, short-term, and tied to varying grant provisions.

2.5 Key Messages

From the brief overview of the policy environment, a number of main messages and implications emerge as significant:

- Scotland has many health problems, and poverty and poor diet are implicated in most of them;
- policies to promote health promotion and health improvement are increasingly recognising the value of working with, and through, the community and voluntary sector;
- bringing about positive changes to the Scottish population's diet remains a major challenge to policy makers;
- community food projects have been promoted as one of the solutions to addressing food poverty and health inequalities among a range of measures; and
- there is an increasing expectation that community food projects will examine the potential for social enterprise, using business methods to address food poverty and health inequalities.

A new Scottish Government has now been formed. Early, supportive pronouncements on tackling health inequalities and promoting social enterprise, together with its commitment to supporting those at the frontline, point towards a policy environment that continues to be supportive for community food work in Scotland.

3. The Food Networks

This Section examines the geographic focus of this study, the food networks that operate within this target area, and the collective scale, resources, and potential of these networks.

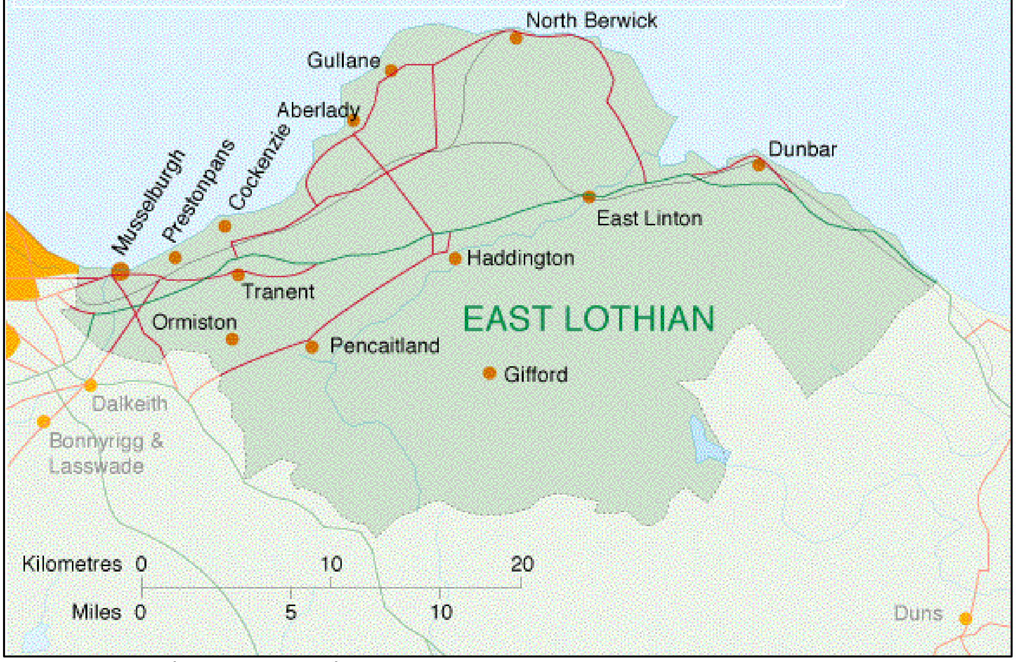
3.1 Area of Focus

The target area for this study is east and central Scotland including the areas of East Lothian, Edinburgh, Mid Lothian, North Lanarkshire and West Lothian. A short assessment of the needs of each area, local food work and voluntary sector activity is presented in the following sections.

3.1.1 East Lothian

East Lothian is located to the east of the city of Edinburgh and is detailed in Figure 3.1. More than half the population of the area live in the western settlements of Musselburgh, Prestonpans, Tranent and Cockenzie/Port Seton. The population of the area is growing and this reflects its role as part of the wider Edinburgh city-region.

Figure 3.1: Map of East Lothian local authority area



Source: Scottish Executive website

The natural and built environment within East Lothian is of high quality. Much of the natural environment comprises high quality, productive farmland.

East Lothian benefits economically from its proximity to Edinburgh, however, this masks pockets of severe deprivation. This relates to communities formerly dependent on the mining industry or on rural areas which offer limited employment prospects. Deprivation is dispersed across the area but concentrated largely in Tranent and Prestonpans.

Access to fresh, quality produce in East Lothian is an issue in two areas: deprived urban areas and remote rural areas.

East Lothian Roots and Fruits is a food network which aims to tackle poverty and health issues and make fresh produce accessible and affordable (discussed further in Section 3.2).

Examples of other community and voluntary activity to address issues related to food and health includes:

- Young People and Food Group: represents the interests of children and young people with the aim of raising awareness of food and health issues; and

- East Lothian Community Development - Healthy Living is Easy: delivers healthy eating awareness/cooking skills classes to local parents and young children.

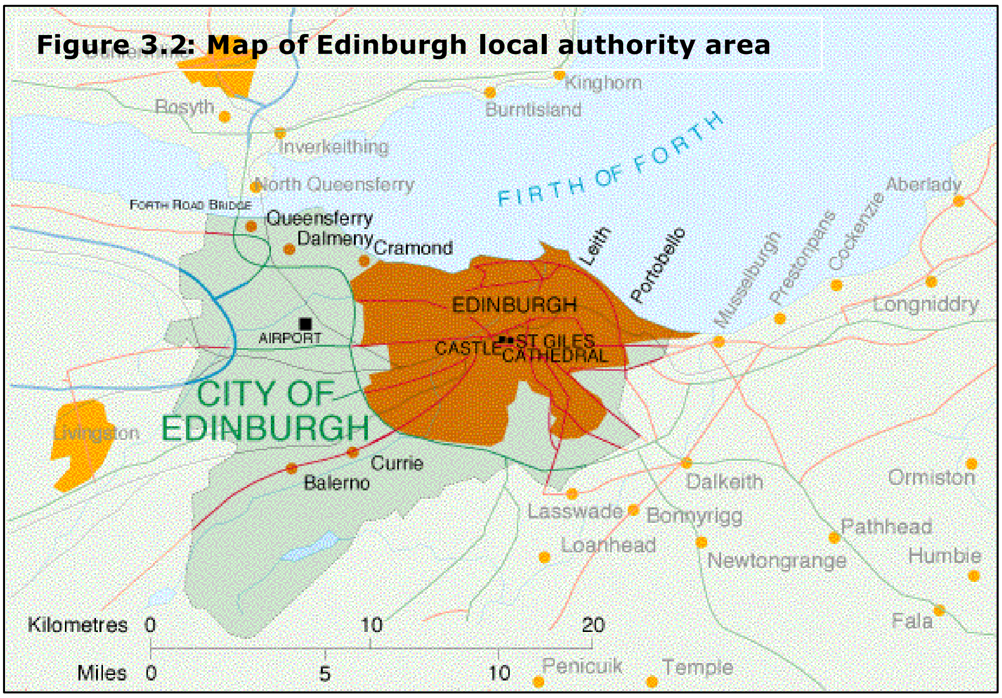
3.1.2 Edinburgh

Edinburgh is the capital city of Scotland with a buoyant economy and labour market, largely based around the services sector.

It might be assumed that access to fresh produce would be relatively straightforward with numerous supermarkets serving the city as a whole, however there are deprived parts of the city where low incomes can prevent people from accessing fresh produce in favour of low cost, ready-made alternatives.

The Regeneration Outcome Agreement for Edinburgh identifies particular areas of multiple deprivation in Craigmillar, Muirhouse/Drylaw, Granton, Kames, Harbour, Restalrig, Newhaven, Murray Burn, Moredun, Parkhead, Pilton and Duddingston.

Figure 3.2: Map of Edinburgh local authority area



Source: Scottish Executive website

Voluntary sector activity in Edinburgh is widespread in terms of health. There are a number of community health projects covering some of the most deprived areas.

Edinburgh Community Food Initiative (ECFI) is the food network responsible for working with food co-ops and food access projects (discussed further in Section 3.2).

Other examples of organisations working to improve health with a food focus include:

- Edinburgh Cyrenians Good Food in Tackling Homelessness Programme: promotes access to food, offer training and work opportunities, and run the Fareshare project in Edinburgh;

- Gorgie City Farm: runs community gardens on a city farm project and encourages volunteers to grow their own produce, and works with ECFI to deliver a food co-op;

- Food for Tot: community based project that helps families make positive dietary choices for babies and young children; and

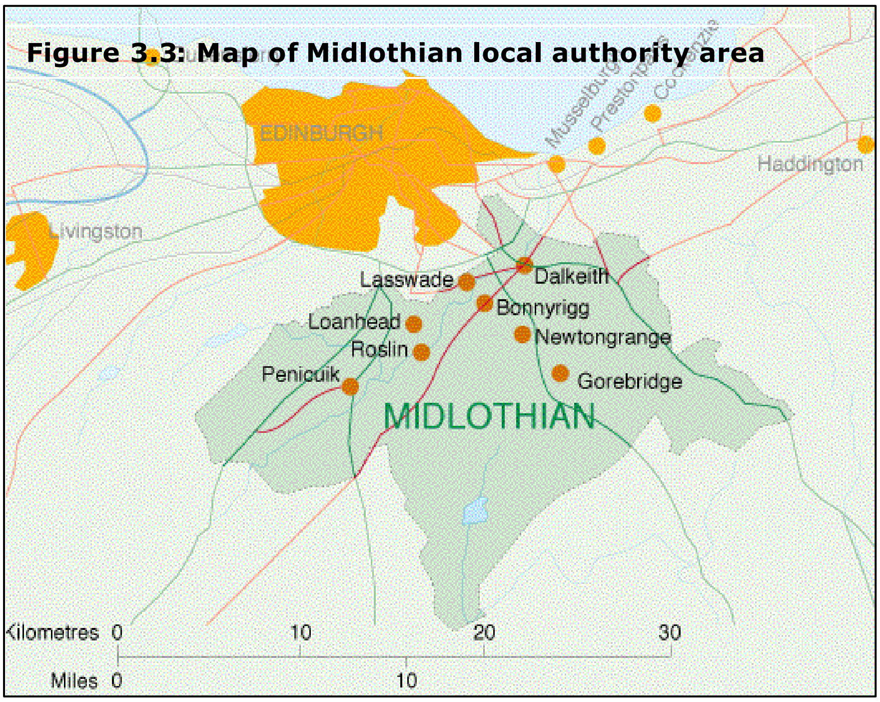
- Bridgend Allotment Community Health Inclusion Project: organic growing project on an allotment site which aims to promote healthy lifestyles and address health inequalities.

