Blake Stevenson

Creative Research Creating Action

Feasibility Study: Developing a Produce Supply Chain Between Community Growers, Caterers and Retailers

Community Food and Health (Scotland)

Final Report

October 2011

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1 Introduction

1.1 In August 2011, Community Food and Health (Scotland) (CFHS) commissioned Blake Stevenson Ltd to carry out a study to determine the feasibility of establishing a produce supply chain to link community growers with community retailers and caterers in Edinburgh. This report details the findings of our study.

Context

Healthy eating

1.2 The diet of Scotland's population is relatively poor and the nation has one of the highest levels of obesity in the world. In 2010, 65% of adults aged 16-64 and 30% of children in Scotland were obese or overweight[1]. Among OECD (Organisation for Economic Co-operation and Development) countries, only the USA and Mexico have higher rates of obese and overweight people[2].

1.3 Obesity and overweight is linked with several health problems including type 2 diabetes, hypertension, heart disease, some cancers and premature death. The total cost to Scottish society of obesity has been estimated at £457 million including approximately £175 million in direct NHS costs. Obesity can also affect employment, production levels, and mental health[3].

1.4 To reverse this trend, people living in Scotland are being encouraged to eat a healthier diet. However, there are several barriers that hinder individuals' ability to eat healthily, including:

- a lack of available and affordable healthy produce, particularly among low income communities;
- a lack of ability and confidence to shop for and cook healthy meals; and
- cultural habits and traditions leading to diets high in fat, salt and sugar but low in fruit and vegetables.

1.5 The Scottish Government has confirmed its commitment to reducing and preventing obesity through national policies and strategies such as 'Healthy Eating Active Living' (2008) and 'Preventing Overweight and

[1] Bromley, C and Given, L (eds), Scottish Centre for Social Research (2011), *The Scottish Health Survey 2010: Volume 1: Main Report*, Scottish Government, Edinburgh
[2] Scottish Government (2010), *Preventing Overweight and Obesity in Scotland: A Route Map Towards Healthy Weight*, Scottish Government, Edinburgh
[3] ibid

Obesity in Scotland: A Route Map Towards Healthy Weight' (2010). These publications outline the Government's commitment to reducing demand for high calorie and unhealthy foods and improving the ability of people to prepare healthy meals.

Local food

1.6 Increasing consumption of locally-grown food in local communities can have several benefits, including:

- encouraging people to eat healthily by increasing the availability of fresh, healthy, locally-grown produce;
- providing a boost to the local economy, local businesses and community initiatives; and
- reducing food miles[4] and the associated environmental impact.

1.7 Scotland's national food and drink policy 'Recipe For Success - Scotland's National Food and Drink Policy'[5] recognises these benefits of local food and outlines the Government's support for community initiatives that grow and promote local food. The Scottish Government's obesity strategy, 'Preventing Overweight and Obesity in Scotland: A Route Map Towards Healthy Weight' (2010), also acknowledges the importance of increasing the availability of healthy food and recognises the role of local food production in promoting healthy eating.

1.8 The Scottish Government confirmed its support for the Scottish food and drink industry in the 2011 spending review by doubling the budget devoted to it, including support for initiatives to:

- support Scottish food and drink businesses;
- promote Scottish produce at home and abroad;
- promote healthy eating among the population; and
- support community food initiatives.

[4] 'Food miles' is the term which refers to the distance that food travels from the area it is grown to the place where it is consumed. The higher the food miles, the greater the cost and environmental impact (www.ecomii.com)
[5] Scottish Government (2009), *Recipe For Success - Scotland's National Food and Drink Policy*, Scottish Government, Edinburgh

Producers and retailers of local food

1.9 While many producers and retailers of local food are commercial, profit-driven enterprises, there are also many community initiatives that aim to grow and sell locally-grown food, and pursue socially-beneficial outcomes such as promoting healthy eating. These community food initiatives include:

- **community growers** who grow and often sell fruit, vegetables, salad and herbs on a not-for-profit or social enterprise basis with the aim of making local, fresh, healthy produce more readily available to local people. These include initiatives where fruit and vegetable production is a secondary activity to the primary aim of therapy (for example, gardening may be used as a therapeutic activity for mental health service users) or skills development (for example, school gardens, prison gardens, and other specialist projects which aims to develop the skills of specific vulnerable or disadvantaged groups).

- **community retailers** which include community food co-ops, community-owned shops and community markets that sell quality, affordable food to low income communities or groups.

- **community caterers** which are community or voluntary sector owned catering establishments including community cafes that often operate in or with disadvantaged communities.

Organisations that support community food initiatives

1.10 There are several national and locally based organisations that support community food initiatives. At the national level the organisations include CFHS which commissioned this research and The Federation of City Farms and Community Gardens which was part of the study steering group; the group also included a local organisation in the shape of Edinburgh Community Food. Further details of these organisations and selected others are shown below.

1.11 **CFHS** aims to ensure that everyone in Scotland has the opportunity, ability and confidence to access a healthy and acceptable diet. CFHS aims to help community food initiatives become more business-minded and to be more resilient and economically sustainable. This is particularly important in the current climate of reduced funding, when community initiatives need to be more cost-effective and explore opportunities to reduce costs and maximise income.

1.12 The **Federation of City Farms and Community Gardens** is a UK-wide organisation that represents and supports community growers including community farms, allotments and gardens.

1.13 **Edinburgh Community Food (ECF)** promotes healthy eating in Edinburgh. It runs food and health development and promotion work including cooking courses, cookery demonstrations, nutrition workshops, health information sessions and tasting sessions with the aim of tackling health inequalities in low income communities in Edinburgh. ECF also runs and supplies community food co-ops across Edinburgh as well as supplying fruit and vegetables to some corporate customers and local hospitals. It aims to use as much locally-grown produce from Scotland as possible.

1.14 **Nourish**, Scotland's Sustainable Local Food Network, also supports community initiatives that promote locally-grown food. It is a network of local food producers, growers, retailers and consumers facilitated through an online community, events and conferences. It aims to work towards a food system with more emphasis on local food and shorter supply chains with environmental, health and economic benefits.

1.15 The **Edinburgh Local Food Network (ELFN)** is a coalition of community groups, businesses and other organisations that grow and promote fresh, healthy, locally-grown food, including:

- PEDAL, a community organisation in Portobello that undertakes a range of activities to combat climate change and reduce fossil fuel use such as a local organic market;
- Transition Edinburgh South, which encourages communities to reduce their carbon footprint and increase their sustainability;
- Abundance Edinburgh, which collects surplus fruit and donates it to charities and community groups or makes produce such as jam with it;
- The Shandon Local Food Group, a group of residents interested in buying and growing, more local, seasonal and organic food; and
- Redbraes Community Garden in Leith.

1.16 ELFN runs events and projects to make growing and eating locally-produced food easier and to raise awareness of the importance of local food for health, society and the environment.

1.17 The **Edinburgh Community Cafes Network** aims to bring community cafes together as a source of mutual support and information.

The study

1.18 This study explores the feasibility of setting up a produce supply chain involving community growers, community retailers and community caterers in Edinburgh. This supply chain would provide a community sector-led route to market for produce grown by community initiatives.

1.19 The objectives of the study are to:

- identify and map community growing, catering and retailing organisations using existing information available;
- profile the organisations identified, including details of what they do, where, when, who with and for;
- analyse the range and scale of produce grown by community growers;
- analyse the range and volume of produce required by community caterers and retailers, including seasonal variations;
- identify opportunities for developing a sustainable produce supply chain between community growers, and community retailers and caterers;
- explore interest in taking part in a supply chain among community growers, retailers and caterers;
- identify and analyse challenges and obstacles to developing these opportunities (in addition to irregularity, seasonality and scale of supply) and how these may be overcome;
- identify and quantify potential costs, potential cost savings and potential income generated for community food initiatives involved;
- identify support and resources required to develop opportunities (including financial, staffing, transport and premises); and
- analyse the potential to replicate a produce supply chain model in other local authority areas.

Methodology

1.20 To complete this study, we used the following methodology:

- a review of community food initiatives elsewhere that involve some form of produce supply chain linking growers, retailers and caterers;
- a survey of community growers, retailers and caterers in Edinburgh;

- follow up interviews with community growers, retailers and caterers in Edinburgh;
- interviews with stakeholders;
- a workshop with community growers, retailers, and caterers in Edinburgh and national and local stakeholders; and
- analysis and report writing.

Survey of community growers, retailers and caterers

1.21 We carried out a survey of community growers, retailers and caterers in Edinburgh. We distributed this survey online and sent a paper copy to growers, retailers and caterers with no or limited internet access.

1.22 We designed two separate survey questionnaires: one for growers, and one for retailers and caterers. Copies of these questionnaires are provided in Appendices 1 and 2.

1.23 We distributed the survey to 12 growers, identified by a list provided by the Federation of City Farms and Community Gardens, and received seven responses[6]. We distributed the retailers and caterers survey to 39 organisations, identified by Edinburgh Community Food, and received 24 responses. Overall we received 31 responses from 51 surveys – a very respectable response rate of 61%.

Follow up interviews with community growers, retailers and caterers

1.24 We undertook follow up telephone interviews with 13 retailers and caterers and three growers.

1.25 The interview topic guide is included in Appendix 3.

Stakeholder interviews

1.26 We interviewed representatives of five stakeholder organisations:

- City of Edinburgh Council;
- Scottish Government Food and Drink Industry Unit;
- Transition Edinburgh South/Nourish;

[6] One response was submitted by a grower which has since ceased its growing operation.

- Edinburgh Community Food; and
- Federation of Edinburgh and District Allotments and Gardens Associations.

1.27 The interview topic guide is included in Appendix 4.

Workshop

1.28 We held a workshop with 13 delegates, including representatives from seven community retailers/caterers, two community growers, CFHS, Edinburgh Community Food and City of Edinburgh Council.

1.29 We presented the findings from our research and discussed the issues around establishing a supply chain and options for the way forward with delegates.

Analysis and report writing

1.30 We have analysed the quantitative and qualitative data gathered through our fieldwork to produce this final report.

1.31 Throughout the study, support and contacts provided by CFHS, the Federation of City Farms and Community Gardens and Edinburgh Community Food have been invaluable.

Report structure

1.32 The remainder of this report is structured as follows:

- Section 2 provides an overview of community growers in Edinburgh;
- Section 3 provides an overview of community caterers and retailers in Edinburgh;
- Section 4 discusses the concept of a produce supply chain and its benefits and barriers;
- Section 5 outlines proposals for establishing a produce supply chain in Edinburgh;
- Section 6 discusses the potential of establishing a similar produce supply chain elsewhere; and
- Section 7 contains our conclusions and recommendations from the study.

2 Overview of Community Growers in Edinburgh

Introduction

2.1 This section provides information about community growers in Edinburgh. It is organised under the following headings:

- community growers in Edinburgh;
- aims of community growers;
- location/coverage;
- produce grown by community growers;
- costs;
- selling produce;
- income and funding;
- partnership working; and
- potential to grow additional/increased produce.

Community growers in Edinburgh

2.2 We are aware of the following 13 community growers in Edinburgh:

- Bridgend Growing Communities;
- Cyrenians Home Farm[7];
- Drylaw & Telford Community Garden;
- Gorgie City Farm;
- Greendykes Organic Allotments (GOALS);
- Greyfriars Herb Garden;
- Hawthorn Gardens;

[7] Cyrenians Home Farm is based just outside Edinburgh in Kirknewton, West Lothian. We have included it in this list because of its proximity to Edinburgh, its relatively large scale compared to other community growing projects, and its potential to play an important role in any produce supply chain.

- Porty Town Hall Community Growing Space;
- Redbraes Community Garden;
- Redhall Walled Garden;
- Royal Edinburgh Community Garden;
- Tiphereth Pentland Gardening Group; and
- Wester Hailes Health Agency Garden Project.

2.3 The information contained in the remainder of this chapter is based on the survey responses of six growers and we are very grateful for their time in completing the survey. We received responses from six growers that are still operating:

- Bridgend Growing Communities;
- Drylaw and Telford Community Garden;
- Gorgie City Farm;
- Greendykes Organic Allotments;
- Greyfriars Herb Garden; and
- Redhall Walled Garden.

2.4 We also received a response from a seventh grower: the West Craigie Local Food Project, which grew a range of vegetables and herbs at Craigie Farm and sold them to local customers, particularly community projects. However, this project has now ceased operating due to a lack of funding and financial sustainability, and the land used by the project has been taken over by Craigie Farm's commercial farming enterprise. In order to provide an up-to-date illustration of community growing in Edinburgh, we have excluded this project's responses from our analysis.

2.5 The information in this chapter should not be interpreted as a comprehensive picture of all community growers in Edinburgh particularly as it does not include two of the largest community growers. Repeated attempts were made to include all community growers throughout the study. Gathering information on all community growers would be an important task for any organisation interested in taking forward the produce supply chain idea in Edinburgh.

Location/coverage

2.6 The main locations where community growers grow produce are listed in paragraph 2.2. Responses to our survey identified three additional locations – all schools - where community growers produce food in Edinburgh:

- Ferryhill Primary School;
- Rowanfield Primary School; and
- Broughton Secondary School.

2.7 No growers who responded to our survey grow any produce outwith Edinburgh. Figure 2.1 is a map of all community growers, retailers and caterers in Edinburgh.

Figure 2.1: Map of Community Growers, Retailers and Caterers in Edinburgh

Key					
	Community grower		Community caterer		Community retailer

Aims of community grower survey respondents

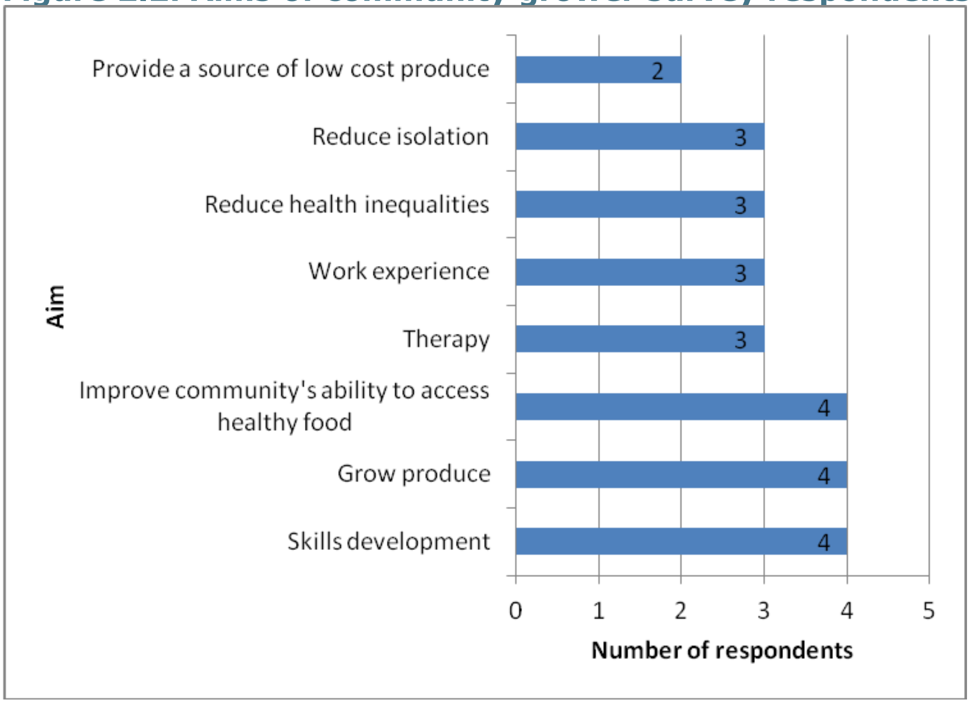
2.8 Four community growers specified their *main* aim. Each identified a different aim as shown by their responses below:

- providing therapy to the people involved in growing produce;
- developing the skills of people involved in growing produce;
- reducing health inequalities; and
- reducing isolation among the local population.

2.9 It is noteworthy that none of the four identified 'growing produce' as their main aim, reinforcing the view that the production of fruit and vegetables is often the result of meeting social and economic aims rather than the purpose of community growers.

2.10 These four respondents also specified the *additional* aims that their initiative works towards and the responses are shown below in Figure 2.2.

Figure 2.2: Aims of community grower survey respondents



Base: 4 respondents to the question

2.11 This shows that community growers grow food for a range of reasons, often as a by-product of skills development and therapy activities for people involved in growing the produce, as well as providing a source of healthy, locally-grown produce for local people.

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Produce grown by community grower survey respondents

2.12 Six community growers identified the produce they grow through our survey. We re-emphasise that the information presented below is based on their responses and is therefore not comprehensive and should not be read as such.