3.1.3 Midlothian

Like East Lothian, Midlothian benefits from being located within ten miles of Edinburgh city centre (see Fig 3.3), which affords easy links to the capital.

Midlothian comprises a number of small and medium sized towns along with many villages and hamlets. The natural environment is picturesque with most of the area intensively farmed.

Figure 3.3: Map of Midlothian local authority area



Source: Scottish Executive website

The Regeneration Outcome Agreement for Midlothian identifies three areas which are the most socially and economically disadvantaged. These are Dalkeith/Woodburn, Mayfield/Easthouses and Gorebridge.

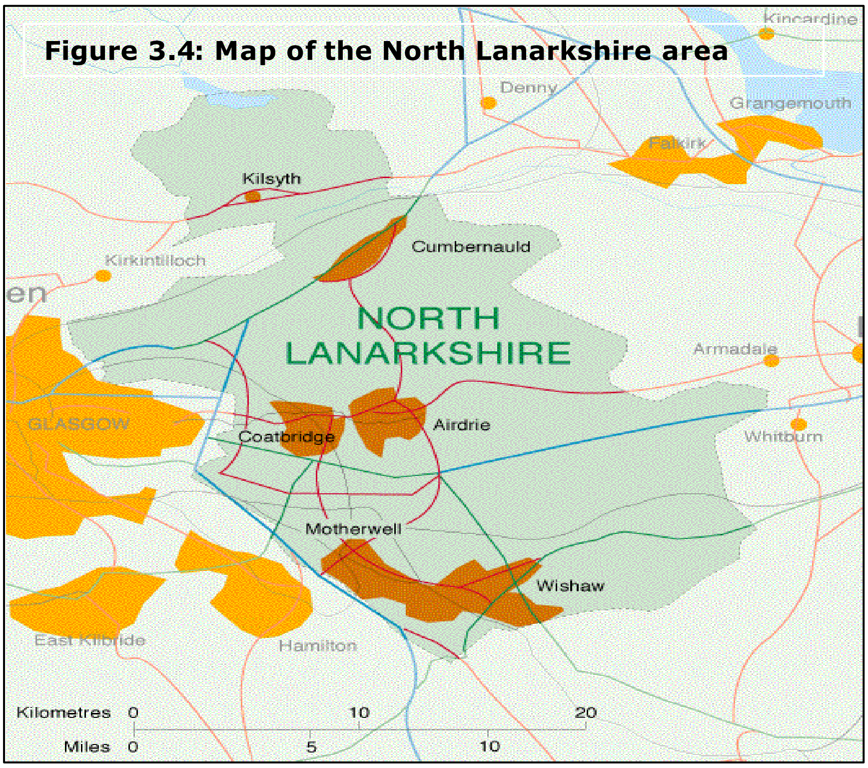
Access to fresh produce within Midlothian can be problematic due to geographical isolation, low incomes and poor education on how to use fresh produce to cook.

The main project addressing health issues in the area is the Community Health and Regeneration Project (CHIRP) based in Gorebridge. This has given rise to the Midlothian Community Food Initiative, which plays the role of food network for the area (discussed in more detail in Section 3.2).

3.1.4 North Lanarkshire

North Lanarkshire is the most westerly of all the Networks in the study area and has a boundary with the City of Glasgow (see figure 3.4).

Figure 3.4: Map of the North Lanarkshire area



Source: Scottish Executive website

The area has suffered significantly from the decline in traditional industries and deprivation occurs sporadically across the whole area. There are significant clusters within urban areas but there are also numerous smaller pockets. In terms of health status, North Lanarkshire compares unfavourably with the rest of Scotland and the UK.

North Lanarkshire Federation of Community Food Co-operatives is the co-ordinating food network for the area, which supplies and offers support to local food and health projects (discussed in Section 3.2)

There are a number of voluntary sector projects working in the field of food and health in the area (most of which are supported by the Federation). These include:

- Kirkshaws Neighbourhood Centre: community managed facility that operates a broad range of services including a food co-op, community cafe and cookery workshops;

- Right Track: breakfast club for out of school refusers/excluders, including healthy eating and cookery sessions;

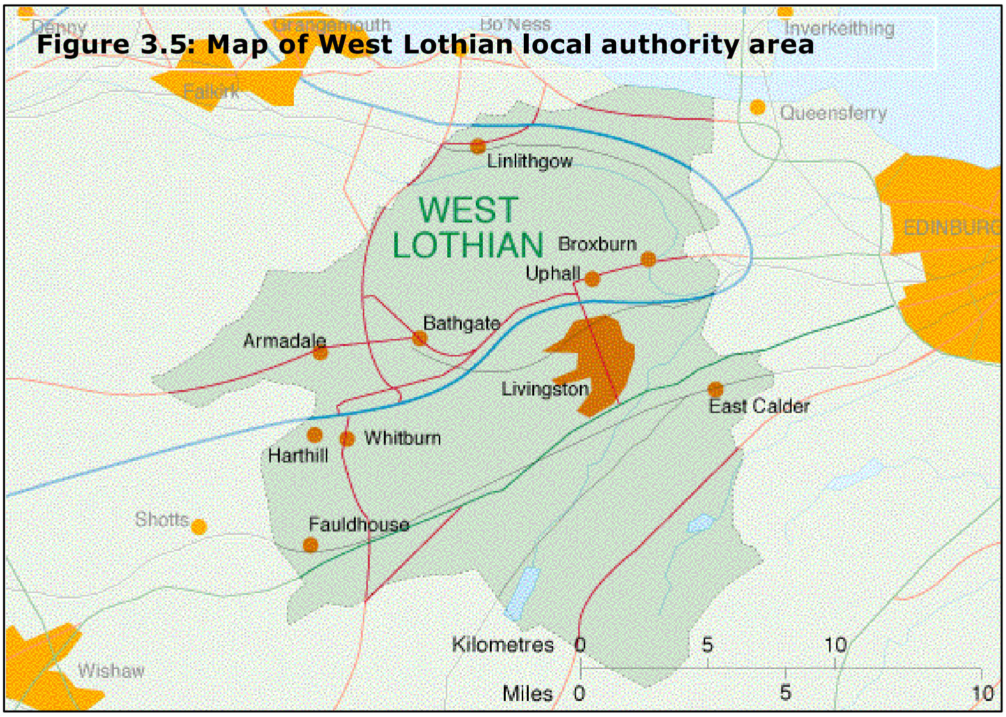
- Utheo Ltd: provides a range of social care activities from a community centre setting, including a healthy eating cafe and food co-op; and

- Getting Better Together: runs a food co-op and community cafe.

3.1.5 West Lothian

West Lothian is situated in the centre of Scotland, at the heart of the transport infrastructure. It is approximately 15 miles west of Edinburgh and 30 miles east of Glasgow, and has a central position to all of the Networks (see figure 3.5 below).

Figure 3.5: Map of West Lothian local authority area



Source: Scottish Executive website

Over the last 25 years, the area has experienced the loss of traditional manufacturing industry and resulting social and economic disadvantage in particular areas. While an economic transition has got underway in recent years, it has not been of equal benefit to all communities in the area. The communities that have benefited least have been the former mining towns in the south and west.

In terms of community food and health activity in West Lothian, an overarching organisation has been established within the last year to support the existing food co-ops and develop new ones. West Lothian Food and Health Development (WELFEHD) will be discussed in greater detail in Section 3.2.

Apart from this, examples of other community food and health initiatives include:

- Cyrenians Farm: grows organic produce for retail and wholesale, often to local food co-ops; and

- Get Cooking: trains people to deliver cooking courses and healthy eating workshops to vulnerable groups and low income people.

3.2 The Food Networks

The concept of the community food network was introduced in Section 1. Each study area is unique and the Networks play a different role in different areas, however the main goal of all is improving access to fresh, healthy produce.

In some areas, the networks supply local community and voluntary groups with fresh produce which are working in small, individual areas to improve food access. In other areas, the networks supply to the general public, through food co-ops and fruit and veg. vans.

A common element to all of this work is that the food initiatives operate in two similar areas. The areas are typically either deprived, urban areas (where there is a lack of disposable income to spend on fresh produce), or in remote/rural areas (where there may only be one shop selling limited and often expensive fresh produce).

The networks also take on a health promotion role, encouraging the uptake of fresh fruit and vegetables, running cooking classes and taster sessions. Details of each community food network are presented on the following pages.

East Lothian Roots and Fruits

Background Origins

East Lothian Roots and Fruits has been operating for over ten years. It emerged from the need identified by local volunteers to supply good quality fruit and vegetables at affordable prices to those most disadvantaged in the area.

Purpose and Objectives

The main objectives of Roots and Fruits are:

? To promote healthier eating

? To promote access to affordable and good quality fruit, vegetables and provisions

Service Portfolio- Core Projects

Orange van: this is a mobile shop which visits a different area of East Lothian each day of the week and sells fresh produce directly to the public. Customers include young families, the elderly (a service to housebound customers is offered).

White van: this is used to supply fresh produce to disabled and isolated residents in addition to supplying local organisations with fresh fruit on a regular basis, including schools, nurseries, after school clubs, play groups, day centres and resource centres.

Food co-ops: fresh produce is supplied at affordable prices to the communities of Mussleburgh and Whitecraig. In addition, stalls are set up in 8 GPs surgeries across the area selling 5 a day fruit bags.

Community garden: children from local schools and nurseries learn how to grow their own produce and volunteers who suffer from mental health problems attend for theraputic reasons.

Health promotion activity: this includes taster sessions in schools and community cooking classes to show residents how to use fresh ingredients to produce healthy meals.

Governance and Structure

Roots and Fruits is a registered charity run by a volunteer management committee. This comprises representatives from the health board and East Lothian Council.

Resources

Financial: for the financial year ending March 2007, Roots and Fruits received £57,572.86 in grant support mainly from East Lothian Council and NHS Lothian, and from various trusts and grant giving bodies. In addition, they made a small surplus of approximately £2,500 from food sales.