2.13 As Table 2.1 shows the community growers that took part in our survey highlighted that they produce a range of fruit including both soft and hard fruits but a limited range of vegetables (cucumbers and tomatoes)[8].

Table 2.1: Produce grown by community grower survey respondents

Produce
Blackcurrants
Redcurrants
Raspberries
Victoria plums
Apples
Pears
Grapes
Cherries
Strawberries
Quince
Cucumbers
Tomatoes

2.14 None of these growers were able to provide details of the volume of fruit and vegetables they produce, although two noted that they grow only small quantities. Another noted that several fruit trees were planted last year but that it will be a few years before they bear fruit.

Estimated costs of community grower survey respondents

2.15 Four respondents gave details of how much money their initiative spent in the past year. In total, these four community growers spent £369,340. This equates to an average of £92,335 per grower - if we project the average figure to all 13 growers in Edinburgh, we can calculate a rough estimate that community growers in Edinburgh spend in the region of £1.2 million per year – a sizeable sum.

2.16 Table 2.2 provides a breakdown of the growers' costs. This shows that staffing is the main cost and represents 41% of growers' total costs.

[8] Cucumbers and tomatoes are technically fruit although more commonly referred to and used as vegetables.

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Table 2.2: Community grower survey respondents estimated costs

Cost	Total	Percentage of total costs
Staff	£152,550	41%
Materials/equipment	£60,270	16%
Premises	£49,170	13%
Food purchases	£21,810	6%
Volunteers	£4,240	1%
Transport	£300	0.1%
Other/not specified	£81,000	22%
Total costs	**£369,340**	**100%**
Average costs per grower	**£92,335**	**-**

2.17 The four growers that provided details employ 21 staff, 11 of whom are full-time. They also support 340-390 volunteers – again a very significant number.

2.18 The above figures equate to an average annual cost of £7,264 per staff member and between £10.87 and £12.47 per volunteer.

Community grower survey respondents' produce sales

2.19 Only three growers that took part in our survey sell the produce they grow, and these growers described themselves as growing only small quantities. All three sell their produce to the general public, and one also sells it to community retailers, community cafes, other cafes and schools.

2.20 The three community growers that do not sell their produce use it for various purposes:

- providing free meals to vulnerable people;
- sharing it among volunteers who work in the garden; and
- distributing it to members of the local community.

2.21 We asked growers to specify how much produce they sell per year but none were able to provide this information.

2.22 A community grower that attended the workshop highlighted that recipients of the Climate Challenge Fund are not permitted to sell their produce.

Community grower survey respondents' income and funding

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2.23 Four growers provided details of their income. In total, these four growers had a combined income of £325,440 in the past year. This is an average of £81,360 per grower - if we project this to all 13 growers in Edinburgh, we can give a rough estimate that community growers in Edinburgh have a combined income of around £1.1 million per year.

2.24 Growers' sources of income are outlined in Table 2.3.

Table 2.3: Community grower survey respondents' income

Source of income	Total	Percentage of total income
Funding from external funders	£273,000	84%
Funding from parent organisation	£38,340	12%
Selling produce that the initiative grows	£9,100	3%
Other (delivering workshops and selling plants)	£5,000	2%
Total income	**£325,440**	**100%**
Average per grower	**£81,360**	**-**

2.25 Table 2.3 shows that funding from external funders makes up the vast majority (84%) of growers' income, and selling produce grown by the initiatives generates only 3% of their total income. Collectively, the growers generate only £9,100 from selling produce they grow. This represents an average of £2,275 each. If we project this to all 13 growers, we can give a rough estimate that growers in Edinburgh generate around £29,575 per year from selling produce they grow, however this figure should be interpreted with caution given the small number of responses and the limited produce grown at the initiatives that responded to the survey. The figures clearly demonstrate that the community growers who responded to the survey do not have the production and sale of fruit and vegetables as their main purpose.

2.26 The figures show that there is a shortfall between growers' costs and income – on average, each grower's annual costs are £92,335, but their income is only £81,360 – a shortfall of approximately £11,000.

Partnership working

2.27 Four growers reported through the survey that they have formal or informal links with other community growers, retailers or caterers. The nature of these links are summarised below:

- one buys produce from other growers;
- another has an agreement to sell its surplus fruit and vegetables to a food co-op, but no surplus has as yet been offered;

- one publicises and acts as a distribution point for West Craigie Local Food Project's vegetable boxes; and
- one has links with other gardens of a social, community and therapeutic nature.

Community grower survey respondents' potential to grow additional produce

2.28 Three of the four community growers that responded to the survey said they could grow additional vegetables or herbs if there was known demand for it. Table 2.4 displays the produce that growers said they could grow, along with the number of growers who identified each type of produce.

Table 2.4: Potential for growing additional produce

Vegetables	Herbs
Kale (3)	Coriander (3)
Lettuce (2)	Rosemary (3)
Radish (2)	Dill (2)
Beans (1)	Mint (2)
Beetroot (1)	Parsley (2)
Butternut squash (1)	Thyme (2)
	Basil (1)
	Chives (1)

2.29 No growers said they could grow any additional fruit.

2.30 Four growers identified barriers to growing more or different produce:

- lack of space (2 respondents);
- lack of demand/nobody to sell it to (2 respondents);
- lack of staff and volunteers (2 respondents); and
- lack of equipment (1 respondent).

2.31 One grower said they do not produce enough to sell any at this time, but noted that they would be keen to sell more produce to combat reductions in external funding, and that the initiative has additional space that could be used if they knew there was demand from people or organisations willing to buy it.

Summary

2.32 The validity of the findings in this section is restricted because it is based on responses from only six community growers, and these six could provide only limited information. However, it does indicate that:

- some growers do not sell the produce that they grow;
- the main costs for growers are those related to employing staff;
- the main source of income for growers is external funders;
- selling produce represents only 3% of growers' income;
- there appears to be a shortfall between growers' costs and income;
- growers produce a range of hard and soft fruit but a limited range of vegetables;
- growers' aims encompass those linked to community health and wellbeing, as well as providing therapy and skills development opportunities for people involved in growing produce; and
- growers have the capacity to grow more or different produce, if there was a known demand for the produce.

3 Overview of Community Caterers and Retailers in Edinburgh

Introduction

3.1 This section provides information on community caterers and retailers in Edinburgh, and is organised under the following headings:

- community caterers and retailers in Edinburgh;
- aims of community retailers and caterers;
- location/coverage;
- produce purchased by retailers and caterers;
- costs;
- produce sold by retailers and caterers;
- income and funding;
- partnership working; and
- interest in buying more or different produce.

Community caterers and retailers in Edinburgh

3.2 We are aware of the following 40 community retailers and caterers in Edinburgh:

- Abbeyhill Co-op
- Anchor Cafe
- Balerno Community Centre Cafe
- Balerno Co-op
- Bridge Cafe
- Broomhouse Co-op
- Butterflies Cafe
- Cafe Broma
- Cafe Holyrood
- Cafe Life
- Clovenstone Community Centre Cafe
- CORE World Café
- Inchpark Food Co-op;
- Lochend Co-op;
- Muirhouse Millennium Centre;
- Newhaven Connections;
- North Edinburgh Arts ;
- Old Kirk - Community Café;
- Olive Tree Cafe;
- Perc-U-Up Cafe;
- The Pleasance Co-op;
- Punjab'n De Rasoi;
- Richmond Co-op and Café;
- Southside Community Centre;

- Craighall Centre Co-op
- The Crescent Kitchen
- Davidson's Mains Parish Church - Community Café
- The Dove Cafe
- Dr Bells Family Centre Cafe
- The Drill Hall Arts Café
- Drylaw Parish Church - Community Café
- The Engine Shed Cafe
- The Farm Cafe
- Gate 55
- Goodtrees Neighbourhood Centre
- Granton Parish Church
- St Brides Centre Cafe;
- The Square Centre Cafe;
- University Fairtrade Cafe; and
- Valley Park Community Centre Café.
- Inchpark Food Co-op;
- Lochend Co-op;
- Muirhouse Millennium Centre;
- Newhaven Connections;
- North Edinburgh Arts ;
- Old Kirk - Community Café;
- Olive Tree Cafe;
- Perc-U-Up Cafe;

3.3 Twenty-four took part in our survey. Seven of these are retailers, 16 are cafes or caterers, and one classified itself as both a retailer and a café. Respondents are listed in Table 3.1.

Table 3.1: Survey respondents

Retailers	Cafes and caterers	Retailer and caterer
Abbeyhill Food Co-op	Café Holyrood	Richmond Café and Co-op
Balerno Food Co-op	Cafe' Broma	
Broomhouse Health Strategy Group	Café Life	
Craighall Centre Co-op	Clovenstone Community Centre	
Lochend Co-op	CORE World Café	
Pleasance Food Co-op	Dr Bells Family Centre	
Teens+	The Dove Cafe	
	Drill Hall Arts Café	
	Granton Parish Church Lunch Club	
	Muirhouse Millennium Centre	
	Newhaven Connections Café	
	Northside Café	
	Punjab'n De Rasoi	
	St Bride's Café	
	Sycamore Tree Café, Davidson's Mains Parish Church,	
	Valley Park Community Centre Cafe	

3.4 The information in this chapter should not be interpreted as a comprehensive picture of all community retailers and caterers in Edinburgh. Repeated attempts were made to include all community retailers and caterers throughout the study. Gathering information on all community retailers and caterers would be an important task for any organisation interested in taking forward the produce supply chain idea in Edinburgh.

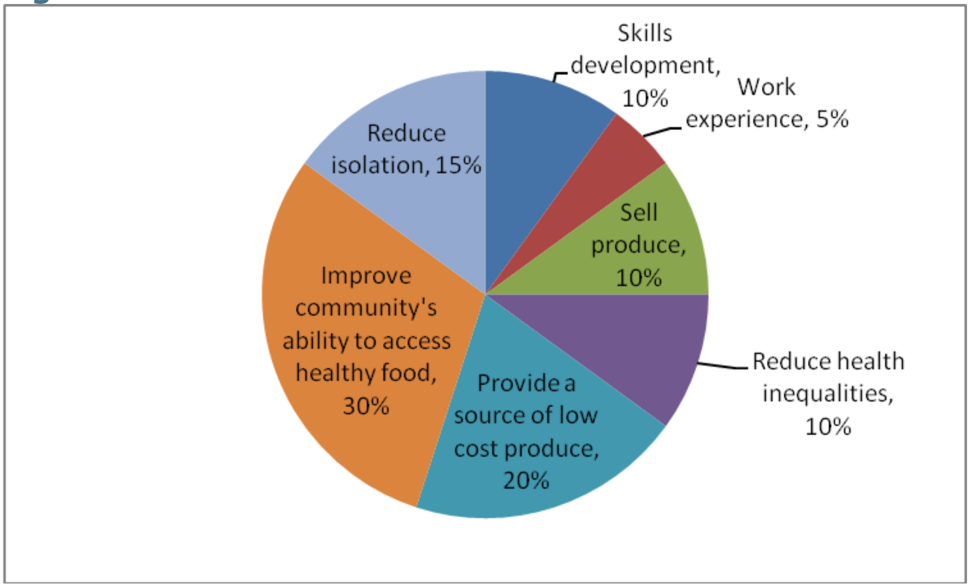
Location/coverage

3.5 Community caterers and retailers sell produce or provide catering services in locations across Edinburgh, as shown in figure 2.1.

Aims of community retailers and caterers

3.6 Twenty community retailers and cafes specified their *main* aim. The responses are varied and show that community retailers and cafes have a range of primary purposes. The most common response – from 30% of community retailers and cafes – was to improve the community's ability to access healthy food; a further 20% have providing a source of low cost produce as their main aim.

Figure 3.1: Retailers' and caterers' main aim



3.7 Nineteen respondents specified the *additional* aims of their initiatives. The responses are shown in Figure 3.2 which shows that providing a source of low cost produce was the most common additional aim identified by 13 community retailers and cafes.

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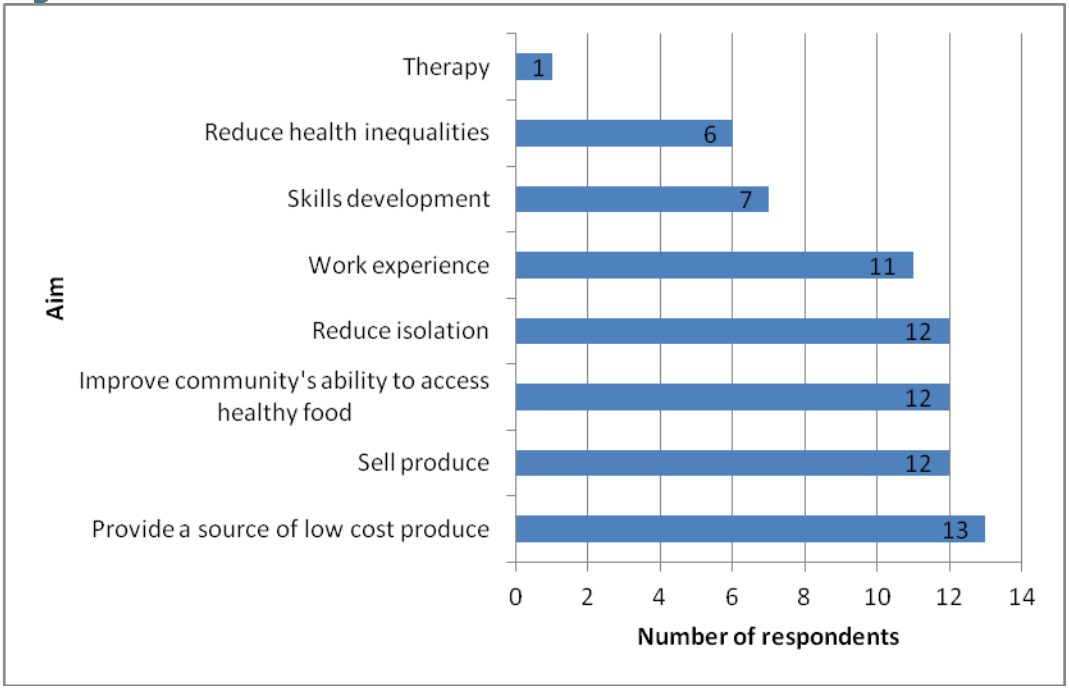
Figure 3.2: Retailers' and caterers' additional aims



3.8 Figures 3.1 and 3.2 show that these initiatives' aims are focused predominantly on providing a source of low cost and healthy produce for the local community, and do not focus as much as growers on other aims such as therapy or skills development.

Produce purchased by retailers and caterers

3.9 Table 3.2 lists the fruit and vegetables that community retailers and caterers purchase. The number in brackets refers to the number of retailers and caterers purchasing each item.

Table 3.2: Produce purchased by caterers and retailers

Fruit	Vegetables	Herbs	Other
Bananas (13)	Onions (14)	Coriander (6)	Milk (11)
Apples (12)	Carrots (13)	Parsley (5)	Eggs (5)
Oranges (10)	Potatoes (12)	Mint (4)	Lentils/pulses (5)
Grapes (6)	Tomato (11)	Basil (2)	Porridge oats (4)
Pears (6)	Cauliflower (8)	Chives (2)	Bread (3)
Satsumas/clementines/ mandarins (6)	Leeks (8)	Thyme (2)	Spices (3)
Melon (5)	Turnip/swede (8)	Tarragon (2)	Fruit juice (2)
Pineapple (4)	Peppers (7)	Bay leaf (1)	Tea bags (2)
Lemons (4)	Broccoli (7)	Rosemary (1)	Broth mix (2)
Nectarines (3)	Cabbage (7)		Chicken (1)
Peaches (3)	Courgette (7)		Coconut milk (1)
Raspberries (3)	Celery (5)		Cereal (1)

Fruit	Vegetables	Herbs	Other
Plums (3)	Cucumber (5)		Cold meat (1)
Strawberries (3)	Garlic (5)		Flour (1)
Kiwi fruit (2)	Mushrooms (5)		Chappati (1)
Limes (2)	Spinach (5)		Naan (1)
Berries (1)	Corn (4)		Jam (1)
Blueberries (1)	Sweet potatoes (4)		
Cherries (1)	Aubergine (3)		
Dates (1)	Butternut squash (3)		
Rhubarb (1)	Lettuce (3)		
Figs (1)	Parsnip (3)		
Grapefruit (1)	Peas (3)		
Mango (1)	Spring onions (3)		
Fruit	**Vegetables**	**Herbs**	**Other**
	Chillies (3)		
	Ginger (3)		
	Cherry tomatoes (2)		
	Celeriac (1)		
	Pumpkins (1)		
	Asparagus (1)		
	Beetroot (1)		
	Fennel (1)		
	Broad beans (1)		
	Mangetout (1)		
	Vine tomatoes (1)		
	Chick peas (1)		

3.10 Table 3.2, compared with Table 2.1, shows that there are several types of produce that community retailers and caterers use that community growers do not currently grow[9].

3.11 We attempted to analyse the volume of fruit and vegetables purchased by caterers and retailers but this is not possible because very few were able to provide these details. However, we include details of the amount of money spent on food by retailers and caterers later in this section.

Seasonality

3.12 Seasonality does not appear to be a major concern among retailers and caterers. Only five (21%) said there was produce that they only need at certain times of the year. Responses include:

- berries and soft fruit during the summer;

[9] We should note that this is based on responses from only a few growers and it is possible that growers that did not respond to our survey grow a wider range of produce.

- root vegetables during the winter;
- seasonal fruit and vegetables; and
- Christmas goods including turkeys and cranberries at Christmas.

Suppliers

3.13 The main sources of fruit, vegetables and herbs for community retailers and caterers is supermarkets and Edinburgh Community Food, as illustrated in Figures 3.4 to 3.6. The use of Edinburgh Community Food is encouraging in the sense of recycling money within the local community food sector. The use of supermarkets is related to cost and convenience especially for the smaller retailers and cafes and those where cost to the customer is the over-riding concern – this could potentially be a market opportunity for a produce supply chain and/or Edinburgh Community Food if produce can be sourced prices competitive with supermarkets (this issue is discussed in more detail later in this report). Significantly, no retailers or caterers reported sourcing produce from community growers.

Figure 3.4: Suppliers of fruit

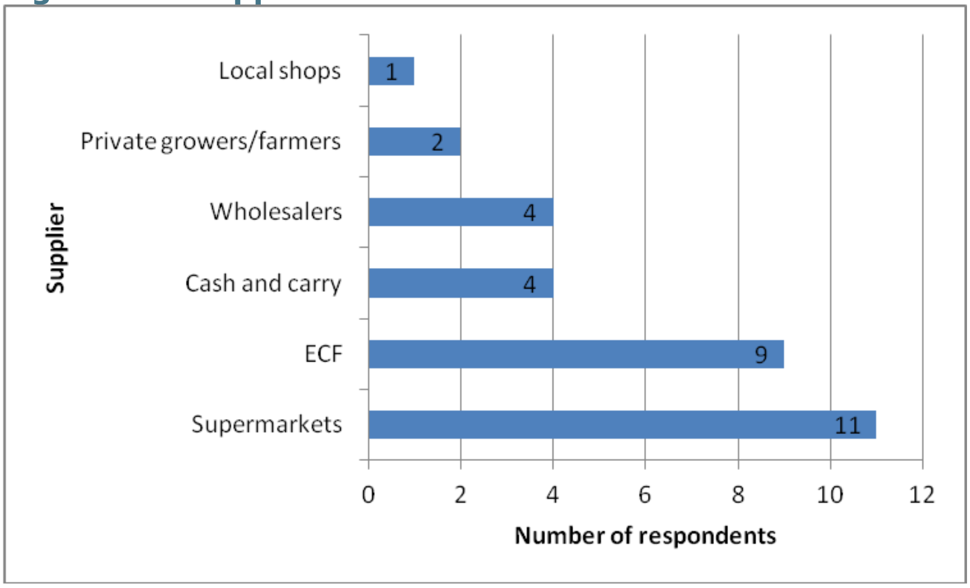


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Figure 3.5: Suppliers of vegetables

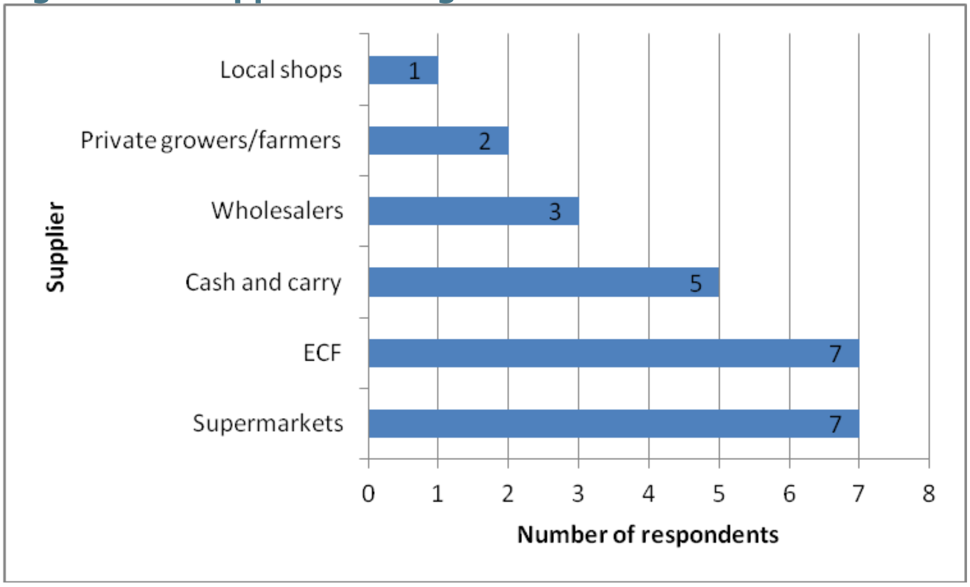
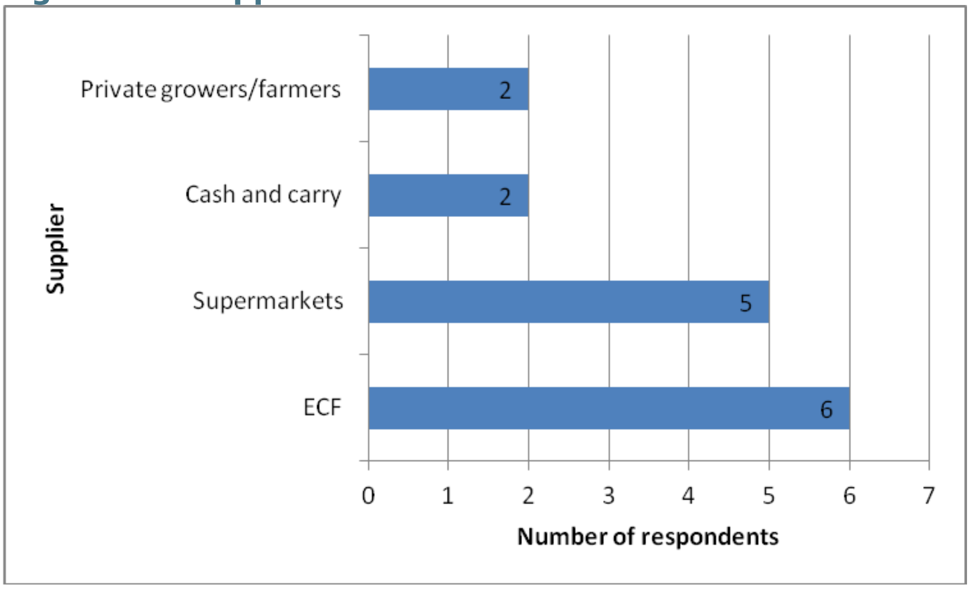


Figure 3.6: Suppliers of herbs



Costs

3.14 Seventeen community retailers/caterers gave details through the survey of how much their initiative spent in the past year. Collectively, these seventeen caterers and retailers spent £334,634. This equates to an average of £19,684 per retailer and caterer. If we project this to all 40 community retailers and caterers in Edinburgh, we can roughly estimate that total costs in the sector as a whole are £787,374.

3.15 Table 3.2 shows a breakdown of the categories of costs borne by retailers and caterers. This shows that costs related to employing staff and purchasing food are retailers' and caterers' most significant costs and represent 44% and 38% respectively of their costs.

Table 3.2: Caterers' and retailers' costs

Cost	Total cost	Percentage of total costs
Staff	£147,316	44%
Food purchases	£126,475	38%
Materials/equipment	£13,203	4%
Volunteers	£5,040	2%
Premises	£8,169	2%
Transport	£550	0.2%
Other/not specified	£6,830	2%
Total costs	**£334,634**	**100%**
Average per retailer and caterer	**£19,684**	**-**

3.16 The average amount spent on buying food by each retailer/caterer is £7,440. Projected to all 40 retailers and caterers, we can give a rough estimate that the sector as a whole spends around £298,000 per year on food purchases. This is a significant figure which represents an estimate of the total potential market size for a community food produce supply chain in Edinburgh. At present none of Edinburgh's community caterers purchase from community growers, but the above figures suggests there is a sizeable potential market that could provide additional income for community growers if they can be supported to access it.

3.17 We attempted to analyse the amount of money spent by retailers and caterers on different types of fruit and vegetables but this was not possible because very few gave details of how much they pay for each type of produce.

3.18 Twenty-three respondents gave details of the numbers of staff and volunteers they have. These 23 initiatives employ 48 members of staff, seven of whom are full-time, and around 211 volunteers. This equates to an average annual cost of £3,069 per staff member and £23.89 per volunteer.

Customer groups

3.19 All 24 respondents sell the produce they buy. Figure 3.7 shows that the largest market for community retailers and caterers is the general public, with 21 respondents (88%) selling to this group.

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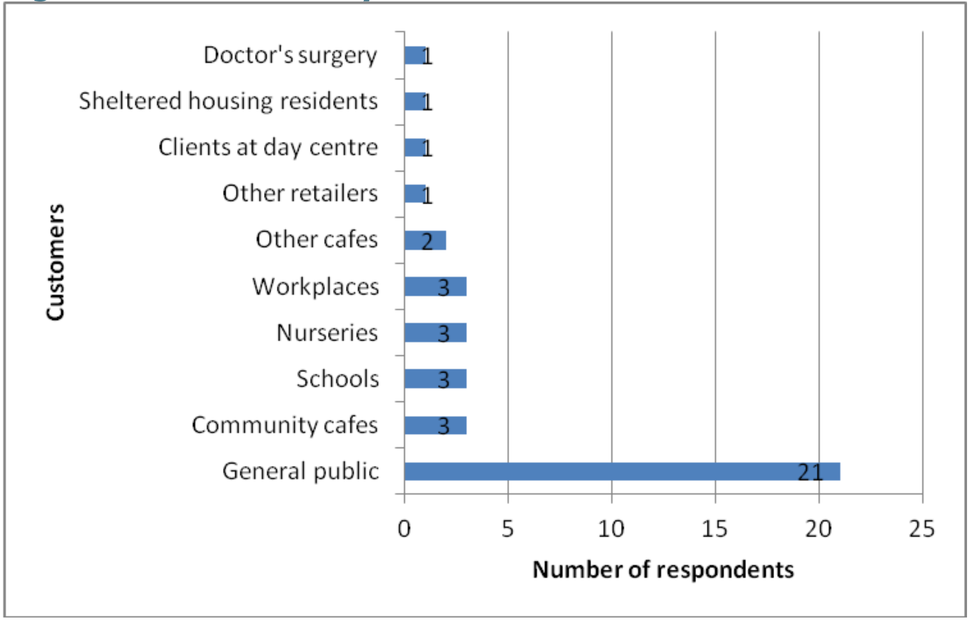
Figure 3.7: Community retailers' and caterers' customers



3.20 Five respondents (21%) said they do not sell all the food they buy. Four of these specified what they do with the leftover produce:

- one donates leftover produce to a homeless charity;
- another gives it to a café for soup or puts it in the bin depending on its condition;
- one puts it in the bin; and
- one returns it to their supplier.

Income and funding

3.21 Sixteen respondents gave details of the income they have received in the past year. Collectively, these 16 retailers and caterers received £234,945. This is an average of £14,684 per retailer and caterer. Projected to all 40 retailers/caterers, we can roughly estimate that the sector as a whole receives approximately £587,000 per year. Table 3.3 displays retailers' and caterers' sources of income.

Table 3.3: Caterers' and retailers' income

Source of income	Total	Percentage of total income
Selling food/produce	£182,374	78%
Funding from external funders	£41,771	18%
Funding from parent organisation	£10,800	5%
Total income	**£234,945**	**100%**
Average income per retailer and	**£14,684**	**-**

caterer		

3.22 Table 3.3 shows that, in contrast to community growers, community retailers and caterers rely on the proceeds from selling food and produce for the vast majority (78%) of their income.

3.23 On average, each retailer/caterer generates £11,398 in income from selling food/produce each year. Projected to all 40 retailers/caterers, we can roughly estimate that the sector as a whole generates around £455,935 per year from this source of income.

3.24 This means that retailers and caterers sell their produce for a greater value than they buy it for. Our estimate is that all 40 community retailers/caterers spend around £297,588 per year on food collectively, and sell it for £455,935 – indicating a mark-up of around 50%.

3.25 However, our survey indicates that there is a shortfall between caterers and retailers overall costs and income. Table 3.2 shows that, on average, retailers and caterers spend £19,684 per year in total, but Table 3.3 shows that they raise only £14,684 in total income and funding annually – a shortfall of £5,000. This suggests that there may be scope for the community retailers and caterers to become more efficient and food purchases could potentially have a role to play if produce can be purchased at a lower cost than their current suppliers. A number of community retailers and caterers emphasised that they work with low income communities where the cost of their food is very important.

Partnership working

3.26 There does not appear to be a great deal of partnership working between community retailers and caterers and other community food initiatives. Only six retailers and caterers (25%) said they had any formal or informal links with other community food initiatives. These links include:

- membership of Edinburgh Community Cafes;
- informal contact with a community grower; and
- buying produce from Pilton Community Health Project.

Interest in buying more or different produce

3.27 Community caterers and retailers appear to be satisfied that they can access all the produce they need. Only four (17%) identified produce that they would like to buy, including:

- bread;

- horseradish;
- tinned food including fish, vegetables and fruit; and
- affordable seasonal fruits.

3.28 However, respondents identified factors that prevent them buying more or different produce, including:

- lack of supply (7 respondents);
- lack of demand (7 respondents);
- expense (7 respondents);
- lack of skills or knowledge of how to use the produce (1 respondent); and
- lack of catering equipment (1 respondent).

3.29 This suggests that nearly 30% of caterers and retailers would be interested in buying more or different produce if they could source it, if there was demand for it from their customers, and if it was affordable.

Summary

3.30 The findings from our research showed that:

- caterers and retailers aim to provide a source of produce for local communities;
- the main costs for caterers and retailers are buying produce and employing staff;
- the main suppliers of food to caterers and retailers are ECF and supermarkets;
- the main source of income is selling produce;
- there is a shortfall between caterers and retailers costs and income which may present an opportunity for a produce supply chain if produce can be offered at a lower cost;
- caterers and retailers use a huge range of produce, several types of which are not currently grown by growers that took part in our survey; and

- lack of supply, lack of demand and the expense of certain types of produce restricts caterers' and retailers' ability to buy more or different produce.

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4 Produce Supply Chain – Benefits and Barriers

Introduction

4.1 We discuss the concept of a produce supply chain and the benefits of and barriers to setting up a supply chain in this section. It is organised under the following headings:

- definition of a produce supply chain;
- examples of produce supply chains involving community initiatives;
- interest in taking part in a supply chain in Edinburgh;
- benefits of a supply chain; and
- barriers and issues to consider.

Definition of a produce supply chain

4.2 A produce supply chain is the process that enables food to be grown, processed, distributed and supplied to a consumer. It can involve a range of organisations including food growers, food producers, food manufacturers and processors, freight, haulage and delivery companies, wholesalers, retailers, caterers including cafes and restaurants, and the end consumer who actually eats the food.