Human: the organisation employs a manager and 6 part-time staff members (which equates to 2.5FTE workers).

Physical: the organisation owns two vehicles and a garage/warehouse. The office space and community garden are leased.

Current Development Issues

Current issues include:

? Poor quality of produce from main supplier

? Limited capacity to deliver health promotion services

Future Potential

? Buying and selling local produce

? Developing further food co-ops if it isn't possible to replace the orange van

? Train other workers to provide health promotion services

Edinburgh Community Food Initiative (ECFI)
Background Origins
In 1995, the Scottish Office gave financial resources to community food groups to set up a delivery scheme via the Scottish Diet Action Plan. At the time, individual food co-ops were working independently in Edinburgh. They came together to pool their collective buying power and the Edinburgh Community Food Initiative (ECFI) was created.
Purpose and Objectives
ECFI's methods and approaches are based on the principles of promoting equity and social justice. The main focus of the work is on reducing health inequalities relating to diet. The work is informed by community development methodologies.
Service Portfolio- Core Projects
Co-ops: ECFI provides a complete order and delivery service to each of the food co-ops across the city. Produce includes fruit, vegetables, pulses, dry goods and fruit juices. In addition, they supply to smaller community food initiatives such as fruit stalls and barras. **Organisations**: ECFI also delivers to various organisations across the city including children and family centres. Until recently, ECFI also delivered two contracts for Edinburgh City Council providing fruit to schools. They were unsuccessful in tendering for one of the contracts this year, and the other contract was terminated.
Governance and Structure
ECFI is a citywide, community-based charity and a company limited by guarantee. The organisation is managed by a board of directors, the members of which have an active connection to local community food activities, or have related experience or expertise in this area.
Resources
Financial: they receive grant funding from Edinburgh City Council Children & Families department, CRF and from Lothian Health Board. **Human**: there are 11 paid staff employed by the organisation and 27 volunteers **Physical**: the organisation owns 4 vans and one warehouse.
Current Development Issues
The main issue for ECFI at present relates to the loss of two major contracts. This has resulted in staff redundancies.
Future Potential
? The focus over coming months will be on food co-ops and centralising operations, due to the loss of contracts ? Longer term it may be possible to focus on environmental, ethical and sustainability issues to do with food access, including buying local/UK produce

Midlothian Community Food Initiative (McFI)

Background Origins

Midlothian Community Food Initiative (McFI) is one of four health projects run by the Community Health Improvement and Regeneration Project (CHIRP).

Purpose and Objectives

The aims of McFI (and CHIRP) are:

- Health improvement, health promotion and addressing health inequalities
- Improving access to good quality fresh produce without having to pay a premium
- Having an economic impact locally by concentrating as much as possible on local small scale growers

Service Portfolio- Core Projects

Unlike some of the other networks, there are only a small number of food co-ops operating in Midlothian. McFI fills this gap in provision through the following core projects:

Mobile shop: this delivers fruit, vegetables and healthy dried goods to specific areas in Midlothian.

Fruit box delivery service: provides fresh fruit to 32 different organisations, including nurseries, breakfast clubs, community groups and after school clubs. They also deliver fresh produce on an ad hoc basis to groups who require it.

Community food stalls: these sell fresh produce and dried goods to the public in Gorebridge and Dalkeith.

Governance and Structure

McFI is a company limited by guarantee with charitable status. It is one of four projects run by CHIRP, which is run by a management committee.

Resources

Financial: McFI receives funding from the Health Improvement Fund, Lottery, Midlothian Council, and grant-making trusts which amounted to £65,065 in 2006/07.

Human: the organisation employs 4 paid staff and supports 2 volunteers.

Physical: McFI owns one shop-fitted van, leases a warehouse from Midlothian Council, and leases two transit vans.

Current Development Issues

The main issue for McFI is securing long term funding and resources. The current focus is on developing relationships with local producers.

Future Potential

- An expanded educational role focusing on teaching local communities how to use fresh produce and create meals
- Increasing the number of customers from the local community, possibly through further community market stalls and another mobile shop
- Buying local produce wherever possible and improving access to healthy foods by creating relationships directly between local producers and local customers

North Lanarkshire Federation of Food Co-ops

Background Origins

North Lanarkshire Federation of Food Co-ops has been operational for 17 years. It was established initially to combat food poverty within North Lanarkshire, before evolving to promote access to, and awareness of, healthy produce.

Purpose and Objectives

The aims of the Federation are to improve access to quality fresh produce and promote healthy eating across North Lanarkshire.

Service Portfolio- Core Projects

The Federation works in two main areas. Firstly it supplies a Network of local organisations as follows:

-Traditional food co-ops which were formed to tackle food poverty

-Community food initiatives which have a health remit and sell fruit and vegetables, e.g. fruit stalls

-Community cafes

-Nurseries that supply fresh fruit to their children

Secondly, the Federation operates a project called High Five for Fruit which provides three pieces of fruit a week to children in nurseries in North Lanarkshire. This is supplemented by a range of development work including taster sessions and fruit tree planting.

Governance and Structure

The Federation is a company limited by guarantee and has charitable status. It is governed by a Board with membership drawn from its customer organisations and funders.

Resources

Financial: the Federation has three sources of funding: Community Regeneration Fund, North Lanarkshire Council, and the Health Board. In total, this funding amounts to just under £300,000 with an additional £30,000 in in-kind support.

Human: there are 3 members of staff that are office-based, 1 support worker, 5 drivers, as well as 80+ volunteers.

Physical: the Federation has 5 vehicles, an office, and a 1,200 sq.ft. warehouse.

Current Development Issues

The logistics of delivering to 126 customers per week via 5 vans proves challenging. The produce has to be there on time for each venue, and this relies on the suppliers delivering on time.

The Federation would also like to expand its health promotion role but don't currently have sufficient free staff time.

Price is probably the single biggest issue for customers, many of whom are pensioners.

Future Potential

? An expanded health promotion role

? Development into new areas such as box schemes and work with new co-ops

? An increase in purchases from local growers in season, to reduce transport miles

West Lothian Food and Health Development (WELFEHD)

Background Origins

WELFEHD is the newest of the community food Networks involved in the study area. Prior to the Network being established, there were individual food co-ops operating in the area, however, these were not co-ordinated and acted independently.

Purpose and Objectives

WELFEHD aims to raise awareness of the benefits of eating a healthy diet and to tackle the barriers associated with this, e.g. access to and cost of healthy food, and the skills required to prepare it. It was recognised at the outset that a social enterprise solution would be appropriate to achieve these objectives.

Service Portfolio- Core Projects

The main customers are 14 food co-ops (this is increasing) which operate in a variety of settings, including health centres, schools, day centres and a community owned shop. WELFEHD supplies fresh produce to these co-ops on a weekly basis.

WELFEHD also works with two schools in West Lothian to supply small bagged portions of fruit to healthy tuck shops and other healthy eating initiatives.

It operates a box scheme where WELFEHD will deliver (free of charge) a box of fresh produce to any workplace in West Lothian with 10 of more orders.

It also operates a returns system, which has resulted in a large increase in sales as local food co-ops are not as concerned about the wastage and storage of produce.

Governance and Structure

WELFEHD is a company limited by guarantee with a board of directors drawn from representatives from local food co-ops and Lothian NHS and Health Board. Senior warehouse personnel are responsible for day to day operations with support from West Lothian Council. It is supported through West Lothian CHCP.

Resources

Financial: the project is in receipt of £50,000 from the Regeneration Outcome Agreement budget of West Lothian Council

Human: there are three full-time staff (warehouse), three part-time staff (project development) and the co-ops have approximately 60 volunteers

Physical: WELFEHD leases one transit vans and a warehouse

Current Development Issues

As a new initiative the focus of WELFEHD is on continued development and expansion of services, and in securing funding to do so. It has operated as a social enterprise, and in its first year has generated a modest income from sales. The challenge is to generate sufficient trading income to fund expansion.

Future Potential

? Extension of links with local growers and want to expand this

? An increase in the customer base of the organisation

? The development of joint working with the other networks

? An increase in earned income from sales

? A new offering to, and increased engagement with the private sector

3.3 Collective Scale, Resources, Issues and Potential

The previous pages have described the history, objectives, and methods of each of the community food networks, highlighting their different approaches and origins. The following sections tie together these threads and show their collective significance.

3.3.1 Collective Scale

From Coatbridge in the west to Tranent in the east, Cumbernauld in the north and Gorebridge in the south, the community food networks cover an area of considerable size. Collectively they serve an area comprising 22% of Scotland's population.

The scale of their activity in supplying good quality and low cost produce and undertaking health promotion is also significant as highlighted in the following table.

Table 3.1: Collective activity of the Networks

Service	**Activity**
Supplying directly to schools/nurseries	201
Direct provision to organisations/projects	107
Food co-ops	46
Community food stalls	10
Community cafes	5
Mobile shops delivering direct to the community	3
Community gardens	1
Other- health promotion	Cooking classes Taster sessions Tree planting

The collective scale of intervention and activity of the networks is therefore substantial, and although it is not within the remit of this study to analyse the health (and related economic) benefits, it can be assumed that the services outlined make a significant contribution locally.

3.3.2 Collective Resources

The networks rely on a series of physical, financial and human resources to deliver their services.

Between them the networks own or lease an impressive portfolio of physical assets. This includes vehicles, warehouses, offices, and community gardens.

Table 3.2: Collective physical resources of the Networks	
Vehicles	12 owned
	3 leased
Warehouses	4 owned
	1 leased
Offices	1 owned
	1 leased
Community gardens	1 leased

Collectively they harness an array of people, skills and expertise embodied in their staff and volunteers.

Table 3.3: Collective human resources of the Networks	
Paid staff	30.5 FTE
Volunteers	169*

* total including volunteers that support local project activity

While the networks tend to operate on a breakeven basis, their collective annual turnover is significant. With a collective turnover exceeding £1.2 million, this reinforces their collective strength as customers, suppliers, and health improvement vehicles.