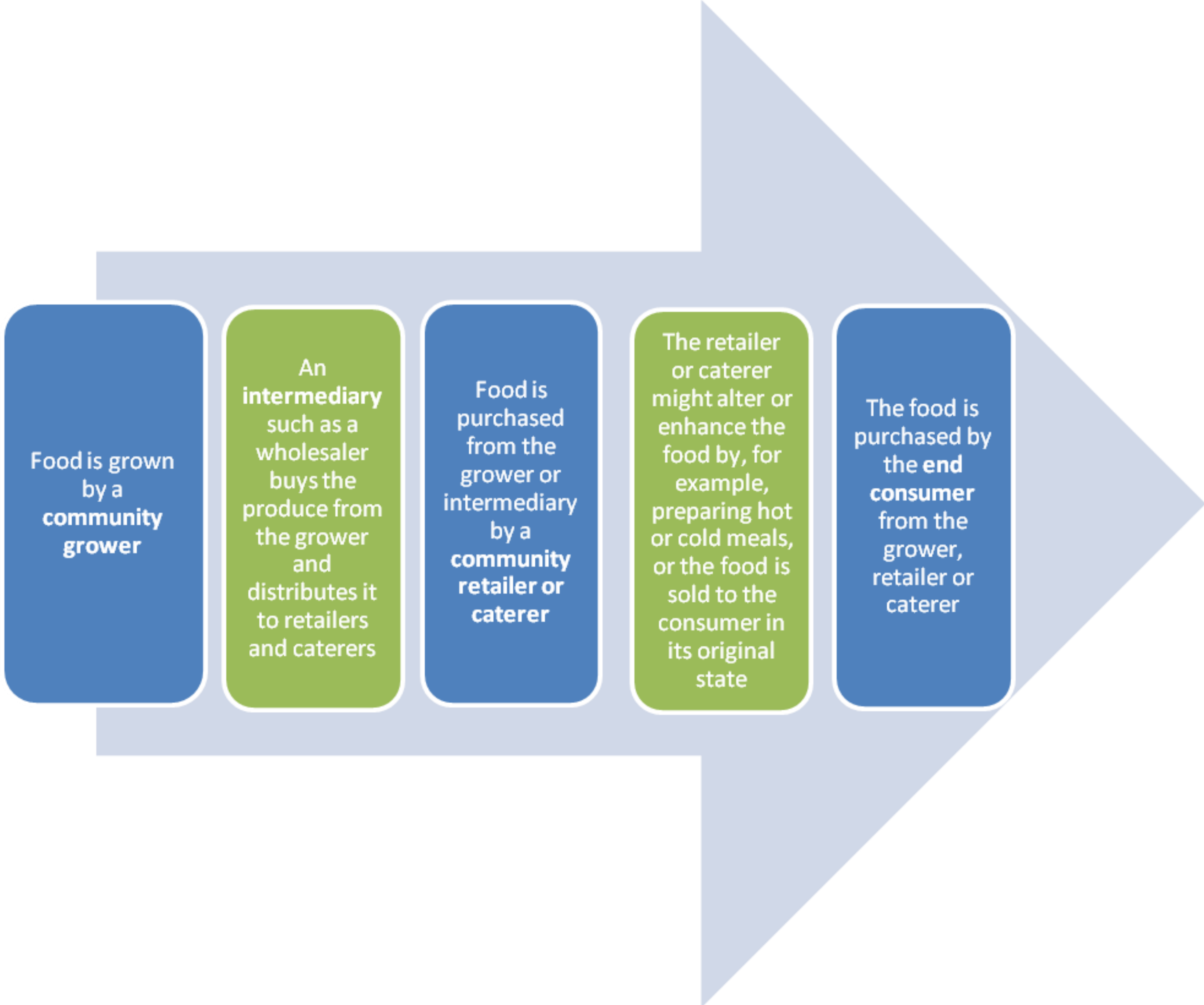
4.3 In the context of this study, we are exploring the potential of setting up a supply chain between community growers and community caterers and retailers in Edinburgh. This would involve community growers working more closely with community retailers and caterers to work with, buy from and sell to each other on a greater scale than before, thereby:

- providing an easily-accessible source of local produce for retailers and caterers;
- providing a route to market for community growers' produce;
- making locally-grown produce more available to local people; and
- reducing the food miles associated with food consumed in Edinburgh.

4.4 Supply chains vary in complexity. In the simplest form of a supply chain, the product passes from the grower/producer directly to the end consumer. In more complex supply chains, intermediaries such as retailers and caterers acquire the produce from the producer and sell it to the end consumer. Other intermediaries such as wholesalers can be involved in acquiring the produce from the grower before supplying it to retailers and caterers, who then supply it to the end consumer. In some cases intermediaries between the grower and end consumer can alter or enhance the product. For example, the Dorset Local Food Distribution Hub acquires food from local growers and uses it to produce hot meals, which it then delivers to local schools.

4.5 A supply chain involving community growers, retailers and caterers is illustrated in Figure 4.1.

Figure 4.1: A community food supply chain



Examples of produce supply chains involving community initiatives

4.6 Table 4.1 summarises existing produce supply chains involving community food initiatives which a similar venture in Edinburgh could learn from.

Table 4.1: Produce supply chains involving community food initiatives

Name	Location	Description
Organiclea's Cropshare Project	Lea Valley, London	Cropshare takes surplus produce from local allotment holders and sells it via Organiclea's vegetable boxes and market stall.
Food Chain North East Community Interest Company	North East England	Food Chain North East aims to make it easier for local people to buy fresh, affordable and locally-grown fruit and vegetables. It acts as a hub between growers, retailers and caterers, and end consumers. It purchases the produce from commercial and community growers and wholesalers and distributes it to retailers and caterers including community initiatives, schools and workplaces.
Hackney Growing Communities	Hackney, London	This is a social enterprise which provides two trading channels – an organic fruit and vegetable box scheme and a farmers' market – which provide an outlet for 29 small-scale, organic producers to sell their produce.
Welsh Sustainable Supply Chains Project	Wales	This project supported several initiatives designed to support the food and drink industry. It supported the establishment of a community-owned market garden and explored opportunities to improve ordering and distribution processes between growers and customers using a new website.
Local Food Links – Dorset Local Food Distribution Hub	Dorset	The Hub sources local, organic and fairly traded produce and distributes it to schools, local food clubs and co-ops, and commercial clients. Local Food Links also runs other initiatives such as farmers' markets, strategic co-ordination for the local food sector and a network offering training and support to food producers.

4.7 We will refer to learning points identified by these supply chain initiatives throughout this section and further details of each initiative are in Appendix 5.

Interest in taking part in a supply chain in Edinburgh

4.8 In general, community growers, retailers and caterers that took part in our survey support the principle of establishing a produce supply chain in Edinburgh.

4.9 Figures 4.2 illustrates that 20 retailers and caterers (83% of those who responded to our survey) would be or may be interested in taking part in a supply chain, and Figure 4.3 shows that four growers (67% of those who responded to our survey) feel the same way. Overall 24 of the 31 respondents (77%) said yes or maybe to taking part in a produce supply chain.

Figure 4.2: Community retailers' and caterers' interest in taking part in a supply chain

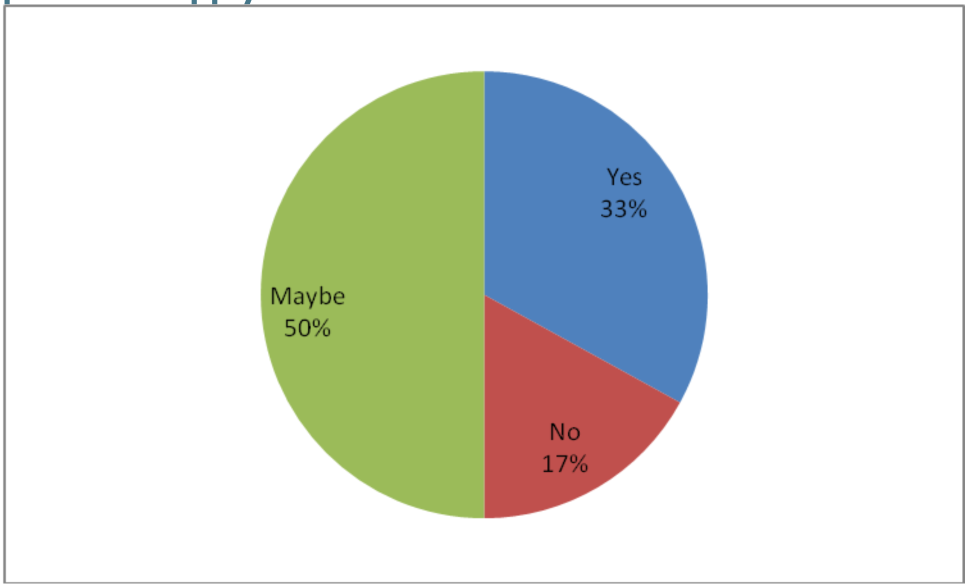
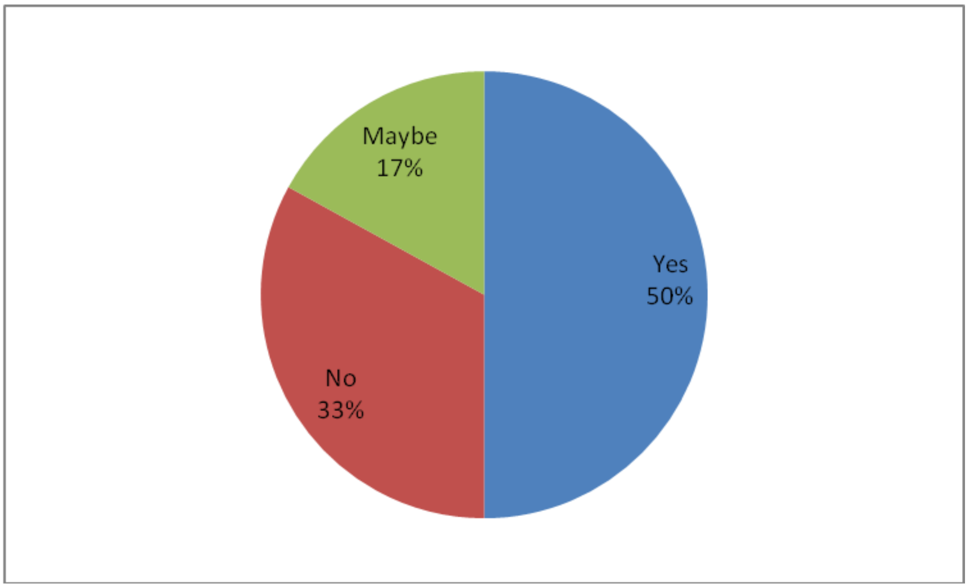


Figure 4.3: Community growers' interest in taking part in a supply chain



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4.10 Stakeholders who we interviewed were also generally supportive of establishing a supply chain in principle.

4.11 Community growers, retailers and caterers who did not want to take part in a supply chain were generally concerned about the extra time perceived to be involved in participating in a supply chain, explained that they were happy with their existing suppliers, or had concerns about the price and quality of produce supplied by community growers.

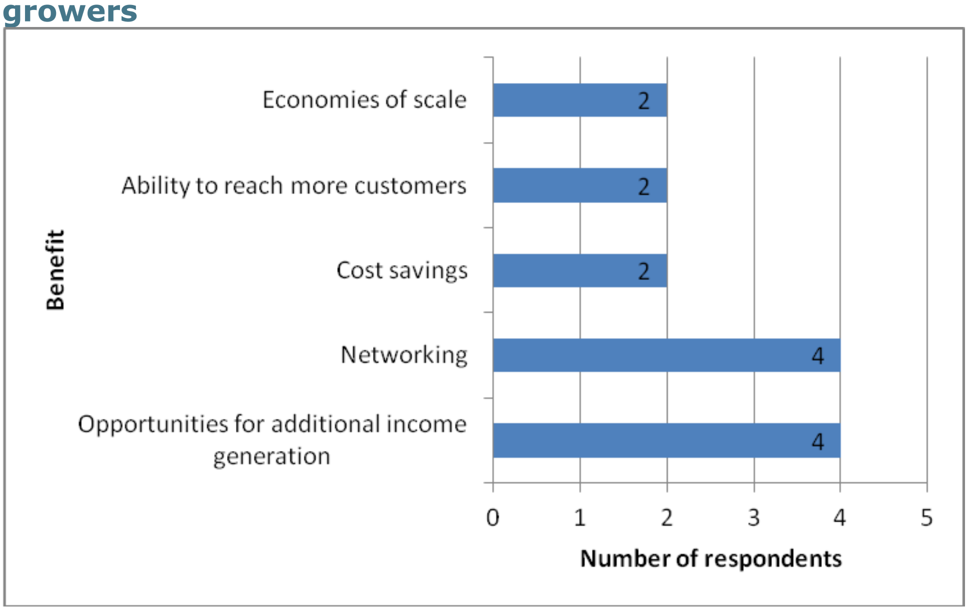
4.12 The benefits and barriers to a supply chain are discussed in more detail below.

Benefits of a supply chain

4.13 Establishing a produce supply chain between community growers and community retailers and caterers in Edinburgh could have several benefits.

4.14 Community growers identified opportunities for additional income generation and networking opportunities (both identified by four of the six respondents) as the main benefits of establishing a supply chain. This is illustrated in Figure 4.4.

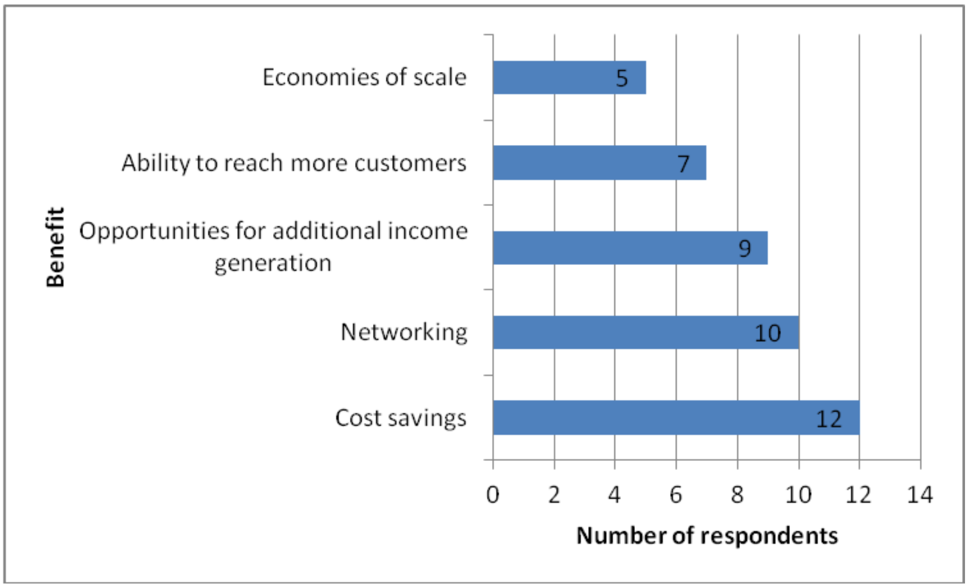
Figure 4.4: Benefits of a supply chain identified by community growers



4.15 Similarly, community retailers and caterers identified cost savings created through accessing cheaper produce and/or streamlined working practices

(12 respondents, 50%), networking (10 respondents, 42%) and opportunities for additional income generation (9 respondents, 38%) as the principal benefits of a supply chain, as illustrated in Figure 4.5.

Figure 4.5: Benefits of a supply chain identified by community retailers and caterers



4.16 We discuss each of the potential benefits below under the headings of:

- cost savings and economies of scale;
- networking;
- ability to reach more customers;
- opportunities for additional income generation; and
- other benefits.

Cost savings and economies of scale

4.17 Establishing a supply chain between community growers and community retailers and caterers in Edinburgh could result in cost savings and economies of scale for the organisations involved by, for example, avoiding the costs associated with using commercial wholesalers and supermarkets, and by reducing transport and delivery costs[10]. As respondents said:

[10] Food Chain North East found that transport costs are minimised if initiatives are located close to each other.

"Several organisations working together can cut costs" (retailer/caterer)

"It would be more streamlined with a smaller chain between growers and retailers" (retailer/caterer)

"We would like closer links with local suppliers if that was possible with the synergy that would bring" (retailer/caterer)

"We would build up a network of suppliers rather than having to find the best buy" (retailer/caterer)

"Produce would be cheaper and more economical" (retailer/caterer)

4.18 Cost is a key consideration for community retailers and caterers and the ability to access cheaper produce through a supply chain would be a major benefit for them. This, however, depends on the ability of community growers to provide produce at a cheaper price than their current suppliers. There is some debate about whether this is achievable. Where community growers are trying to cover costs or generate surpluses then it is very unlikely they will be able to produce fruit and vegetables more cheaply than commercial growers. However community growers that are not concerned with covering costs or producing surpluses, particularly those where food production is a secondary aim (where any income they receive for the produce would be welcomed) and/or those relying mainly on volunteers, then they may be able to produce fruit and vegetables more cheaply than commercial growers.

Networking

4.19 Establishing a supply chain would create links between community food initiatives, enabling them to share good practice, learn from the experiences and skills of other organisations, and act as a source of mutual support. As one interviewee said, *"we could work together and help with problems"* (caterer/retailer).

4.20 Two survey respondents suggested that greater networking between community food initiatives could lead to volunteer exchanges. For instance, one retailer who provides work experience for young people suggested they could gain experience of volunteering with other community food initiatives.

4.21 Networking could potentially lead to closer collaboration on issues like marketing, training and infrastructure issues such as ordering and delivery processes. For example, the Sustainable Supply Chains project in Wales encouraged local producers to work more closely together to improve ordering processes for locally-produced food. As one survey respondent said, *"we could work together to raise awareness of community food"* (retailer/caterer). Another said that taking part in a supply chain would make their co-op *"more widely known so more people might come"* (retailer/caterer).