Table 3.4: Estimated annual financial resources*

Network	Turnover	Of which sales	Of which grant	Expenditure on goods	In-kind support
East Lothian	£109,268	£51,695	£57,573	£49,108	£5,200
Edinburgh	£414,500	£192,000	£222,500	£192,000	£0
Midlothian	£123,732	£58,667	£65,065	£55,114	£5,000
N. Lanarkshire	£424,329	£130,577	£293,752	£218,005	£30,000
West Lothian	£178,000	£128,000	£50,000	£112,700	£10,000
Total	£1,249,829	£560,939	£688,890	£626,927	£50,200

* these figures present only broad estimates as consistent and standardised financial information could not be provided by all of the networks for the latest financial year. ECFI figures have been estimated for this current year to reflect their reduced business.

3.3.3 Collective Issues

Collectively the main development issues identified are as follows:

- they are not getting the best price or service possible from their network of suppliers;
- they are over-reliant on unstable grant funding streams, which also serve to limit their flexibility;
- they have limited capacity to take on new development work or health promotion activity;
- the price of produce that can be offered to their client base is often higher than the networks would hope; and
- their inability to compete on price with other larger suppliers has resulted in the loss of contracts and market share.

3.3.4 Collective Potential

Despite the issues highlighted above, all of the Networks are keen to develop their potential, and all are interested in progressing opportunities for collective working to achieve this.

Common areas of potential are as follows:

- buying more local produce when in season and developing relationships with local growers;
- focusing on the environmental and ethical aspects of food supply;
- doing more health promotion work directly, or training others to provide these services;
- increasing the scale and reach of local food co-ops;
- developing the untapped potential to grow a larger customer base in the public and private sectors; and
- growing earned income and surpluses from sales to a level sufficient that will improve financial sustainability.

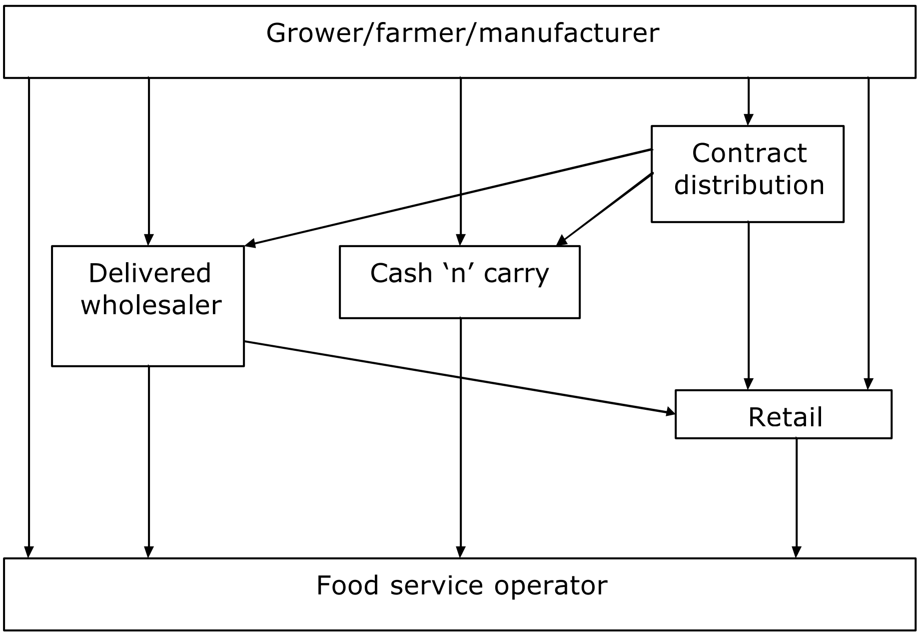
4. The Supply of Food

This section examines the supplier options, relationships, issues, and opportunities available to the food networks.

4.1 The Food Supply Chain

A traditional model of the food supply chain is shown below.

Figure 4.1: Traditional model of the food supply chain



This model is fairly self-explanatory. At the start of the chain is the grower/farmer/manufacturer of the product and at the end, the food service operator.

There are various routes of supply open to the end user, including buying directly from the producer, or going further down the chain and using as wholesalers, cash ‘n’ carry’s and retailers.

This model can be adapted to help explain the various supply options open to each of the community food Networks. This is shown in the following section.

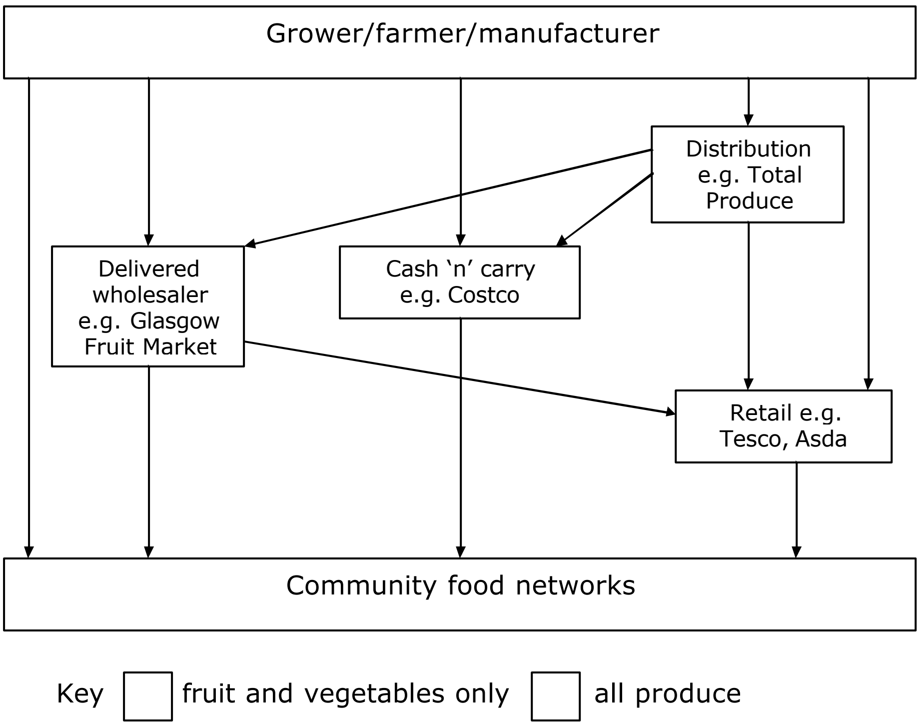
4.2 Food Supplier Options

In order to understand the supplier options currently and potentially available to the community food networks, it is firstly essential to highlight the difference between the two categories of goods that are purchased – 'fruit and vegetables' and 'non-fruit and vegetables'.

This distinction is very important with respect to this study, since the main supplier available to all of the networks only deals in fruit and vegetables which means that the networks have to use alternative suppliers to source products such as dried goods and household items.

The networks all use the current supplier opportunities differently; some shop around for the best possible price, while others rely on larger suppliers to deliver produce. The various options can be explained by reference to the modified supply chain model shown below.

Figure 4.2: Modified supply chain model



At the top tier is the **grower/farmer/manufacturer**. For dairy produce, most networks will buy direct from the farmers. More recently, networks have been developing relationships with farmers/growers to purchase seasonal fruit and vegetables whenever possible, including root vegetables, berries, and salad ingredients.

The next option available is the **distributor**, and in the case of the networks this usually means Total Produce, an Edinburgh based supplier (formerly Fyffe's). It accounts for an estimated 62% of all expenditure by the networks on goods. Further information on Total Produce and its relationship with the community food networks is detailed later.

A further major option open to the Networks is that of a **wholesaler**, in this case, Glasgow Fruit Market. This source currently comprises 15% of the networks' combined spending on goods. This is shared between two networks – North Lanarkshire and West Lothian – owing in part to their proximity to Glasgow and its prominence as a single major supplier. Like Total Produce, it only sells fruit and vegetables.

Some of the Networks also use **cash and carry suppliers**, mainly for their non-fruit and vegetable items. North Lanarkshire serves a number of traditional food co-ops and therefore items such as cold meat, pies and juice are purchased. Networks also supply a limited selection of household goods, particularly to remote communities or elderly households. Dried and tinned goods such as soup, broth mix and stock cubes could also come from cash and carry suppliers.

The final option is a **retailer**, such as Tesco or Asda. At least one network sources produce from there as part of a 'buy one get one free' offer, if the resulting unit cost is cheaper than a wholesaler/distributor.

4.2.1 Current Suppliers

Suppliers currently used by the networks are shown in the following table, overleaf. These have been classified into the categories shown in the model.

The table illustrates a relatively narrow range of supply options currently being utilised by the food networks.

Table 4.1: Suppliers currently used by the Networks	
Supplier	**Type**
Total Produce	Distributor
Glasgow Market	Wholesaler
Chesters Eggs	Farmer
Bonaly Dairies	Farmer
Global Fruits	Retail
Greencity Wholefoods	Wholesaler
Phantassie	Distributor
Costco	Cash and carry
Macro	Cash and carry
Bunzl	Cash and carry
George Anderson	Distributor
Quothquan Farms	Farmer
Smeath Farm	Farmer
D. Dickinson	Farmer
J/G & G Sinclair	Farmer
Batleys	Wholesaler
Ballantyne	Wholesaler
Davidsons	Wholesaler
Failte Food Service	Wholesaler
Lidl	Retailer
Thomas O'Connell Bananas	Distributor
Tesco	Retailer
Morrisons	Retailer

4.2.2 Potential Suppliers

The previous section has identified the suppliers currently used by the networks, however, there are some other options which are not currently being fully exploited. These include:

- buying from growers or producers from other parts of the UK – an example would be English orchards, which has been used by at least one of the networks - although not as local as central Scotland, food miles will still be less than for imported produce, and also potentially fresher and of a higher quality; and

- importing directly from growers/co-operatives abroad – ultimately, some produce cannot be grown within the UK, and availability of home-grown produce is seasonal – by going directly to growers abroad would open up choices in relation to ethical and organic buying and is likely to bring price advantages (where the 'middle man' is cut out of the supply chain).

It will be important to consider these sources, as part of any collective approach to buying by the food networks. However, it should be recognised that any attempt to widen or diversify the supplier base will have implications in terms of the buying skills and logistics (warehousing, transport) that will be required on the part of the networks.

4.3 Current Supplier Relationships

The previous section has noted the common suppliers used by the Networks. This section turns in more detail their current relationships with suppliers, and assess the differences between the individual networks. This analysis focuses on fruit and vegetables as this is where the main opportunities currently exist for benefits from collective buying.

4.3.1 The Main Suppliers

Overall, the networks rely on three main supplier options: Total Produce; Glasgow Market; and Local producers. These are discussed below.

Total Produce

Total Produce was created from the former company Fyffe's in January 2007. It is an international fresh produce supplier with 93 European depots. In Britain, its customer base covers three broad areas: retail stores (e.g. Spar), catering businesses (e.g. canteens in universities), and community projects (e.g. the networks and fruit into schools contracts).

Their Scottish depot is located in Edinburgh, having effectively replaced the Edinburgh fruit market. The depot has quality control procedures in place such as pressure and sugar level tests, and also a ripening facility.

Their relationship with the community food networks involves the following process:

- prices are determined on a Tuesday for the following week and a price list is provided to each network;
- prices are reassessed on the following Tuesday to see if anything can be reduced, to reflect falling prices or suppliers seeking to offload produce;
- the Networks place their orders throughout the week a day in advance; and
- Total Produce arranges next day delivery to Network depots or direct to customer organisations.

Glasgow Market

Glasgow Market is the main alternative to Total Produce for two of the Networks, North Lanarkshire and West Lothian, owing to their close proximity to Glasgow.

The market is managed by Glasgow City Council and comprises a number of traders selling fruit and vegetables. It opens at 3am and closes at 10am. Buyers are able to negotiate prices and the number and variety of traders offers competitive prices and choice. Prices change hourly and are more expensive at the start of the night.

Around 50-60% of the traders will deliver and orders can be placed by telefax, however, the community food networks send a member of staff to buy who can negotiate with different traders to get the best price. Produce is then collected by staff. It is important, however, that the Networks use an experienced buyer as some produce may not be of sufficient quality for their customers.

Some traders have chiller units, however the majority have no refrigeration capabilities.

According to the Manager of Glasgow Market, plans are being developed for the market, which could impact on the choice of supplier for future collective buying. Two plans currently exist for the facility:

- there are proposals to upgrade the market in line with European health and hygiene standards. As part of this, Glasgow City Council is planning to make the market an arms-length company as they have recently done with other services. This refurbishment could be carried out within the next two years; and

- Glasgow City Council has previously drawn up plans to set up a Community Interest Company (a social enterprise) to take a space within the market. This would include a buyer to source in bulk and supply to community food initiatives across the central belt. It might also incorporate a splitting and packing facility.

Local Producers

Local producers supply some of the community food networks with dairy products, although, not all access locally produced fruit and vegetables.

Local producers offer seasonal root vegetables, seasonal fruit such as berries and seasonal salad produce. Some, although not all, of the produce is organic, and the networks can get this at a lower price from growers than from Total Produce or the Glasgow Market.

In addition, purchasing from local producers cuts down vastly on food miles associated with purchasing from the other two main sources. However, unlike the large suppliers, local producers will not deliver their produce, and the Networks must collect this directly.

The relationships between the main suppliers of fruit and vegetables and the Networks can be summarised in the table below.

Table 4.2: Relationships with the main suppliers

Supplier	**Features of the service**	**Who uses them?**
Total Produce	-Delivery of produce to networks or direct to customer organisations -Packing service -Set prices for one week duration -Special offers	East Lothian Edinburgh Midlothian North Lanarkshire West Lothian
Glasgow Market	-Competitive prices -Some can deliver and pack -Opportunity to bargain -Better to attend but then have to collect	North Lanarkshire West Lothian
Local producers	-Reduced food miles -Some produce will be organic -Better quality as fresher -Cheaper for organic produce -Don't deliver -Limited variety and seasonally dependent	Edinburgh Midlothian North Lanarkshire West Lothian

4.4 Collective Purchasing and Spend

The networks vary considerably in scale, and this is reflected in their purchasing patterns. However, it is important to consider their collective buying power.

The following table shows an average of how much each Network spends in a year on fresh produce.

Table 4.3: Average spend per annum of each network		
Network	**Amount (£)**	**Source**
East Lothian Roots & Fruits	£49,108	Accounts to March 2007
ECFI	£192,000	Prediction by manager
McFI	£55,114	Financial statements for 2006
North Lanarkshire Federation	£218,005	Prediction by manager based on 2007/08 budget
WELFEHD	£112,700	Actual Oct '06- Mar '07 figures, then predictions advised by manager
Total	**£626,927**	

If current conditions were to remain constant, the collective purchasing power of the networks would be in excess of £600K p.a.

4.4.1 Current purchasing from the suppliers

The table shown overleaf (Table 4.4) details the estimated purchasing for each of the networks, indicating their business with Total Produce (as the main supplier) as a proportion of their overall purchasing, and as a proportion of 'fruit and vegetable only' purchasing.

Table 4.4: Purchasing Information for the Networks *

	Total purchases	Fruit and vegetables	Other goods	Amount with Total Produce	% of total with Total Produce	Amount with other suppliers	% of fruit and veg budget to Total Produce
East Lothian	£49,108	£44,688	£4,420	£44,688	91.00%	£4,420	100.00%
Edinburgh	£192,000	£173,561	£18,439	£172,800	90.00%	£19,200	99.56%
Midlothian	£55,144	£44,091	£11,023	£31,691	57.47%	£23,424	80.95%
North Lanarkshire	£218,005	£151,350	£66,655	£122,524	56.20%	£95,481	80.32%
West Lothian	£112,700	£111,573	£1,127	£17,094	15.17%	£95,606	15.32%
Total all Networks	**£626,957**	**£525,263**	**£101,664**	**£388,796**	**61.97%**	**£238,130**	**75.23%**

* Provides only estimates as complete and standardised purchasing information could not be supplied by all of the networks

East Lothian Roots and Fruits

East Lothian Roots and Fruits is located furthest from the Glasgow Market, and is therefore more reliant on Total Produce to supply its fresh fruit and vegetable produce. It spends around 91% of its budget with Total Produce; the remaining 9% is for dairy produce which Total Produce is unable to supply. However, it is developing relationships with local farmers and intends to procure some of their fresh produce locally in future. Therefore, the profile shown above is likely to change.

Edinburgh Community Food Initiative (ECFI)

ECFI, like East Lothian, does not exploit the opportunities available at the Glasgow Market owing to its location in the east of Scotland. It too is dependent on the full package offered by Total Produce, which delivers to a number of ECFI's individual food co-ops. It spends almost 100% of its fruit and vegetable budget with Total Produce, the remainder going to a selection of small, local suppliers.

Midlothian Community Food Initiative (McFI)

McFI is situated too far from Glasgow Market to currently make use of this opportunity, however, its reliance on Total Produce is less in relative terms than that of Roots and Fruits or ECFI, with 81% of its fruit and vegetable expenditure going to this supplier. The reason for this is that McFI has developed relationships with local growers for seasonal fruit and vegetables.

North Lanarkshire Federation of Food Co-ops (NLFFC)

NLFFC's purchasing patterns differ from the other Networks as it supplies mainly to traditional food co-ops that demand a high proportion of non-fruit and vegetable items. Total Produce remains its main supplier (56% of its budget), however its proximity to Glasgow means that they can supplement this with market produce, hence Total Produce supplies only 80% of their fruit and vegetables.

West Lothian Food and Health Development (WELFEHD)

WELFEHD is the newest and most diverse network in terms of utilising the supplier options that are available to them. Out of all of the networks, it is least reliant on Total Produce, accounting for only 15% of total spend. It is able to draw on its 'in house' buying expertise to spot purchase at Glasgow Market. It continues to buy less and less from Total Produce. It makes significant use of supplies from small local farmers which it is keen to support and help sustain.

4.5 Key Issues

4.5.1 Supply issues

With particular reference to suppliers, the perceived challenges reported by the food networks include:

- the variable quality of produce from Total Produce;
- the expense of produce from Total Produce, and variation in prices charged to different networks, despite a shared price agreement;
- local produce is of better quality, fresher and often cheaper, but it involves staff time to collect, as growers don't deliver;
- there is significant potential to utilise the produce of farmers but this is currently underexploited; and
- Glasgow Market offers good opportunities to obtain cheaper produce, but this depends on expertise in buying.

4.5.2 Issues for suppliers

Among the main points highlighted by Total Produce and the other main suppliers consulted included:

- individual local growers may not have the capacity to supply the collective requirements of the community food networks, or will require more advanced notice when ordering;
- the ability of local farmers to offer a stable and sustained supply of produce depends on continued local purchasing and support;
- there can often be breakdowns in communication when ordering from Total Produce and there are choices to be made in selecting the class and type of produce (there is an inevitable trade off between cost and quality with the networks often drawn to more affordable class two items);
- a higher level of service is possible from Total Produce which could extend to the supply, splitting and packaging of customer orders; and
- the plans for the Glasgow Market to become a supply hub for community food initiative holds opportunities for the networks.

5. Demand and Usage of Food

This Section moves on to examine the offering of the food networks to the groups and communities that they serve.

5.1 Product Range

The networks purchase and supply an array of fresh produce, dried and tinned goods, and general grocery items. This is shown in Table 5.1.

Table 5.1: Product range of the networks

Fresh Fruit	**Fresh Vegetables**	**Dairy**
Apples- various	Asparagus	Cheese
Bananas	Aubergine	Eggs
Blackberries	Avocado	Milk
Clementines	Baby corn	Yoghurts
Dragon fruit	Beansprouts	
Figs	Beetroot	**Dried Goods**
Grapefruit	Broccoli	Bread
Grapes- various	Butternut squash	Dates
Kiwi fruit	Cabbage- various	Nuts
Lemons	Carrots	Pulses
Limes	Cauliflower	
Lychees	Celery	**Herbs**
Melons- various	Chillies	Basil
Oranges	Courgettes	Coriander
Papayas	Cress	Ginger
Passion fruit	Cucumbers	Parsley- various
Pears- various	Fine beans	
Pineapples	Garlic	**Grocery**
Plums	Leeks	Chutneys
Pomegranates	Lettuce- various	Ham
Raspberries	Mange tout	Honey
Satsumas	Mushrooms- various	Jam
Sharron fruit	Onions- various	Marmalade
Star fruit	Parsnips	Tinned soup
Strawberries	Peppers	
	Physalis	**Household**
	Potatoes- various	Cleaning products
	Pumpkins	Kitchen towels
	Romanesca	Soap powder
	Spinach	Toilet rolls
	Sprouts	
	Sugar snap peas	
	Tomatoes- various	
	Turnip	

5.2 Customers and Contracts

The networks generate income in two ways: by supplying customer organisations with fresh produce and other goods; and by delivering contracts for organisations such as local authorities.