4.22 As well as networking opportunities being a beneficial consequence of establishing a supply chain, running networking events could help the supply chain to run smoothly. It is important that the members of a supply chain like this know who the other members are and what they do, particularly as we identified a lack of awareness of the identity and role of other community food initiatives among survey participants.

Ability to reach more customers

4.23 Taking part in a supply chain, and the consequent access to fresh, healthy, local produce could be a valuable marketing asset for growers, caterers and retailers, help them to reach more customers and consequently increase their income.

4.24 Food Chain North East found that 'ultra-local' food can be a valuable selling point for growers and retailers/caterers, especially if customers appreciate the environmental and social benefits associated with it and understand that it is difficult to access this ultra-local food elsewhere. A supply chain would allow retailers and caterers to source food to meet this demand for local food, and would increase demand for community growers' produce. As survey respondents said:

> *"We would definitely appeal to more customers if our produce was local"* (retailer/caterer)
>
> *Customers would like it if "we had a regular supply from a local producer"* (retailer/caterer)
>
> *"Some people will buy it just because it's produced locally"* (retailer/caterer)

4.25 This study has highlighted that a produce supply chain would appeal to some community retailers and caterers on the grounds of promoting local, fresh, and healthy produce to reach new customers whereas it would appeal to other community retailers and caterers only on the grounds of cost.

Opportunities for additional income generation

4.26 A supply chain provides a route to market for community growers who might otherwise not sell their produce, thereby providing a valuable source of income. As one grower said, *"we have not grown enough to sell any up to now but we have the room if the market was there… this is something we could do to combat reductions in funding"*.

4.27 Food Chain North East, Hackney Growing Communities, Cropshare and Dorset Local Food Distribution Hub provide retail outlets for small food producers, who might otherwise find it difficult to market and sell their produce on their own. The Sustainable Supply Chains Project in Wales found that it is important to demonstrate that initiatives like this supply chain will create additional demand for produce to ensure the participation of producers.

4.28 We have been unable to fully analyse the costs and income associated with growers', retailers' and caterers' activity because the initiatives were unable to provide full details in response to our survey. However, we can estimate that retailers and caterers in Edinburgh collectively spend around £297,588 per year on food. Given that we estimate the total income generated by growers from selling produce to be £29,575, obtaining a share of community retailers' and community caterers' expenditure on food could be very worthwhile for community growers, particularly in the current context of reduced funding and budgets.

4.29 As noted above, taking part in a supply chain could help community food initiatives to reach more customers, which could in turn lead to increased income. Further, providing locally-grown food could enable retailers and caterers to reach new customers and in some cases potentially charge a premium for this produce, which would further increase their income.

4.30 Additional opportunities for income generation could be created if growers, retailers and caterers worked together to plan and run new methods of selling produce, such as farmers' markets, box deliveries, or making joint bids to supply produce to large customers such as schools, hospitals and workplaces.

Other benefits

4.31 Survey respondents and stakeholder interviewees identified other benefits of a supply chain:

- Environmental benefits:
  - *"A thriving local food economy would have multiple benefits for the environment and communities"* (grower)
  - *"It could lead to a reduction in food miles and carbon use"* (stakeholder)
- Enable retailers and caterers to offer more seasonal, fresh, locally grown food:
  - *"More variety of fresher, locally grown food... if it was cheaper then even better"* (caterer/retailer)

– *"We might be able to purchase some more locally grown, seasonal produce"* (caterer/retailer)

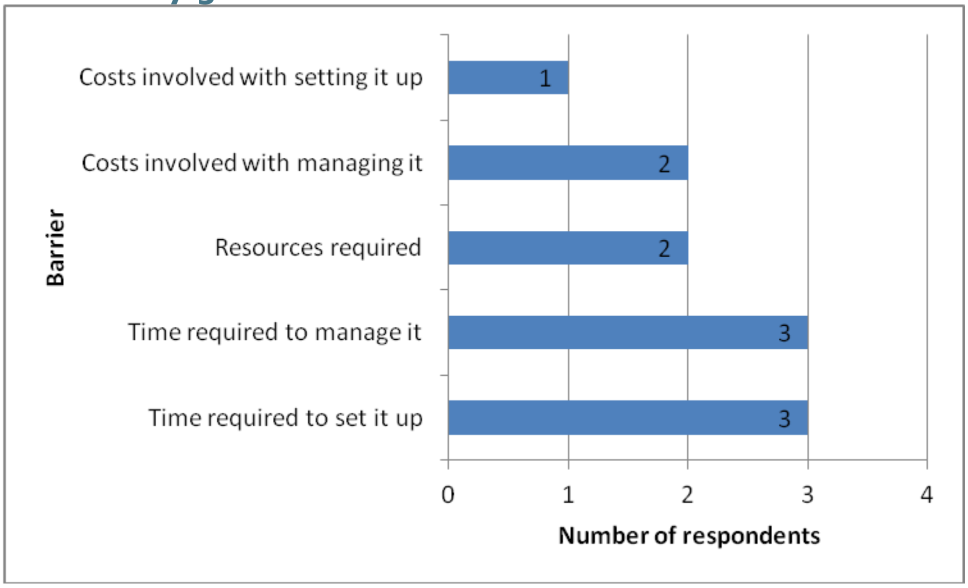
- enabling local people to access healthy, fresh, locally-produced food.

Barriers and issues to consider

4.32 There are, however, several barriers to establishing a supply chain and issues that must be considered when establishing one.

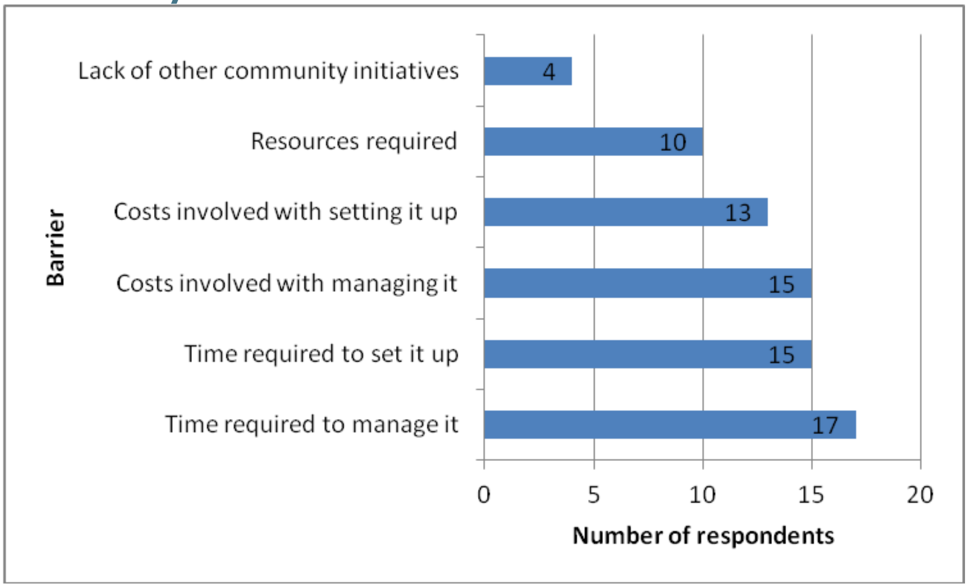
4.33 Figure 4.6 shows that community growers identified the time required to set up and manage a supply chain as the main barriers.

Figure 4.6: Barriers to setting up a supply chain identified by community growers



4.34 Figure 4.7 shows that the time and costs required to set up and run a supply chain are also the main barriers reported by community retailers and caterers.

Figure 4.7: Barriers to setting up a supply chain identified by community retailers and caterers



4.35 We discuss the following key issues to consider when establishing a supply chain below:

- price and quality of produce;
- scale and consistency of supply;
- logistics;
- critical mass;
- resources and costs;
- time; and
- co-ordination.

Price and quality of produce

4.36 Price and quality of produce are key considerations for community retailers and caterers. Respondents were unsure if community growers would be able to compete with their current suppliers' prices and some retailers/caterers might not accept produce of a 'low quality' (i.e. small, mis-shapen or dirty produce) that might take them longer to wash and peel, although some noted that there are customers who like this type of locally-grown produce and are willing to pay a premium for it.

4.37 Concerns associated with price and quality were a major reason why some caterers and retailers were not interested in taking part in a supply chain and others stressed that produce would have to be provided at an acceptable price and quality:

> *"If it was supplied at reasonable prices and quality locally, we would buy from them (community growers)"* (retailer/caterer)

> *"It shouldn't be more expensive than supermarkets"* (retailer/caterer)

4.38 Food Chain North East found that successful involvement of community growers in supply chains like this relies on them being able to provide produce at wholesale market prices.

4.39 Community retailers such as co-operatives already compete with supermarkets, so it is important that taking part in a supply chain does not increase their costs because this would further restrict their ability to compete with these retailers.

4.40 As discussed above, some community growers will struggle to compete with the low prices offered by commercial wholesalers and retailers. Given the importance attached to price by some community retailers and caterers, this is a significant barrier to the successful establishment of a produce supply chain among. However, it is possible that community growers could offer produce at a price the same as or lower than commercial suppliers. Given that some growers do not sell any of their produce currently, even if they sold some of their produce for a nominal fee (less than that charged by commercial suppliers), this could provide valuable income for the grower and a useful source of affordable fresh produce for retailers and caterers.

4.41 It is also important to note that community retailers and caterers are not a homogeneous group. While the main concern for some might be sourcing produce at the lowest possible price, others might value the social, community and environmental benefits of ultra-local food, as well as the appeal that this produce has to certain consumers, and might be willing to pay more for this produce.

Scale and consistency of supply

4.42 It is important that community growers involved in the supply chain are able to provide a consistent source of varied, affordable and quality produce. This may represent a change in working practices for growers in that they would need to be able to accurately forecast the volume and type of produce they are going to grow, and match this to retailers' and caterers' needs. Similarly, it is important that retailers and caterers bear in mind that there are limitations to the amount and variety of produce that community growers can grow at any given time. Retailers and caterers should also be more aware of seasonal produce wherever possible.

4.43 Other initiatives that we analysed found that it is necessary to provide a significant level of support, often funded by grants or external organisations, to growers to ensure they are able to grow produce of consistent quality and quantity, and to help them develop ordering, invoicing and delivery processes.

4.44 It is also important to remember that community growers may not be able to grow produce of a sufficient quantity to completely meet community retailers' and caterers' needs. Respondents to our survey were not able to give comprehensive information about the volume of produce they grow or require, so we cannot make definitive conclusions about this. However, based on qualitative responses from community growers which indicated they grow only a small amount of produce, we expect there to be a shortfall between the amount and range of produce grown by community growers and the amount and range required by community retailers and caterers. For this reason, it is beneficial to involve commercial growers and wholesalers in supply chains so they can provide additional produce or different produce that cannot be grown locally in Edinburgh. It may also be more efficient if a produce supply chain was able to support community growers to concentrate on trying to meet local demand for a limited range of produce rather than growing a wide variety of produce.

Management and logistics

4.45 There are several management and logistical issues that must be considered before establishing a supply chain, including:

- invoicing – will individual growers invoice retailers/caterers individually or will there be a joint approach to this? Some retailers and caterers might need an invoicing system that meets the requirements of their funders and, as one retailer/caterer said, "*different invoicing systems could get complicated*";

- delivery – it is crucial that retailers/caterers can rely on growers to deliver produce on time and in sufficient quantities. This is an issue that needs careful planning: how will delivery be co-ordinated? Will individual growers deliver to each of their customers or will there be a shared approach?

- supply and return – will retailers/caterers be able to return produce they do not use?

- additional services - one caterer said that food was delivered to their café prepared, i.e. fruit and vegetables are already peeled. Could community growers or an intermediary provide this service?

4.46 As a stakeholder interviewee said, *"logistics and reliability are the key".*

Critical mass

4.47 Some growers and retailers/caterers expressed concern that the small volume of food they grow or use would not justify them taking part in a supply chain. However, collectively, these initiatives grow and buy a significant amount of food. For example, we estimate that community retailers and caterers in Edinburgh spend around £298,000 per year on food purchases.

Resources and costs

4.48 Several resources are beneficial to establishing a supply chain, including:

- delivery transport;
- premises for storage;
- computer or internet-based ordering and invoicing systems; and
- a person or organisation to co-ordinate and support the supply chain[11].

4.49 Acquiring these resources could represent a significant cost, but it could be possible to make use of the community food resources and infrastructure that already exists in Edinburgh.

Time

4.50 Survey participants expressed concern about the time and work that would be expected of supply chain participants. Community growers, retailers and caterers told us that they are already very busy running their projects and would not have extensive spare time to devote to taking part in or running the supply chain. As one retailer/caterer said, *"I'm trying to reduce the time spent resourcing food, not increase it... it needs to be simple"*.

[11] Food Chain North East, for instance, found it beneficial to employ a paid professional to co-ordinate the work of the supply chain, and to liaise with and support community initiatives.

Co-ordination

4.51 Given the level of organisation, resources and expertise required to establish and run a supply chain and support its participants, a significant amount of co-ordination is required. Similar initiatives have found that, to be effective, an initiative like this requires an organisation or person to act as a hub between community growers and retailers and caterers. This role is important to co-ordinate aspects of the supply chain like ordering, invoicing, delivery and storage.

Summary

4.52 A produce supply chain is the system that enables produce to move from where it is grown to its end consumer, via wholesalers, retailers and/or caterers.

4.53 Establishing a produce supply chain to make it easier for community growers and community retailers/caterers to buy from and sell to on a greater scale than before has numerous potential benefits. These include creating cost savings, additional income generating opportunities and reaching additional customers.

4.54 However, there are various issues that must be considered when setting up a supply chain. For instance, community food initiatives may need support to ensure they have the necessary systems to ensure the supply chain works smoothly and provides a consistent and timely source of quality produce in sufficient quantities to allow community retailers and caterers meet the demands of their customers. For this reason, such a supply chain would benefit from co-ordination and support from a paid professional or organisation.

5 Proposals for Edinburgh

Introduction

5.1 This section introduces and assesses different options for establishing and running a produce supply chain in Edinburgh. It is organised under the following headings:

- options for Edinburgh; and
- preferred option.

Options for Edinburgh

5.2 We have identified the following options for establishing and running a produce supply chain involving community growers, retailers and caterers in Edinburgh:

- option 1: direct chain between growers and retailers/caterers;
- option 2: hub;
- option 3: volunteer-run hub;
- option 4: hub plus.

5.3 We describe and discuss each of the options below.

Option 1: Direct chain between growers and retailers/caterers

5.4 In this option, growers would sell their produce directly to retailers and caterers. This could be facilitated by developing a web-based tool where growers would post details of the produce they have available and retailers and caterers could order the produce they want. This could also facilitate a shared invoicing/payment processing system.

5.5 This is illustrated in Figure 5.1.

Figure 5.1: Option 1

Advantages	Disadvantages
• Removes costs associated with wholesalers and other intermediaries • Web-based tool would be a collaborative way for growers to advertise their produce and co-ordinate orders • Web-based tool would be a one-stop shop for retailers and caterers to order produce from community growers	• Complicated delivery arrangements – each grower would have to deliver to each of its customers, or each retailer/caterer would need to collect produce from each grower • With no independent co-ordination of retailers' and caterers' needs and growers' activity, there could be inconsistent quantity and quality of produce • The web-based tool would take time, expertise and money to develop and run • Community projects might not have regular access to the internet • Lack of co-ordination and support for growers and retailers/caterers • Could lead to duplications in resources and effort

Option 2: hub

5.6 In this option, an organisation, ideally with the expertise and resources required by the supply chain, would act as a co-ordinating hub between growers and retailers and caterers. The hub would act as a non-profit-making intermediary between growers and retailers/caterers and its role would involve:

- recruiting growers, retailers and caterers to take part in the supply chain;
- consulting with retailers and caterers to determine the types and volume of produce they will require in the short- medium and long-term;
- supporting growers to grow produce of consistent quantity and quality that matches the needs of retailers and caterers, providing guidance to improve the quality of their crop or to grow more or different produce if necessary;
- promoting locally-grown produce among retailers and caterers and helping them to promote this produce among their customers;
- purchasing enough produce from community growers to fulfil the orders of retailers/caterers. Where the produce grown by growers does not meet the volume required by of retailers/caterers, the hub will source additional produce from other sources to ensure retailers/caterers receive the desired quantity of produce consistently and on time[12];
- exploring other sources of community grown food, such as surplus produce from allotment holders;
- arranging for produce to be collected from growers and delivered to retailers/caterers at the right time; and
- ensuring that no money changes hands directly between growers and retailers/caterers by purchasing the produce from the growers and selling it on the retailers and caterers.

5.7 This option is illustrated in Figure 5.2.

[12] It is important to remember that various factors such as inclement weather conditions can impact on growers' ability to grow consistent quality and quantity of produce, so it might be helpful to involve commercial wholesalers in the supply chain when necessary. For example Hackney Growing Communities was unable to source all the produce it required for its box scheme from local farmers due to weather conditions in 2009-10, so bought additional produce from co-ops and wholesalers.

Figure 5.2: Option 2: hub

Advantages	Disadvantages
• Provides the resources and infrastructure required by the supply chain • Provides an important source of co-ordination and support for members of the supply chain • Simplifies ordering, delivery and invoicing arrangements for growers, retailers and caterers • Supports growers to provide produce of consistent quality and quantity for retailers and caterers • Provides assurances of quality and quantity for retailers and caterers • Harnesses collective growing power of community growers and collective buying power of community retailers and caterers	• Places demands on the time and resources of the organisation acting as the hub • Funding is likely to be required for the time and resources required to co-ordinate the supply chain • Additional costs incurred in managing the hub may have to be passed on to the customer making produce more costly than alternative sources

Option 3: Volunteer-run hub

5.8 This option is similar to option 2, but the hub role would be provided by an organisation staffed by volunteers, thereby reducing staffing costs associated with the hub. This is illustrated in Figure 5.3.

Figure 5.3: Option 3: Volunteer-run hub

Advantages	Disadvantages
• In addition to the advantages highlighted above, this option provides a cost effective way of co-ordinating the supply chain	• Finding an organisation run by volunteers willing and able to be the hub and with the necessary resources and expertise could be difficult • Lack of reliability – the hub organisation would be susceptible to turnover of volunteers which could hinder its ability to provide this service consistently

Option 4: Hub plus

5.9 This option builds on options 2 or 3, but would involve more activity to build the capacity of supply chain members. The hub organisation would fulfil the same roles listed under option 2, and would undertake various other activities such as:

- promoting and facilitating joint working among supply chain members;
- bringing growers and retailers/caterers together for networking events;
- co-ordinating joint marketing activity, for example, creating a brand for the supply chain and raising the profile of local food among existing and potential customers; and
- developing an accreditation mark for retailers and caterers that order a certain percentage of their produce from community growers.

5.10 Option 4 is illustrated in Figure 5.4.

Figure 5.4: Option 4: Hub plus

Advantages	Disadvantages
• This option has all the advantages of option 2 • Greater level of support and co-ordination for members of the supply chain • Greater joint working between members of the supply chain	• Places demands on the time and resources of the hub, which would be likely to need funding for the time and resources required to co-ordinate the supply chain • Likelihood of additional funding is greater than other options

Preferred option – option 4: hub plus

5.11 Edinburgh is fortunate that it already has a well-established community food sector, with organisations, resources and infrastructure that could support a supply chain. To allow the proposed supply chain to make use of these resources, and to ensure effective joint working among community food initiatives, we suggest that option 4: 'hub plus' is the most suitable option. We discuss various issues associated with implementing this option below.

Hub organisation

5.12 Several respondents to our survey suggested that **Edinburgh Community Food** could act as a co-ordinating hub for the supply chain, given that it already has a great deal of the expertise, experience, resources and infrastructure required to establish and run a supply chain.

5.13 As one retailer/caterer said, *"we don't have time to do any more but we already buy from ECF – they need to source from community growers".*

5.14 ECF already supports community food initiatives and sources produce to distribute to community food retailers, private customers, and large workplaces. Taking on this role would involve sourcing more produce from community growers and taking a more active role in supporting them to sell produce of a consistently acceptable quality and quantity.

5.15 We understand that this would entail a significant undertaking for ECF but the organisation has indicated that it is prepared to discuss the possibility of taking on this role.

Challenges

5.16 Retailers' and caterers' main concerns are the cost, quality and consistency of community growers' produce. However, the hub organisation could give the retailers and caterers the option of ordering produce grown by community growers and/or produce distributed by commercial wholesalers. This would ease retailers' and caterers' concerns because, should any order of produce from community growers be unfulfilled for some reason, the hub would source the required produce from commercial suppliers.

5.17 This raises the possibility, however, that community retailers and caterers will continue to order produce from commercial growers and wholesalers, given the cost and quality assurances that these providers offer, instead of ordering produce from community growers. Initially, community retailers and caterers might require an incentive to sample community growers produce. This could be provided by developing a **local food accreditation mark** promoting the local community produce supply chain, whereby retailers and caterers that order a certain percentage of their produce from community growers would be allowed to display the mark. This evidence of their use of local food could act as a useful marketing tool, particularly given that food produced locally appears to appeal to consumers of other similar supply chains elsewhere. It is important in our opinion that community retailers and caterers are aware that they are buying community grown produce so it can be marketed to customers as such.

5.18 Over time, community retailers/caterers may see community growers as their preferred supplier of certain produce, as long as community growers can grow and deliver produce of a consistent quantity, quality and affordability. The hub organisation will have an important role in supporting community growers to achieve this and in promoting community growers' produce among community retailers and caterers.

5.19 In terms of cost, while community growers might struggle to compete with the low prices of supermarkets and wholesalers, given that many growers do not currently sell or any of its produce, there is potential for them to sell some to provide some extra income. Even if the projects charge only a small amount for their produce, this would still provide some additional income.

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Costs

5.20 We recognise that this option would place significant demands on the time and resources of the hub organisation. The following costs would be incurred:

- time for a worker to set up and maintain the supply chain and to recruit and support members;
- marketing; and
- delivery vehicle(s), maintenance and fuel[13].

5.21 We estimate that at the set-up stage (the first 12 months at least of the supply chain), establishing the supply chain, recruiting members, creating processes and systems, and supporting member organisations, could take up to two days per week of a worker's time.

5.22 We anticipate that there will still be some staff time required to maintain the supply chain after the initial period although this will reduce over time as the supply chain becomes more established, its members require less support, and established systems and processes become embedded.

Funding

5.23 Taking part in the supply chain could create opportunities for income generation for member organisations, such as working together to develop and implement new ways of selling produce, such as farmers' markets or a box delivery scheme.

5.24 However, the supply chain is likely to require external funding to help establish itself, and, based on the experience of other similar initiatives, it is likely to require a level of external funding throughout its lifetime, in our opinion. This is significant as we believe a community food produce supply in Edinburgh is unlikely to be self-sustaining in the short or medium term.

5.25 There are several potential sources of funding that could support the supply chain, including:

- the Big Lottery Fund:
  - Investing in Communities Programme e.g. Life Transitions strand could support a community food projects that are

[13] To minimise transport costs, the hub organisation could integrate the collections and deliveries it would make as part of this supply chain into its current schedule of deliveries.

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working with people at key stages of their life or the Growing Community Assets strand could support community growers who wish to purchase additional land for growing food to sell;

- the BLF JESSICA Trust, due to open in late 2011, aims to support projects where local people and community-led organisations to develop locally owned, led and controlled assets that will lead to local regeneration.

- the Scottish Government, especially as this initiative would contribute to its aims of promoting healthy food among the population and supporting Scottish food producers;
- Social Investment Scotland, which supports social businesses aiming to make social impacts;
- Scottish Community Foundation's Community Grants Programme; and/or
- Lloyds TSB Foundation.

Income and cost savings

5.26 The supply chain's ability to help community food initiatives reach additional customers and create opportunities for additional income generation could lead to increases in income for community growers and retailers and caterers.

5.27 It should also help to reduce costs by facilitating joint working and supplying cheaper produce.

5.28 We cannot quantify cost savings or potential additional income from the supply chain however, because community food initiatives that took part in our survey were not able to provide full details of their current costs and income.

Summary

5.29 There are various options for developing a produce supply chain among community growers and community retailers and caterers in Edinburgh. We believe that the preferred option is one where a hub organisation, possibly ECF, acts as a hub between community growers and retailers and caterers.

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6 Establishing a Supply Chain Elsewhere

Introduction

6.1 This study focuses primarily on creating a produce supply chain involving the community food sector in Edinburgh, but this section discusses the possibility of establishing a similar produce supply chain in other Scottish local authority areas.

Establishing a produce supply chain in other areas

6.2 We discussed four options for developing a supply chain in Section 5. Any of these options could be replicated elsewhere, but the following factors must be considered:

- **Does an organisation exist that could act as a hub between community growers and community retailers and caterers?** It is important to have an organisation that can co-ordinate the supply chain and act as a hub between community growers and community retailers and caterers. Edinburgh is fortunate that it has an organisation like ECF that could potentially fulfil this role. There are similar organisations in other local authority areas, such as the Fife Community Food Project and CFINE (Community Food Initiatives North East). In areas where a similar organisation does not exist, setting up a supply chain would be more complicated and setting up a hub organisation would require significant time and resources.

- **What do we know about the local community food sector?** To set up a supply chain, it is necessary to know about community growers, retailers and caterers – for example, how many are there, what do they grow/sell and how much do they grow/sell? If this intelligence does not exist, research must be undertaken to ascertain the size and scale of local community food initiatives that would potentially make up the supply chain.

- **Is the community food sector a sufficient size to warrant a supply chain?** Demand from community retailers and caterers must be of a sufficient level, and community growers must produce a sufficient amount of food to make a supply chain feasible.

- **Are community food initiatives interested in a supply chain?** Research should be undertaken to determine how interested community food initiatives would be in taking part in a supply chain.

- **Does the geography of an area lend itself to a supply chain?** In areas with a large area of land but a small or dispersed population, transport and delivery costs might make a local authority-wide supply chain financially unviable. However, in this case, a supply chain could be set up in a specific region of the local authority area. For instance, it might not be possible to co-ordinate a Highland-wide supply chain, but it might be viable to establish one in Inverness and the surrounding area.

7 Conclusions and Recommendations

The feasibility of establishing a produce supply chain

7.1 This study aimed to explore the feasibility of setting up a produce supply chain involving community growers, retailers and caterers in Edinburgh.

7.2 Our findings show that there is considerable interest in taking part in a supply chain among community growers, retailers and caterers and, although there are several issues to consider and resolve, it appears to be feasible to establish a produce supply chain in Edinburgh.

Benefits of a produce supply chain

7.3 Taking part in a supply chain could potentially increase the income of community growers, retailers and caterers:

- we found that community growers currently generate only a small proportion of their income (around 3%) from selling produce they grow. We also found that community retailers and caterers purchase a significant amount of food per year (estimated at a value of around £298,000) but do not currently purchase produce from community growers. Therefore, selling produce to community retailers and caterers represents a potentially valuable market for community growers;

- sourcing local food through the proposed supply chain could also increase community retailers' and caterers' income, as there appears to be demand for fresh, healthy, locally grown food among local consumers, and it may be possible for some retailers and caterers to charge a small premium for this produce; and

- by working together, community growers, retailers and caterers could develop and implement opportunities for income generation such as vegetable box scheme and/or farmers markets.

7.4 The supply chain could also potentially lead to cost savings, particularly for retailers and caterers if community growers are able to provide produce at a lower price than their current suppliers. We have highlighted the circumstances where we believe this is possible.

7.5 Networking is another potential benefit of a supply chain, and community food initiatives in Edinburgh taking part in this study were interested in developing closer links with other initiatives.

Issues to consider

7.6 There are several issues to consider in the establishment of a supply chain:

- community growers must be able to consistently grow and deliver produce of the required volume, range, and quality to community retailers and caterers who will be reliant on it;
- for some community retailers and caterers the key factor in purchasing produce from community growers is cost and to supply this market community growers must be able to provide produce at a cost that is no higher than the prices currently paid by the community retailers and caterers;
- other community retailers and caterers are interested in selling produce on the grounds of its local, fresh and healthy attributes and community growers must be able to supply the right produce;
- in our opinion, the supply chain is likely to need a significant level of co-ordination to recruit members, support growers to meet the demands of retailers and caterers, and to support retailers and caterers to predict their needs for the short, medium and long-term;
- it is inevitable that supply chain will need to involve commercial growers and wholesalers as community growers in Edinburgh are not able to grow produce of a sufficient volume in the short term to meet retailers' and caterers' needs, and because retailers and caterers require some produce, such as exotic fruits, that cannot be grown in Edinburgh; and
- in our opinion, the supply chain would benefit from a marketing and education campaign to stimulate demand for local food among consumers, and to encourage community retailers and caterers to purchase community growers' produce.

Recommendations

7.7 We make a series of recommendations below on the next steps in developing a produce supply chain in Edinburgh.

The feasibility of establishing a produce supply chain

Recommendation 1: Our study has found that establishing a produce supply chain among community growers, retailers and caterers in Edinburgh may be feasible and there is significant interest in doing so and

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we recommend that, subject to further discussions among relevant organisation, the produce supply chain is progressed further based on the hub plus model discussed in Section 5.

Recommendation 2: Given CFHS' national and strategic remit, we recognise that their long-term involvement in any supply chain will be limited. However, as CFHS commissioned this research, we suggest that it is well-placed to set up an initial meeting with organisations with a more local remit such as ECF, the Food and Health Training Hub based at ECF, City of Edinburgh Council, Edinburgh Local Food Network, the Federation of City Farms and Community Gardens, and community food projects in Edinburgh to further discuss the proposed supply chain and to establish a working group of representatives from organisations which would take the supply chain forward. Following this initial meeting, CFHS could withdraw from direct involvement in setting up the supply chain and hand responsibility for this to the working group of local organisations.

Recommendation 3: We recommend that the working group undertakes further discussions with community food initiatives and other stakeholders with a view to establishing the supply chain. The Food and Health Training Hub at ECF has already expressed willingness to support further networking discussion.

Recommendation 4: We recommend that the information gaps highlighted in this study, particularly on the produce grown by community growers and used by community retailers and caterers that did not respond, are addressed as a priority.

Co-ordination

Recommendation 5: We believe that the supply chain needs co-ordination from a hub organisation. We suggest that ECF is well-placed to fulfil this role with its existing links to community retailers, caterers, and growers, as well as infrastructure such as invoicing, transport, wholesale suppliers and warehousing, and recommend that the working group discusses the potential of ECF and/or other organisations taking on this role.

Funding and income generation

Recommendation 6: We recommend that the working group and hub organisation explores opportunities for funding the establishment, management and co-ordination of the supply chain. We suggest that the Scottish Government and other potential funders are contacted to discuss possible funding opportunities.

Recommendation 7: We recommend that members of the supply chain discuss working together to identify and implement opportunities for income generation such as vegetable box delivery schemes and farmers markets.

Recommendation 8: We suggest that the hub organisation considers charging a small administration or membership fee from community growers, retailers and caterers in the supply chain. This would help fund the support activities it provides to the supply chain and act as marketing tool so customers knew about they were involved in the community food supply chain. In doing this, however, the cost of the produce to community retailers/caterers should not be greater than the amount they currently pay for produce. The views of community growers, retailers and caterers should be sought before doing this.

Logistics

Recommendation 9: We recommend that the hub organisation and community growers, retailers and caterers establish the processes required to ensure the supply chain operates smoothly, as a priority. These include ordering, invoicing and delivery arrangements.

Recommendation 10: We suggest that the hub organisation processes orders from retailers and caterers, collects the produce from growers and delivers it to retailers and caterers, thereby reducing the burden on community food initiatives.

Recommendation 11: We suggest that the hub organisation acts as a financial clearing house for the supply chain. That is, we suggest that the hub pays the growers for the produce it sells through the supply chain, and retailers and caterers pay the hub for the produce it sources, at the same price that the hub pays the grower for the produce plus any additional management charge to cover administration and delivery.

Marketing

Recommendation 12: We recommend that the working group and hub organisation further explores the demand for local food among consumers in Edinburgh. This may already be available in existing industry reports and research, but it would be beneficial to conduct a small-scale survey of customers of community retailers and caterers in Edinburgh to explore their views of local food, how likely they would be to buy it from their community retailer/caterer, and if they would be willing to pay extra for it. This could provide valuable evidence to encourage community retailers and caterers to buy local and seasonal produce from community growers.

Recommendation 13: We recommend that the hub organisation, community food initiatives and other relevant stakeholders undertake a co-ordinated campaign to stimulate demand for local food in Edinburgh. This should raise awareness among people in Edinburgh of the benefits of the local food produced by community growers, i.e. that it is quality, affordable, healthy and environmentally friendly and that it is produced for the good of the community.

Recommendation 14: We recommend that the hub organisation and members of the supply chain develop shared branding for the supply chain and for produce sourced through the supply chain. This should emphasise to consumers the local provenance of the produce and its health, environmental and community benefits.

Recommendation 15: We recommend that CFHS and the hub organisation encourage community retailers and caterers to buy produce from community growers. This could be achieved by introducing the local food accreditation mark discussed in Section 5.