The arrangements for and extent of these commitments vary across the Networks. Each is considered in turn below.

5.2.1 East Lothian Roots and Fruits

Customers

The customer organisations served by Roots and Fruits are as follows:

Table 5.2: Roots and Fruits customer organisations

Customer/ nature of supply arrangement	Number	Frequency
General public via mobile shop	19 areas	Once/week
Schools and nurseries- fresh fruit	62	Once/week
Doctors surgeries- 5 a day bags on a stall	8	Once every 8 weeks
Food co-ops	3	Once/week
Resource/day centre- fruit deliveries	2	Once/week

Contracts

Roots and Fruits currently delivers no contracts.

5.2.2 Edinburgh Community Food Initiative

Customers

The customer organisations served by ECFI are as follows:

Table 5.3: ECFI customer organisations

Customer/ nature of supply arrangement	Number	Frequency
Children's and families' centres- fresh fruit	13	Once/week
Food co-ops	16	Various
Projects- includes supply of fresh produce to medical centres and community centres	25	Once/week

Contracts

ECFI previously delivered two contracts for Edinburgh City Council, involving the provision of fresh fruit into schools. One contract was lost in a competitive tendering situation and another was withdrawn.

5.2.3 Midlothian Community Food Initiative

Customers

The customer organisations served by McFI are as follows:

Table 5.4: McFI customer organisations		
Customer/ nature of supply arrangement	**Number**	**Frequency**
General public via mobile shop	18 areas	Once/week; some areas twice/week
Fruit box delivery scheme	38	Once/week
Community fruit and veg market stalls	2	Once/week
Provision of fruit and veg to community groups	/	Ad hoc basis

Contracts

McFI has no current contracts.

5.2.4 North Lanarkshire Federation of Food Co-ops

Customers

The customer organisations served by NLFFC are as follows:

Table 5.5: NLFFC customer organisations		
Customer/ nature of supply arrangement	**Number**	**Frequency**
Traditional food co-ops	7	Daily/weekly
Community food initiatives e.g. fruit stalls	6	Weekly
Nurseries	126	Weekly
Organisations for internal use	15	Weekly
Community cafes	5	Twice/weekly

Contracts

NLFFC currently delivers a contract on behalf of North Lanarkshire Council - High Five for Fruit – to supply fruit to nurseries.

5.2.5 West Lothian Food and Health Development

Customers

The customer organisations served by WELFEHD are as follows:

Table 5.6: WELFEHD customer organisations

Customer/ nature of supply arrangement	Number	Frequency
Food co-ops in health centres, community centres, early years centres, schools and shopping malls	14	2 hours-4 days per week
Box schemes to organisations	1	
Bagged portions of fruit for healthy tuck shops at schools	6 schools	Once or twice per week

Contracts

WELFEHD does not currently deliver any contracts, however it has identified opportunities to enter into contracts with both the public and private sectors in future.

5.3 Patterns of Demand/Usage

Due to the gaps and inconsistencies in the information provided, it has not been possible to identify specific patterns of demand/usage amongst the networks, however the following have been observed:

- demand is highest during term-time, as the networks deliver to schools and nurseries; and
- demand for seasonal produce means that the networks sell more root vegetables and soup packs in the winter and more salad produce and berries in the summer.

5.4 Customer Satisfaction

In order to gain an insight into the issues facing customer groups that are supplied by the networks, and to determine their satisfaction, a sample of 19 customers was interviewed[1]. The sample is described below.

[1] It was not possible to speak to any McFI customer organisations

Table 5.7: Customer organisations interviewed	
Network	**Organisations**
East Lothian Roots and Fruits	1 nursery 1 primary school 1 resource unit 1 food co-op
Edinburgh Community Food Initiative	3 food co-ops 3 children's and families' centres 1 nursery
North Lanarkshire Federation of Food Co-ops	3 food co-ops 1 nursery 2 primary schools
West Lothian Food and Health Development	2 food co-ops

Customer organisations were asked to respond to the following areas: quality of produce, accessibility of produce, price, volume of produce, and availability (range etc.). The results of these interviews are summarised in the following sections.

5.4.1 East Lothian Roots and Fruits

Satisfaction with the current Roots and Fruits service is highlighted in Table 5.8.

Table 5.8: customer organisations' satisfaction with service	
Area	**Comments**
Quality of produce	usually very good; fine, although doesn't last more than 2 days; 90% good but sometimes not up to scratch; and excellent.
Accessibility of produce	Fruit delivered- all happy with service
Price	10p per piece of fruit- excellent; satisfied; very competitive; and amazing.
Volume of produce	fine; meets their needs; and OK apart from issues with strawberries.
Availability- range etc.	good range; fine; excellent; and varies with different seasons, which suits them.

5.4.2 Edinburgh Community Food Initiative

Customer responses to issues about satisfaction with the service they receive from ECFI are shown below.

Table 5.9: customer organisations' satisfaction with service	
Area	**Comments**
Quality of produce	90% happy and can send back if poor quality; local organic produce doesn't have as long a shelf life as that which comes from Total Produce, but it is better quality when it arrives; good, although there is always some wastage; variance in quality, but it is improving; and very good.
Accessibility of produce	fine, although would like deliveries on a Friday too; OK service; and suits them- no transport costs.
Price	could be better- occasionally LIDL's can be cheaper; OK; reasonable; and OK but don't get as much free fruit any more.
Volume of produce	don't always get everything they're looking for; 99.5% of the time they can supply what they're looking for, but sometimes not due to seasonal variances; meets demand; and fine.
Availability- range etc.	OK- they can sometimes get unusual varieties; next-day delivery is great; very good- better then the supermarket; and particularly like getting Scottish produce.

5.4.3 North Lanarkshire Federation of Food Co-ops

Customer satisfaction with NLFFC's service is outlined in Table 5.10 below.

Table 5.10: customer organisations' satisfaction with service	
Area	**Comments**
Quality of produce	very good quality; high standard ; on the whole good, but occasionally rotten; generally excellent but sometimes poor; usually fresh; and very happy

Table 5.10: customer organisations' satisfaction with service cont.	
Area	**Comments**
Accessibility of produce	suits fine; fine, apart from when there is a bank holiday Monday, and this delays the Tuesday deliveries; excellent; and sometimes a bit late but generally OK.
Price	cheap enough for necessities; very competitive- cheaper than supermarkets; varies sometimes, e.g. strawberries are still expensive when in season; very pleased; great; and half the price of supermarkets.
Volume of produce	usually fine; always meets demand; if they want something that no other customers do, then they can't get it because the Federation can's buy in individual quantities; and OK for their needs.
Availability- range etc.	good variation; can get local and seasonal produce; when they ask for products the Federation will always try and get them; fine; and great, especially promotions and freebies at certain times of the year, e.g. free apples at Halloween.

5.4.4 West Lothian Food and Health Development

Customers of WELFEHD expressed the following views:

Table 5.11: customer organisations' satisfaction with service	
Area	**Comments**
Quality of produce	really good- always gets praised by the community; and always excellent.
Accessibility of produce	Fine; and Great- they will make unscheduled deliveries if they run out of food.
Price	Good- cheaper than supermarkets and other suppliers, and doesn't spoil as quickly.
Volume of produce	Always fairly accurate, but can make amendments; and Usually always sell out
Availability- range etc.	Good variation from local farmers in Queensferry and East Calder; and Good to use local suppliers and farmers.

5.4.5 Summary

It is clear that there is a high degree of customer satisfaction in relation to the produce provided by the food networks. Some of the key points in terms of price, quality, availability, volume and accessibility:

- in terms of quality, there are no major problems, however it is interesting to note that those who experience issues of poor quality on an occasional basis are customers of the networks who are reliant on Total Produce for the majority of their fresh produce. In contrast, West Lothian customers have noted the consistent high quality of their produce, and it is interesting to note from Section 4.3.2 that they buy from a range of sources;

- on the subject of accessibility, and in particular deliveries, customers were generally satisfied. The logistics of managing numerous deliveries which are dependent on timely deliveries from suppliers can result in small delays on occasion, which customers have noted. The most satisfied customers are served by the networks which currently have the least amount of deliveries to undertake - East and West Lothian;

- thoughts on price varied amongst the customers, with the majority believing the networks to be competitive and much cheaper than supermarkets. However, customers of ECFI thought the prices were sometimes expensive;

- in terms of volume of produce, all customers were satisfied; and

- when considering availability of produce, customers were particularly keen on the opportunity to purchase local produce. This will be important to consider when assessing future demand.

5.5 Issues and Barriers for Customers

Customer organisations were also asked if any improvements could be made to the service they receive. The results were as follows.

5.5.1 East Lothian Roots and Fruits

Roots and Fruits customers are very happy with the current level of service, however, the following observations were made:

- produce could last longer; and

- deliveries carried out first thing would cause less disruption.

5.5.2 Edinburgh Community Food Initiative

Customers of ECFI particularly like the opportunity to access training and assistance through the organisation. However, they have identified a number of improvements that could be made (mainly due to the cuts and limitations imposed on ECFI):

- development workers should continue to offer promotional activities such as smoothie making;
- cookery classes could be extended over a longer period of time; and
- ECFI should take more of a proactive approach including more regular provision of advice, initiatives and encouragement of different menus.

5.5.3 North Lanarkshire Federation of Food Co-ops

The majority of the sample of customers interviewed stated that no improvements could be made with the exception of two:

- those selecting the produce from the fruit market should check the quality of produce more thoroughly before purchasing; and
- the provision of advice would be useful, along with help on money handling and using equipment.

5.5.4 West Lothian Food and Health Development

Customers of WELFEHD had no complaints about the service. One customer was awaiting funding for a food preparation room, which will ultimately increase their business with the network.