Recommendation 16: Price is a key consideration for many community retailers and caterers and some expressed concern that community growers would be unable to compete with their existing suppliers' low prices. However, given that some growers do not sell all or any of their produce, if they sold even a small amount of their produce for a nominal fee (cheaper than supermarkets and wholesalers), this could provide a valuable and new source of income for growers and an important source of affordable produce for community retailers and caterers. We recommend that the hub works with community growers to deliver cheap local produce.

Supporting members of the supply chain

Recommendation 17: We suggest that the hub organisation provides a range of support to community growers, retailers and caterers taking part in the supply chain, including:

- facilitating networking events to foster links between the community food initiatives;
- supporting community retailers and caterers to plan what produce they will need in the short, medium and long-term;
- reassuring retailers and caterers about the cost and quality of produce supplied through the supply chain;
- encouraging retailers and caterers to buy produce from community growers;

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- supporting community growers to grow a varied and manageable range of produce of consistent quality and quantity, including guidance on growing more or new produce where necessary, but recognising that community growers might not be able to meet all of community retailers' and caterers' demands in terms of variety or quantity;

- supporting and advising community growers with other issues as necessary such as the legality of selling produce sourced from allotment holders;

- supporting community growers to identify demand for produce and to determine the price they charge; and

- supporting members of the supply chain to record the volume of produce they grow and sell, their costs and income generated, to aid evaluation of the supply chain.

Reviewing success

Recommendation 18: We recommend that the supply chain is launched on a pilot basis, with its success evaluated after a year and a decision made on its future operation at this point.

Appendix 1

Survey of Community Growers

Produce Supply Chain

Feasibility Study

Survey of Community Growers

Community Food and Health (Scotland) or CFHS is exploring the feasibility of setting up a produce supply chain to link community growers with community retailers and community caterers in Edinburgh. This would involve bringing community growers together more closely with community retailers and community caterers to provide opportunities for selling to and buying from each other and possibly to take part in other partnership activities.

Community growers are defined as community managed gardening projects that grow fruit and vegetables. Community retailers are community or voluntary sector owned or managed organisations including food co-ops, stalls and community markets that sell quality, affordable foodstuffs, particularly fruit and vegetables. Community caterers are community or voluntary sector owned or managed catering establishments or services, including community cafes.

CFHS has asked Blake Stevenson Ltd to carry out a survey of community growers, community retailers and community caterers in Edinburgh to help assess the feasibility of setting up a produce supply chain. We'd be really grateful if you could complete this survey. If you have any questions or problems, please contact Ian Christie at Blake Stevenson on 0131 335 3700 or ian@blakestevenson.co.uk.

If you cannot answer all the questions, please don't worry. Any information you can provide will be greatly appreciated.

Please return the survey as soon as possible and before Monday 19 September 2011.

Basic details

Q1 What is the name of your organisation?

____

Q2 What is the name of your community growing initiative (if different)?

____

The remaining questions refer solely to your organisation's community growing initiative

Q3 Contact name

____

Q4 Job title

____

Q5 Address

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Q6 **Telephone number**

Q7 **Email address**

Aims

Q8 **What is the main aim of your initiative? Please tick one.**

- *Therapy* ❑
- *Reduce health inequalities* ❑
- *Skills development* ❑
- *Provide a source of low cost produce* ❑
- *Work experience* ❑
- *Improve community's ability to access healthy food* ❑
- *Grow produce* ❑
- *Reduce isolation* ❑

Other (please specify your main aim if it is not in the list above)

Q9 **What other aims does your initiative have? Please tick all that apply.**

- *Therapy* ❑
- *Skills development* ❑
- *Work experience* ❑
- *Grow produce* ❑
- *Reduce health inequalities* ❑
- *Provide a source of low cost produce* ❑
- *Improve community's ability to access healthy food* ❑
- *Reduce isolation* ❑

Other (please specify)

Geographic coverage

Q10 **Please list all locations where you grow produce in Edinburgh.**

Q11 **Please list all locations where you grow produce outwith Edinburgh.**

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Staff and volunteers

Q12 **How many staff do you have? If there are seasonal variations, please note how many staff you have in each season.** ______________________

Q13 **How many staff are full time (ie, work 35 hours or more per week)** ______________________

Q14 **How many volunteers does your initiative have?** ______________________

Costs

Q15 **How much did your initiative spend in the past year?** If you cannot provide an exact figure, please give an estimate**.** ______________________

Q16 **If possible, please indicate how much you spent on the following costs in the past year.** If you cannot provide exact figures, please give an estimate figure in £ or an estimated percentage (eg staff 50%, materials 25%, transport 25%).

Staff ______________________
Volunteers ______________________
Food purchases ______________________
Materials/equipment ______________________
Premises ______________________
Transport ______________________
Other (please specify) ______________________

Income generation and funding

Q17 **How much income/funding did you receive from the following sources in the past year?** If you cannot provide exact figures, please give an estimate.

Funding from external funders ______________________
Funding from parent organisation ______________________
Selling produce that you grow ______________________
Selling produce that you source from elsewhere ______________________
Other (please specify) ______________________

Partnership working

Q18 **Do you have any links (formal or informal) with other community growers, retailers or caterers?**

Yes .... ❑ *No* ....

Q19 **If yes, which do you have links with and how do you work with them?**

Scope of activities

Q20 **What produce do you grow?**

Fruit - please list the types of fruit you grow and, if possible, indicate how much of each you have grown in the past year. If you cannot provide an exact figure, please give an estimate (eg apples: 100kg)

Vegetables - please list the types of vegetable you grow and, if possible, indicate how much of each you have grown in the past year. If you cannot provide an exact figure, please give an estimate (eg carrots: 200kg)

Herbs - please list the types of herb you grow and, if possible, indicate how much of each you have grown in the past year. If you cannot provide an exact figure, please give an estimate (eg basil: 10kg)

Other - please list any other goods you produce and, if possible, indicate how much of each you have grown in the past year. If you cannot provide an exact figure, please give an estimate (eg milk: 200 litres)

Q21 **How much produce do you sell and for what price?**

Fruit - if possible, please indicate how much of each type of fruit you have sold in the past year and the price you sell it for. If you cannot give an exact figure, please give an estimate (eg apples: 100kg at £2 per kg)

Vegetables - if possible, please indicate how much of each type of vegetable you have sold in the past year and the price you sell it for. If you cannot provide an exact figure, please give an estimate (eg carrots: 180kg at £1.50 per kg)

Herbs - if possible, please indicate how much of each type of herb you have sold in the past year and the price you sell it for. If you cannot provide an exact figure, please give an estimate (eg basil: 9kg at £7 per 100g)

Other - please indicate how much of any other type of produce you have sold in the past year and the price you sell it for. If you cannot provide an exact figure, please give an estimate (eg milk: 200 litres at £1 per litre)

Q22 **Who do you sell the produce to? Please tick all that apply.**

Community retailers .... ❑	*General public* .... ❑	*Hospitals* .... ❑
Other retailers................. ❑	*Schools* .... ❑	*Prisons* .... ❑
Community cafes............. ❑	*Nurseries* .... ❑	*Workplaces*...................... ❑
Other cafes .... ❑	*Universities/colleges* ❑	*We do not sell any produce (SKIP TO Q25)* .... ❑

Other (please specify)

Q23 **Do you sell all the produce you grow?**

Yes .... ❑ *No* ❑

If no, what do you do with the produce you do not sell?

Q24 **At what times of the year do you have produce that you sell? Please tick all that apply.**

Spring (SKIP TO Q 26) .... ❑ *Summer (SKIP TO Q26)* .... ❑ *Autumn (SKIP TO Q26)* .... ❑ *Winter (SKIP TO Q26)* .... ❑

Q25 If you do not sell it, what do you do with the produce you grow?

Future activity

Q26 If there was known demand, would you be able to grow any of the following produce? Please tick all that apply.

Apples ❑	*Broccoli* ❑	*Coriander* ❑	*Mushrooms* ❑	*Rhubarb* ❑
Asparagus ❑	*Butternut squash* ❑	*Dill* ❑	*Onions* ❑	*Rosemary* ❑
Basil ❑	*Cabbage* ❑	*Eggs* ❑	*Parsley* ❑	*Strawberries* ❑
Beans ❑	*Carrots* ❑	*Kale* ❑	*Plums* ❑	*Sweetcorn* ❑
Beetroot ❑	*Cauliflower* ❑	*Lettuce* ❑	*Potatoes* ❑	*Thyme* ❑
Blackberries ❑	*Cherries* ❑	*Milk* ❑	*Radish* ❑	*Tomatoes* ❑
Blueberries ❑	*Chives* ❑	*Mint* ❑	*Raspberries* ❑	*Turnip* ❑

Other (please specify)

Q27 What stops you from growing more or different produce? Please tick all that apply.

Lack of space ❑
Lack of skills ❑
Lack of demand/nobody to sell it to ❑
Lack of equipment ❑
Lack of staff/volunteers ❑
Other (please specify)

Produce supply chain

A produce supply chain would involve community growers, community retailers and community caterers working more closely together to buy from and sell to each other.

Q28 Would you be interested in taking part in a supply chain?

Yes ❑ *No* ❑ *Maybe* ❑

Q29 If yes or maybe, why?

Q30 **If no, why not?**

Q31 **What would be the benefits of establishing a supply chain? Please tick all that apply.**

- *Opportunities for additional income generation* ❑
- *Ability to reach more customers* .... ❑
- *Cost savings*.. ❑
- *Economies of scale* .... ❑
- *Networking*.. ❑
- *Other (please specify)*

Q32 **What would be the barriers to establishing a supply chain?**

- *Costs involved with setting it up*............... ❑
- *Time required to manage it* .... ❑
- *Costs involved with managing it*............... ❑
- *Resources required*......................... ❑
- *Time required to set it up* .... ❑
- *Lack of other community initiatives* ..... ❑
- *Other (please specify)*

Other

Q33 **Do you have any other comments about the proposed supply chain?**

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Q34 Here is a list of the community growers, retailers and cafes we have identified in Edinburgh. Which of these have you heard of before? Please tick all that apply.

- ***Growers*** ❑
- *Be-Well* ❑
- *Bridgend - Growing Communities* ❑
- *Cyrenians Home Farm* ❑
- *Drylaw & Telford Community Garden* ❑
- *Gorgie City Farm* ❑
- *Greendykes Organic Allotments (GOALS)* ❑
- *Greyfriars Herb Garden* ❑
- *Porty Town Hall Community Growing Space* ❑
- *Redhall Walled Garden* ❑
- *Royal Edinburgh Community Garden* ❑
- *Tiphereth Pentland Gardening Group* ❑
- *Union Canal Community Orchard* ❑
- *West Craigie Farm* ❑
- *Wester Hailes Health Agency Garden Project* ❑
- ***Retailers/Co-ops:*** ❑
- *Abbeyhill Co-op* ❑
- *Broomhouse Co-op* ❑
- *Balerno Co-op* ❑
- *Craighall Co-op* ❑
- *Gate 55* ❑
- *Gorgie Farm* ❑
- *Inchpark Food Co-op* ❑
- *Lochend Co-op* ❑
- *The Pleasance Co-op* ❑
- *Richmond Co-op* ❑
- ***Caterers/cafes:*** ❑
- *Anchor Cafe* ❑
- *Balerno Community Centre Cafe* ❑
- *Bridge Cafe* ❑
- *Butterflies Cafe* ❑
- *Cafe Broma* ❑
- *Cafe Camino* ❑
- *Cafe Holyrood* ❑
- *Cafe Life* ❑
- *Clovenstone Community Centre Cafe* ❑
- *Craighall Centre* ❑
- *Davidson Mains Parish Church* ❑
- *Dr Bells Family Centre Cafe* ❑
- *Drylaw Parish Church* ❑
- *Goodtrees Neighbourhood Centre* ❑
- *Granton Parish Church* ❑
- *Mrs C's Cafe* ❑
- *Muirhouse Millennium Centre* ❑
- *Newhaven Connections* ❑
- *North Edinburgh Arts* ❑
- *Old Kirk* ❑
- *Olive Tree Cafe* ❑
- *Perc - U - Up Cafe* ❑
- *Punjab'n De Rasoi* ❑
- *Richmond Cafe* ❑
- *Southside Community Centre* ❑
- *The Square Cafe* ❑
- *St Brides Centre Cafe* ❑
- *The Crescent Kitchen* ❑
- *The Dove Cafe* ❑
- *The Drill Hall Arts Cafe* ❑
- *The Engine Shed Cafe* ❑
- *The Farm Cafe* ❑
- *University Fairtrade Cafe* ❑
- *Valley Park Community Centre Cafe* ❑
- *World Cafe* ❑

Q35 Do you know of any other community growers, retailers or caterers that are not on the above list?

____

____

____

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Next steps

Thank you very much for completing this survey.

We may be in touch with you by phone to discuss the supply chain further.

Please make sure you click the **Submit** button below to return your completed survey.

Appendix 2

Survey of Community Retailers and Caterers

Produce Supply Chain

Feasibility Study

Survey of Community Retailers and Community Caterers

Community Food and Health (Scotland) or CFHS is exploring the feasibility of setting up a produce supply chain to link community growers with community retailers and community caterers in Edinburgh. This would involve bringing community growers together more closely with community retailers and community caterers to provide opportunities for selling to and buying from each other and possibly to take part in other partnership activities.

Community growers are defined as community managed gardening projects that grow fruit and vegetables. Community retailers are community or voluntary sector owned or managed organisations including food co-ops, stalls and community markets that sell quality, affordable foodstuffs, particularly fruit and vegetables. Community caterers are community or voluntary sector owned or managed catering establishments or services, including community cafes.

CFHS has asked Blake Stevenson Ltd to carry out a survey of community growers, community retailers and community caterers in Edinburgh to help assess the feasibility of setting up a produce supply chain. We'd be really grateful if you could complete this survey. If you have any questions or problems, please contact Ian Christie at Blake Stevenson on 0131 335 3700 or ian@blakestevenson.co.uk.

If you cannot answer all the questions, please do not worry. Any information you can provide will be greatly appreciated.

Please return the survey as soon as possible and before Thursday 8 September 2011.

Basic details

Q1 **What is the name of your organisation?**

____

____

Q2 **What is the name of your community retailing or catering initiative (if different)?**

____

____

Q3 **Is your initiative:**

A community retailer? .... ❑ *A community cafe/caterer* ❑ *Both*..................... ❑

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The remaining questions refer solely to your organisation's community retail or catering initiative

Q4 Contact name

Q5 Job title

Q6 Address

Q7 Telephone number

Q8 Email address

Aims

Q9 What is the main aim of your initiative? Please tick one.

- *Therapy* ❑
- *Skills development* ❑
- *Work experience* ❑
- *Sell produce* ❑
- *Reduce health inequalities* ❑
- *Provide a source of low cost produce* ❑
- *Improve community's ability to access healthy food* ❑
- *Reduce isolation* ❑

Other (please specify your main aim if it is not on the list above)

Q10 What other aims does your initiative have? Please tick all that apply.

- *Therapy* ❑
- *Skills development* ❑
- *Work experience* ❑
- *Sell produce* ❑
- *Reduce health inequalities* ❑
- *Provide a source of low cost produce* ❑
- *Improve community's ability to access healthy food* ❑
- *Reduce isolation* ❑

Other (please specify)

Geographic coverage

Q11 Please list all locations where you sell produce or provide catering services in Edinburgh

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Q12 **Please list all locations where you sell produce or provide catering services outwith Edinburgh**

____
____
____
____

Staff and volunteers

Q13 **How many staff do you have? If there are seasonal variations, please note how many staff you have in each season.**

____
____
____
____

Q14 **How many staff are full time (ie, work 35 hours per week or more)?**

____
____
____

Q15 **How many volunteers does your initiative have?**

____
____

Costs

Q16 **How much did your initiative spend in the past year?** If you cannot provide an exact figure, please give an estimate.

____

Q17 **If possible, please indicate how much you spent on the following costs in the past year.** If you cannot provide exact figures, please give an estimate in £ or an estimated percentage (eg staff 50%, materials 30%, transport 20%).

Staff ____________
Volunteers ____________
Food purchases ____________
Materials/equipment ____________
Premises ____________
Transport ____________
Other (please specify) ____________________

____
____
____
____

Income generation and funding

Q18 **How much income/funding did you receive from the following sources in the past year?** If you cannot provide exact figures, please give an estimate.