5.5.5 Summary

The improvements identified by the customers are very similar to the key issues identified by the networks themselves in Section 3. The networks therefore appear to be well attuned to needs of their customers.

Any issues arising are generally related to the quality of produce and the lack of capacity to deliver additional activities; both of which are limitations currently imposed on the networks and major drivers towards greater collective action.

5.6 Future Demand/Potential/Opportunities

The future potential of the networks from their own perspective was outlined in Section 3. It is also important to assess demand from a customer perspective, which will guide the Networks as to whether they can expect to increase their sales through existing customers in future, or whether they would be required to develop new customers/contracts if they wanted to expand.

Subject to guarantees over the quality of produce, customer organisations were asked if they would be able to purchase more or different produce from their Network. The results were as follows.

5.6.1 East Lothian Roots and Fruits

Half of the sample of customers interviewed stated that there could be no additional demand from the general public in future, and therefore they could not increase their purchases from Roots and Fruits.

The other half felt that custom could be increased. One customer noted that current produce has a limited shelf-life. If this was improved then customers would probably buy more, thereby increasing demand.

5.6.2 Edinburgh Community Food Initiative

Reactions were mixed from ECFI customers as follows:

- one customer could expand on health promotion work but not on the level of sales;
- there is no potential to increase trade as demand is not there;
- one customer would purchase more if they were guaranteed better quality and cheaper prices; and
- lower prices would make buying from ECFI more attractive- if their prices are too expensive, then they go to the supermarket instead.

5.6.3 North Lanarkshire Federation of Food Co-ops

Generally, organisations in North Lanarkshire stated that they would be unable to increase their purchasing because they only have capacity to deal with current service levels and are unable to take on additional work.

However, two organisations stated that they could increase orders in future. One would need to be assured of quality, and would like two types of produce to be available in future- ripe and non-ripe. The other would be interested in increasing their demand if quality was consistent.

5.6.4 West Lothian Food and Health Development

Opinion was also mixed in West Lothian, owing to the different way in which the food co-ops operate. One organisation is controlled by WELFEHD, which already determines how much and what type of produce is sold. Expansion would therefore also be determined by WELFEHD.

The other organisation stated that if the demand was there from their customers, guarantees on quality and price would definitely encourage them to buy more.

5.6.5 Summary

It would appear that each of the networks has some capacity to expand sales to current customers. This is dependent on two main areas, quality and price. In addition, as noted earlier, customers are keen to purchase local produce, and as such this represents an important opportunity.

There is also potential for the networks to develop into new areas, either by targeting non-traditional markets such as the private sector, or by bidding for contracts. As noted in Section 5.3, ECFI and North Lanarkshire take on contractual work, and North Lanarkshire is currently extending its contractual obligations.

6. Opportunities for Collective Action

This Section examines some of the main areas of potential for collective working among the food networks and reported willingness and interest to move towards greater collaboration.

6.1 Key Areas for Collective Working

6.1.1 Purchasing/Buying

The main area for collective working which we have considered for this study is collective buying.

The report has already noted the different supplier options, and the ability of some networks to exploit these further in order to reduce costs.

The possibility of collective buying involving the food networks in the central belt and north east of Scotland has also been discussed, as a means to secure a better deal from Total Produce.

It would therefore certainly be advantageous to the networks to work collectively in terms of purchasing. Their combined trade is sufficient to improve terms with larger suppliers, allowing them to negotiate on price and quality. It is also sufficient to allow them to import directly if desired.

6.1.2 Project Development/Contracting

Another area that we have considered for collective working is project development contracting.

All of the Networks are currently reliant on small and unstable amounts of grant funding to survive (they are also effectively in competition for national pots of funding such as the Big Lottery).

In addition, individually they are limited in their scope to take on further activity such as the development of further food co-ops or the development of new health promotion activities.

To address this, some of the networks have taken on contracts, mainly involving the supply of fruit and vegetables to local schools and nurseries. Potentially this meets their health promotion objectives and at the same time strengthens their financial sustainability. The case of ECFI, however, demonstrates the scale required to compete successfully for contracts.

There is therefore a significant opportunity for the networks to come together to jointly bid for and deliver larger-scale contracts. This should be in areas that are mutually beneficial to the networks and which do not undermine existing local contracts or funding arrangements.

6.1.3 Warehousing

Collectively, the networks own or lease five warehouses located across east and central Scotland.

There may be an opportunity to rationalise this, thereby reducing maintenance, insurance and rental costs. In essence, it should be possible to explore how these physical assets could be better deployed for the benefit of all networks.

If a physical hub was considered as a joint solution to service all networks, this might well be based on at an existing centrally located facility (subject to warehouse capacity). This would reduce capital start-up costs in a new venture of this kind.

6.1.4 Transport

Collectively the networks own or lease a total of fifteen vehicles. These are used for collecting produce from suppliers who don't deliver, and for delivering produce to customer groups. The costs associated of the vehicles include insurance, maintenance and depreciation, and the life-span of the vehicles is relatively short.

Opportunities exist to develop a more co-ordinated approach to the collection and distribution of food which could reduce the requirement on each individual network.

6.1.5 Training/Learning

Each network is able to draw on staff and volunteers from differing backgrounds. They have worked in private, public and voluntary sectors, and bring a wealth of relevant experience.

We have identified particular expertise that exists collectively in community health work, supply chain management, buying and negotiating, and funding and finances. By sharing these skills, all networks can immediately begin to benefit from the collective knowledge and experience available.

In addition, skills gaps inevitably arise, which cannot be addressed from within the collective pool of expertise. Where such needs are identified or arise (e.g. IT, marketing, accounts etc.), joint training might be delivered more efficiently and at a reduced cost to each individual network.

6.1.6 Information Systems

When gathering financial information from each of the networks, it has become apparent that differing management and financial information systems are in place. These are of differing quality and sophistication.

A common electronic management information system across the networks would bring significant advantaged. For example, better intelligence on individual purchasing might give rise to the negotiation of better joint deals with suppliers. It might also make the management and administration of network activity more straightforward.

6.2 Perceived Interest/Benefit

Each of the networks and a selection of wider interested parties were consulted about their views on collective working. Their views are presented in the following sections.

6.2.1 Networks

There is recognition on the part of each network that greater collaboration is important, and that this might deliver a range of benefits:

? it might free up time to work on health promotion and development activities;

? it could lead to an improvement in the price and quality of the produce being purchased;

? it may mean that the buying, collection and distribution could be better organised to the advantage of all;

? it could lead to improved access to local produce and more environment and ethnical purchasing options; and

? it could lead to reduced costs and increased earned income from sales or contracts – leading to improved financial sustainability.

The key challenge identified, however, was in designing an agreed, workable, and fundable solution that would meet the needs of such a diverse group of organisations. It was recognised that further trust and confidence would need to be built between networks as a basis for collective action.

It was also considered vital that greater collaboration should occur where mutual benefits are clear. Collaboration should not be at the expense of individual relationships – with funders, suppliers, or customer groups.

6.2.2 Wider Interested Parties

A wider selection of interested parties was consulted. These included members of the Cross Party Working Group and Community Food Initiatives North East (CFINE).

Greater joint working by the community food networks was regarded as bringing the potential for:

- there could be benefits to Scottish food producers through the networks developing relationships with local producers – independently they work beneath the level the majority of Scottish food producers could supply at present;
- greater collective working could lead to more sustainable and effective approach to community food work and related health improvement work across Scotland;
- working together would create the capacity to buy directly in bulk from across the UK and Europe, and the economies of scale which could drive down unit costs;
- the sharing of resources would lead to a better organised and more effective networks; this is becoming increasingly important as the contract cultures takes hold; and
- a collective physical supply hub might bring significant logistical advantages in the bulk buying, collection, chilled storage, and distribution of food.

While supportive of plans for further joint working, some external parties queried the cost and viability of a one-size-fits-all solution.

It was acknowledged that any proposal for collective action would need to be supported by a strong business case.

7. Option Appraisal

In this final Section a series of broad options for collective action are outlined and appraised.

7.1 The Options

After reviewing the needs of each of the community food networks and assessing their combined future potential, a series of options has been developed. These are:

- Option 1: Do nothing;
- Option 2: A virtual hub;
- Option 3: A physical hub; and
- Option 4: A shared services company.

Each of these options is presented in more detail on the following pages, before being subjected to an appraisal in Section 7.2.

7.1.1 Option 1: Do Nothing

Option 1: Do Nothing
Description
In this option the individual food networks across the study area would continue to operate independently and continue to work together on a very limited basis. This would include meeting with each other from time to time to discuss areas of mutual interest, as occurs at present. It might also involve meeting jointly with Total Produce and other suppliers to get a better price where possible.
Likely costs
No additional costs to current activity.
Likely outcomes
? Significant reductions in prices to the networks are unlikely ? Networks still free to pursue their own relationships with suppliers but work together to get a better price when it suits them
Potential for achieving wider outcomes
None.
Issues and implications
? Total Produce would still have the upper hand in the supply relationship with the networks who are currently unable to go elsewhere ? Will not genuinely address the ethical or environmental considerations in purchasing ? Will not free up staff time to focus on more health promotion and development work ? Will not significantly enhance the financial prospects or capacity of the networks

7.1.2 Option 2: A Virtual Hub

Option 2: A Virtual Hub
Description
In this option the networks would make use of a central source of expertise to source, negotiate, and buy quality and affordable produce on behalf of the networks. This could be achieved by hiring a member of staff, outsourcing to a commercial company, or by utilising available buying expertise within an existing community food initiative. This option (the others outlined) would require improved infrastructure within the networks to ensure that consistent information is available and that systems can 'talk to each other' in terms of supply requirements.
Likely costs
Cost options: ? A member of staff alongside improved ICT infrastructure; ? Contract with third party alongside improved ICT infrastructure; or ? The development of key role within one of the existing networks alongside improved ICT infrastructure.
Likely outcomes
? Might free up more staff time for development activity and health promotion work ? Should help to reduce prices for fruit and vegetables ? Less costly in terms of start-up capital than some other options, with the possibility of being accommodated within an existing network
Potential for achieving wider outcomes
There would be limited potential to achieve wider outcomes.
Issues and implications
? Networks would still have to collect from local suppliers ? The focus would be on getting the best price for produce rather than addressing issues around local procurement

7.1.3 Option 3: A Physical Hub

Option 3: A Physical Hub
Description
This option would involve the development of a physical hub (a buyer, warehousing, and transport infrastructure) to deal with suppliers and with each of the community food networks. It would negotiate the best price and manage deliveries from a central storage warehouse. While the operational detail would be agreed by the networks, this would be a jointly managed facility working on behalf of all network partners.
Likely costs
Capital costs would be high for this option and would include a central office, warehouse with appropriate storage facilities, and transportation. In addition, all of the individual networks would require improved ICT infrastructure. Revenue costs would include staffing, administration, premises costs, fuel, and vehicle maintenance.
Likely outcomes
? There would be cost savings for the networks ? All produce could be delivered to the networks (or to individual customers if preferred) - they would not need to collect ? This option would free up staff time to develop projects and health promotion activity ? The physical resources of the networks (staff, vans, warehousing) would be reduced, redeployed or used more efficiently
Potential for achieving wider outcomes
? Potential to reduce food miles by developing relationships with local growers ? Potential to access larger scale local growers due to combined purchasing power ? Benefits from the local economy would arise from a joint purchasing strategy and the increased use of local growers
Issues and implications
? The start-up revenue and capital costs of the venture would be high ? Governance and management arrangements would need a great deal of thought, and operational processes (reached by agreement of all parties) would need to be put into place ? Careful consideration would need to be given to the long-term financial viability of the venture

7.1.4 Option 4: A Shared Services Company

Option 4: A Shared Services Company
Description
The final option would be very similar to the physical supply hub, but would offer more than a physical solution to the needs of the networks. It would involve establishing a shared services company that would be jointly owned by the networks, and provide a mechanism to: purchase, store, and distribute produce (the physical hub); jointly bid for health promotion and food supply contracts (where these were not to be pursued by a local network); and offer joint training, planning, and capacity building support to each network.
Likely costs
The initial capital costs would be very similar to Option 3, although this would depend on the scale of work taken on initially. Similarly, revenue costs would also be the same as Option 3, but with the potential requirement for additional staff to provide development support.
Likely outcomes
? This option would help promote the financial sustainability of the community food networks, by opening up additional sources of earned income from sales and contracts ? It would open up new supplier avenues and generate economies of scale for the networks ? It would provide an additional and needed source of development and capacity building support
Potential for achieving wider outcomes
? The company could have a framework with ethical principles for all members to sign up to, incorporating green and fair trade policies ? It would generate wider economic and financial benefits for the target areas given the scale of operations envisaged
Issues and implications
? This would require vision, commitment, and leadership from the networks ? This would require significant management capacity, to ensure the professional delivery of services and contracts ? Legal and financial advice would be required to establish a company that would meet shared aims and eliminate risk to the networks

7.2 Option Appraisal

The options have been appraised in two ways. Firstly, an assessment has been carried out on each option to clarify:

- does it address the current issues of the community food networks?; and

- does it respond to their future potential?

Secondly, each of the networks was invited to participate in a development workshop, where the options were presented, to identify a preferred option to develop further. Four of the five networks contributed.

The following sections present the results of these exercises, using tables to show issues and areas of future potential, and narrative to highlight the initial views of the network representatives.

7.2.1 Option 1: Do Nothing

Issues addressed:

As table 7.1 demonstrates, Option 1 (maintaining the status quo) does not appear to address any of the issues raised by the networks.

Table 7.1: Issues addressed by Option 1

Issue	**Does option address issue?**	
	Yes	**No**
Price of produce		✍
Reliance on grant funding		✍
Inconsistent quality of produce		✍
Capacity to undertake development work		✍
Loss of customers due to variance in price		✍
Inability to compete on price terms in contracts		✍

Future potential:

Apart from allowing the networks to continue individually developing relationships with local producers, Table 7.2, highlights Option 1's inability to respond to the future potential of the networks.

Table 7.2: Option 1: response to Networks' future potential		
Potential	**Does option respond to potential?**	
	Yes	**No**
Buying more local produce when in season and developing relationships with local growers	✍*	
Focusing on environmental and ethical aspects of food supply		✍
Doing more health promotion work		✍
Expanding/increasing food co-ops		✍
Exploiting potential in public/private sector to increase sustainability and reduce reliance on grants		✍

*by allowing the networks to continue developing these relationships themselves

Networks appraisal:

The networks felt that the current joint working arrangements were limited and didn't work particularly well. For this reason, Option 1 was dismissed as a realistic or worthwhile option.

7.2.2 Option 2: A Virtual Hub

Issues addressed:

Option 2 addresses more key issues than Option 1. It has the potential to deliver results on issues of price and quality, but would not significantly address the capacity or sustainability of the networks.

Table 7.3: Issues addressed by Option 2		
Issue	**Does option address issue?**	
	Yes	**No**
Price of produce	✍	
Reliance on grant funding		✍
Inconsistent quality of produce	✍	
Capacity to undertake development work		✍
Loss of customers due to variance in price		✍
Inability to compete on price terms in contracts		✍

Future potential:

As shown in Table 7.4, Option 2 is unlikely to genuinely assist the Networks to develop their future potential.

Table 7.4: Option 2: response to Networks' future potential		
Potential	**Does option respond to potential?**	
	Yes	**No**
Buying more local produce when in season and developing relationships with local growers	✍*	
Focusing on environmental and ethical aspects of food supply	✍*	
Doing more health promotion work		✍
Expanding/increasing food co-ops		✍
Exploiting potential in public/private sector to increase sustainability and reduce reliance on grants		✍

*depending on the remit of the buying resource.

Networks appraisal:

The networks felt that this option probably wouldn't free up much time for them to deal with development or health promotion work, given that the central buying resource would still require them to submit orders and collect produce sourced from local growers.

7.2.3 Option 3: A Physical Hub

Issues addressed:

Option 3 is the most resource-intensive option considered so far and has the potential to help address a number of the issues in the study.

As shown in Table 7.5, a physical supply hub could help to free up staff time to address wider development issues, alongside addressing issues of price and quality.

Table 7.5: Issues addressed by option 3		
Issue	**Does option address issue?**	
	Yes	**No**
Price of produce	✍	
Reliance on grant funding		✍
Inconsistent quality of produce	✍	
Capacity to undertake development work	✍	
Loss of customers due to variance in price	✍	
Inability to compete on price terms in contracts	✍	

Future potential:

Option 3 also offers ways to exploit future potential not possible under the previous two options, as Table 7.6 highlights.

Table 7.6: Option 3: response to Networks' future potential		
Potential	**Does option respond to potential?**	
	Yes	**No**
Buying more local produce when in season and developing relationships with local growers	✍	
Focusing on environmental and ethical aspects of food supply		✍*
Doing more health promotion work	✍	
Expanding/increasing food co-ops	✍	
Exploiting potential in public/private sector to increase sustainability and reduce reliance on grants		✍

*unless this was specifically agreed as part of the remit of the hub.

Networks appraisal:

This option appealed to the networks in that it would address a number of the supply-side challenges that they faced. However, they did note that further detailed consideration would be required in relation to:

? governance and management arrangements for the hub;

? individual customers' access to the hub; and

? the emphasis on, and engagement with, local growers.

7.2.4 Option 4: A Shared Services Company

Issues addressed:

Option 4 appears to have the potential to begin addressing all of the issues raised by the networks. It would help with ongoing issues of price and quality, but would also contribute to the organisational capacity and financial sustainability of the networks.

Table 7.7: Issues addressed by Option 4		
Issue	**Does option address issue?**	
	Yes	**No**
Price of produce	✍	
Reliance on grant funding	✍	
Inconsistent quality of produce	✍	
Capacity to undertake development work	✍	
Loss of customers due to variance in price	✍	
Inability to compete on price terms in contracts	✍	

Future potential:

As stated above, this option appears to respond to all of the requirements of the networks. The networks would control the company and would be able to decide its remit, and how far they wanted to go in terms of bidding for contracts and following environmental and ethical principles.

Table 7.8: Option 4: response to Networks' future potential		
Potential	**Does option respond to potential?**	
	Yes	**No**
Buying more local produce when in season and developing relationships with local growers	✍	
Focusing on environmental and ethical aspects of food supply	✍*	
Doing more health promotion work	✍	
Expanding/increasing food co-ops	✍	
Exploiting potential in public/private sector to increase sustainability and reduce reliance on grants	✍	

*if this is specifically agreed as part of the remit of the hub.

Networks appraisal:

Out of all the options, Option 4 was preferred by staff representatives from all four of the networks in attendance. They felt that it could involve a capacity-building role and that joint training opportunities would be an important component. It could even extend to becoming a national developmental resource for community food networks.

However, it was recognised that this option was also the most resource intensive and potential the most complex.

7.3 Conclusion

This scoping study set out to better understand the collective challenges, capacity, aspirations, and potential of five community food networks.

The research undertaken has highlighted the collective scale and strength of the food networks examined, and their common challenges. However, it also revealed five unique network organisations with widely differing approaches and aspirations.

The analysis and consultation undertaken as part of the study has led to the development of four broad options for the development of meaningful collective action by the food networks.

One option, that of a shared services company to be jointly owned and controlled by the networks, has emerged as a potentially workable solution to which each network might now be able to subscribe.

However, it is acknowledged that the scale and complexity of this option is significant, and that a robust business case is required to ensure that:

- the venture can become financially viability over the short to medium term and will not rely on network subsidy;
- the company is a separate entity, albeit controlled by the networks, but limiting their financial liability;
- the proposed venture will build on and strengthen the local community food work of the networks and not undermine it; and
- the company does not simply emulate all of the worst traits of a large supplier, and can bring real supply chain benefits.

This being the case, we recommend that the community food networks bring forward a detailed business plan for the proposed venture. This work should be supported Community Food and Health (Scotland) work.

This business plan should form the basis for further consultation and eventual agreement between the five food networks. Any detailed solution must secure the full commitment of each partner.

Subject to the preparation of an agreed and workable business case, we would advocate this as an important national pilot initiative that should be championed by the Parliament's Cross Party Group on Food.