Funding from external funders ____________________

Funding from parent organisation ____________________

Selling food/produce ____________________

Other (please specify) ____________________

Partnership working

Q19 **Do you have any links (formal or informal) with other community growers, retailers or caterers?**

Yes .... ❑ *No* .... ❑

Q20 **If yes, which do you have links with and how do you work with them?**

____

____

____

____

____

Scope of activities

Q21 **What produce do you use?** (If it's easier to email this information, please send it to ian@blakestevenson.co.uk)

Fruit - please list which types of fruit you normally use and, if possible, indicate how much you have used in the past year. If you cannot provide an exact figure, please give an estimate (eg apples: 250kg)

____
____
____
____
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____
____
____
____
____
____
____
____

Vegetables - please list which types of vegetable you normally use and, if possible, indicate how much you have used in the past year. If you cannot provide an exact figure, please give an estimate (eg carrots: 170kg)

Herbs - please list which types of herb you normally use and, if possible, indicate how much you have used in the past year. If you cannot provide an exact figure, please give an estimate (eg basil: 20kg)

Other - please list any other goods you normally use and, if possible, indicate how much you have used in the past year. If you cannot provide an exact figure, please give an estimate (eg milk: 200 litres)

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Q22 If possible, please tell us how much you pay for each type of produce. (If it's easier to email this information, please send it to ian@blakestevenson.co.uk)

Fruit - how much do you pay for each type of fruit for? If you cannot provide an exact figure, please give an estimate (eg apples: £2 per kg)

Vegetables - how much do you pay for each type of vegetable? If you cannot provide an exact figure, please give an estimate (eg carrots: £1.50 per kg)

Other - how much do you pay for any other produce you use? If you cannot provide an exact figure, please give an estimate (eg milk: £1 per litre)

Q23 Please estimate the percentage mark-up you usually add to produce you sell.

Q24 Is there any produce that you only need in specific seasons or times of the year? If yes, please explain.

Q25 Which suppliers do you use?

Fruit - which suppliers provide you with fruit?

Vegetables - which suppliers provide you with vegetables?

Herbs - which suppliers provide you with herbs?

Other - which suppliers provide you with any other produce you sell?

Q26 Who do you sell produce to or provide catering services to? Please tick all that apply.

Community retailers .... ❑
Other retailers .... ❑
Community cafes .... ❑
Other cafes................................. ❑
General public............................ ❑
Schools .... ❑
Nurseries.. ❑
Universities/colleges .... ❑
Hospitals .... ❑
Prisons .... ❑
Workplaces... ❑

Other (please specify)

____
____
____

Q27 Do you currently sell all the produce you buy?

Yes... ❑ *No*.. ❑

If no, what do you do with the produce you do not sell?

____
____

Future activity

Q28 Is there any produce that you would like to buy that you do not currently? If yes, please note these below.

____
____
____

Q29 What stops you from buying more or different types of produce? Please tick all that apply.

Lack of supply .... ❑
Lack of demand/nobody to sell it to .... ❑
Too expensive................................. ❑
Lack of skills/knowledge of how to use the produce..................................... ❑
Lack of catering equipment .... ❑

Other (please specify)

____
____
____

Produce supply chain

A produce supply chain would involve community growers, community retailers and community caterers working more closely together to buy from and sell to each other.

Q30 Would you be interested in taking part in a supply chain?

Yes .... ❑ *No* .... ❑ *Maybe* .... ❑

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Q31 If yes or maybe, why?

Q32 If no, why not?

Q33 What would be the benefits of establishing a supply chain? Please tick all that apply.

- *Opportunities for additional income generation* ❑
- *Ability to reach more customers* ❑
- *Cost savings* ❑
- *Economies of scale* ❑
- *Networking* ❑

Other (please specify)

Q34 What would be the barriers to establishing a supply chain?

- *Costs involved with setting it up* ❑
- *Time required to manage it* ❑
- *Costs involved with managing it* ❑
- *Resources required* ❑
- *Time required to set it up* ❑
- *Lack of other community initiatives* ❑

Other (please specify)

Other

Q35 Do you have any other comments about the proposed supply chain?

____

____

____

____

____

Q36 Here is a list of the community growers, retailers and cafes we have identified in Edinburgh. Which of these have you heard of before? Please tick all that apply.

- ***Growers*** .... ❑
- *Be-Well* .... ❑
- *Bridgend - Growing Communities* .... ❑
- *Cyrenians Home Farm*.................... ❑
- *Drylaw & Telford Community Garden*. ❑
- *Gorgie City Farm*.... ❑
- *Greendykes Organic Allotments (GOALS)* .... ❑
- *Greyfriars Herb Garden*................. ❑
- *Porty Town Hall Community Growing Space* ...... ❑
- *Redhall Walled Garden*................. ❑
- *Royal Edinburgh Community Garden*. ❑
- *Tiphereth Pentland Gardening Group* ... ❑
- *Union Canal Community Orchard* ❑
- *West Craigie Farm*.. ❑
- *Wester Hailes Health Agency Garden Project* ...... ❑
- ***Retailers/Co-ops:*** .. ❑
- *Abbeyhill Co-op* ... ❑
- *Broomhouse Co-op* .... ❑
- *Balerno Co-op* ..... ❑
- *Craighall Co-op*.... ❑
- *Gate 55* .... ❑
- *Gorgie Farm*........ ❑
- *Inchpark Food Co-op* .... ❑
- *Lochend Co-op* .... ❑
- *The Pleasance Co-op* .... ❑
- *Richmond Co-op* .. ❑
- ***Caterers/cafes:*** ... ❑
- *Anchor Cafe* .... ❑
- *Balerno Community Centre Cafe* .... ❑
- *Bridge Cafe*......... ❑
- *Butterflies Cafe* .... ❑
- *Cafe Broma*......... ❑
- *Cafe Camino* .... ❑
- *Cafe Holyrood* ..... ❑
- *Cafe Life*............. ❑
- *Clovenstone Community Centre Cafe* .... ❑
- *Craighall Centre* ... ❑
- *Davidson Mains Parish Church*...... ❑
- *Dr Bells Family Centre Cafe* .... ❑
- *Drylaw Parish Church* .... ❑
- *Goodtrees Neighbourhood Centre*................ ❑
- *Granton Parish Church* .... ❑
- *Mrs C's Cafe* .... ❑
- *Muirhouse Millennium Centre* ❑
- *Newhaven Connections* .... ❑
- *North Edinburgh Arts* .... ❑
- *Old Kirk* .... ❑
- *Olive Tree Cafe*.... ❑
- *Perc - U - Up Cafe* ❑
- *Punjab'n De Rasoi* .... ❑
- *Richmond Cafe* .... ❑
- *Southside Community Centre*................ ❑
- *The Square Cafe* .. ❑
- *St Brides Centre Cafe* .... ❑
- *The Crescent Kitchen*............... ❑
- *The Dove Cafe* .... ❑
- *The Drill Hall Arts Cafe* .... ❑
- *The Engine Shed Cafe* .... ❑
- *The Farm Cafe* .... ❑
- *University Fairtrade Cafe* ..... ❑
- *Valley Park Community Centre Cafe* .... ❑
- *World Cafe*.......... ❑

Q37 Do you know of any other community growers, retailers or caterers that are not on the above list?

____

____

____

____

____

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Next steps

Thank you very much for completing this survey.

We may be in touch with you by phone to discuss the supply chain further.

Please return the survey using the enclosed addressed envelope to Ian Christie, Blake Stevenson Ltd, 1 Melville Park, Newbridge, Edinburgh, EH28 8PJ

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Appendix 3

Interview Topic Guide for Community Growers, Retailers and Caterers

Introduction

Thank for completing our survey.

Community Food and Health (Scotland) is exploring the feasibility of establishing a produce supply chain in Edinburgh. This would involve bringing community growers, retailers and caterers closer together to provide opportunities to sell to and buy from each other on a greater scale than before, and possibly to take part in other partnership or joint activities.

CFHS has asked Blake Stevenson to speak to community food initiatives in Edinburgh to hear your views of the feasibility of creating a supply chain in Edinburgh and the related benefits and barriers.

Researcher to review information submitted in survey before telephone interview.

Background information

1. *Researcher to discuss gaps and unclear information in survey response with the interviewee*.

2. How long has the initiative been running?

3. What other initiatives does the organisation run? How are they funded and supported?

Interest in supply chain

4. In the survey, you indicated that you are/are not/might be interested in taking part in a supply chain.

   If no, why not? *Probe why the respondent isn't interested and ask if anything could be done to overcome their objections/concerns. End the interview at this point.*

   If yes/maybe, what do you think should be the aim of the supply chain? What should be its scope? (*Probe: would it involve community initiatives working more closely together to generate and implement new activities and income-generating ideas or would it simply involve community*

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initiatives selling to and buying from each other on a greater scale than before?)

Benefits

5. What would be the benefits of a supply chain to your organisation, other organisations and the community?

6. Do you think that establishing a supply chain with other community growers, retailers and caterers could provide any opportunities to reduce your costs? (*Probe for reduced cost of produce, transport, storage and delivery*). If yes, please explain.

7. Do you think that establishing a supply chain could provide any opportunities for improved income generation? If yes, what are they?

Challenges

8. What are the challenges to establishing a supply chain? (*Probe for irregularity, seasonality, cost of produce, quality of produce and scale of supply*). How could these be overcome?

Management, co-ordination and resources

9. Who should be involved in the supply chain? Which growing, retailing and catering initiatives? Are there any other organisations that should be involved, e.g. schools, hospitals, prisons, workplaces? How?

10. How should it be managed and co-ordinated? (*Probe: managed and co-ordinated by paid staff, volunteers or both; should an organisation take responsibility for management and co-ordination? Which organisation should this be?; Should a worker be recruited to manage the supply chain independently?)*

11. What would have to happen to establish a supply chain? What costs would be involved in setting up and running the supply chain? What support and resources would be required? (*Probe for financial, staffing, transport, premises*).

Other

12. Would you like to make any other comments?

Thank you for your time

We are organising a workshop to further discuss these issues with community food initiatives. Would you, or someone from your organisation, be interested in attending? (*If yes, provide details or tell interviewee we will send details of date and venue as soon as they are available*).

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Appendix 4

Interview Topic Guide for Stakeholders

Introduction

Community Food and Health (Scotland) is exploring the feasibility of establishing a produce supply chain in Edinburgh. This would involve bringing community growers, retailers and caterers closer together to provide opportunities to sell to and buy from each other on a greater scale than before, and possibly to take part in other partnership or joint activities.

CFHS has asked Blake Stevenson to carry out a study to assess the feasibility of creating a supply chain in Edinburgh and the related benefits and barriers. We'd like to ask you a few questions about your views of establishing a supply chain.

Researcher to use the topic guide flexibly depending on the role of the interviewee and the organisation he/she represents.

Background information

1. Please briefly describe your role.
2. What involvement or contact do you have with community food initiatives?

Establishing a supply chain

Do you think there is any scope to establish a supply chain in Edinburgh?

If no, why not? *End the interview at this point.*

If yes/maybe, what do you think should be the aim of the supply chain? What should be its scope? (*Probe: would it involve community initiatives working more closely together to generate and implement new activities and income-generating ideas or would it simply involve community initiatives selling to and buying from each other on a greater scale than before?*)

Benefits

3. What would be the benefits of a supply chain to community food initiatives, your organisation, other organisations, and the community?
4. Do you think that establishing a supply chain could provide any opportunities to reduce community food initiatives' costs? (*Probe for reduced cost of produce, transport, storage and delivery*). If yes, please explain.

5. Do you think that establishing a supply chain could provide any opportunities for community food initiatives to increase their income? If yes, what are they?

Challenges

6. What are the challenges to establishing a supply chain? (*Probe for irregularity, seasonality, cost of produce, quality of produce and scale of supply*). How could these be overcome?

Management, co-ordination and resources

7. Who should be involved in the supply chain? Which growing, retailing and catering initiatives? Are there any other organisations that should be involved, eg schools, hospitals, prisons, workplaces? How?

8. How should it be managed and co-ordinated? (*Probe: managed and co-ordinated by paid staff, volunteers or both; should an organisation take responsibility for management and co-ordination? Which organisation should this be?; Should a worker be recruited to manage the supply chain independently?)*

9. What would have to happen to establish a supply chain? What costs would be involved in setting up and running the supply chain? What support and resources would be required? (*Probe for financial, staffing, transport, premises*).

Replicability

10. Could the supply chain approach be replicated in other local authority areas? If no, why not? If yes, which areas and why?

Other

11. Would you like to make any other comments?

Thank you for your time

We are organising a workshop to further discuss these issues with community food initiatives. Would you, or someone from your organisation, be interested in attending? (*If yes, provide details or tell interviewee we will send details of date and venue as soon as they are available*).

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Case Studies of Similar Initiatives

Cropshare
http://www.organiclea.org.uk/what-we-do/we-sell-food/cropshare/

Making Local Food Work, 'Building a Sustainable Community Food Hub: Distribution of Surplus from Allotments' (Cropshare Case Study).

Additional information gathered from telephone interview with Rebecca Tully, Box Scheme and Stall Co-ordinator, 020 8558 6880

Location	Lea Valley, Waltham Forest, London
Lead organisation(s)	Organiclea
Other organisation(s)	Local gardeners and allotment holders
Description of the initiative including aims/activities/scope	Organiclea is a community-based not-for-profit food growing co-operative that distributes food and plants locally. It runs a community allotment, a fruit and vegetable stall, a scrumping project, a community café and an organic box scheme which delivers boxes of produce to people's homes. It also offers training workshops to help people grow their own food. Cropshare is a project which gives local gardeners and allotment holders a distribution outlet to sell their surplus fruit and vegetables, which might otherwise be wasted, via Organiclea's box scheme and market stall. It aims to "promote and prioritise 'ultra-local' food grown in the neighbourhood". Organiclea also hopes that in time Cropshare will become a network of producers who offer mutual support. Organiclea is funded by the Making Local Food Work programme (run by the Plunkett Foundation and funded by the Big Lottery Fund) and a Local Food grant from the Royal Society for Wildlife Trusts.

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Community food elements included	☐ **Community growers** ☐ **Community retailers**
Costs involved	**Salaries:** A Development Worker to liaise with and build the capacity of growers. Running the project takes about "0.1 of a person's time". **Premises:** No additional premises required beyond Organiclea's existing premises **Equipment:** No additional equipment required **Transport:** None – allotment holders deliver their produce to Cropshare at set times **Food purchases:** Cropshare pays gardeners and allotment holders the standard organic cost-rate for the week, based on the price they pay Hughes Organics, a small wholesaler and grower.
Cost savings achieved	None identified
Income generating activities – current and planned/under consideration	Food sales: Produce is sold through Organiclea's market stall and organic box scheme. Organiclea feels that Cropshare is unlikely to become financially self-sustaining because of the small amount of produce bought through the scheme and the cost involved in both supporting the growers and processing the produce. The project feels it is an "uneconomical way of managing people and stock". It involves 10-15 regular, very small suppliers, each of whom need paid. This requires a large amount of paperwork and administration time. However, it does provide a source of locally-grown produce, which acts as a unique selling point.
Links (formal or informal) with other community initiatives	Produce is sold via Organiclea's retailing initiatives.
Evidence of benefits/impact – for participating organisations,	Organiclea has reported that its customers seek out the ultra-local produce available from Cropshare, recognising that they would be unable to access such produce elsewhere. This provides a way of selling produce that might otherwise be wasted and Organiclea considers

communities and other stakeholders	Cropshare to have several social and environmental benefits including: • building confidence in the growers by valuing what they do and paying a fair price for it; • engaging people in the work of Organiclea who might not otherwise have been involved; • supporting and advising growers on making growing food more sustainable; • providing consumers with ultra-local food with very few food miles; • letting people see what is being grown on their doorstep might encourage them to try growing food themselves; and • providing a source of diverse crops used in ethnic cooking which may be unavailable or expensive in other outlets.
Challenges and lessons learned	Initially, allotment holders were concerned that their allotments would be turned into **commercial growing spaces**. Organiclea was able to build trust around this issue because, being a community growing project itself, allotment holders saw their staff as 'one of us'. Allotment holders were also concerned about the **legality** of selling their produce. Organiclea researched the issue to identify when it was and was not legal to sell allotment produce (the main point being, although allotments cannot be businesses, it is legal for allotment holders to sell their surplus produce), and thus reassured the allotment holders. The **local council** has not raised any objections to allotment holders selling produce in this way. The project feels that this is because the produce being sold by allotment holders is not a large amount and does not generate a large amount of money. It could be viewed as a volunteer being reimbursed for their seeds and other materials required to grow the crop. Some form of **certification and regulation** for how allotment holders grow produce was required, but the costs and bureaucracy involved made it unrealistic for them to gain organic certification. All Cropshare members therefore have to meet the Wholesome Food Association's principles of production, a local initiative designed to provide a low cost alternative to organic certification for those growing and producing food for sale locally.

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	Some Cropshare members grow **produce specific to ethnic communities** that is not well-known in the UK, and need to provide information to Cropshare and customers about what the crop is and how to use it. Organiclea had to spend significant time **supporting growers**: • Organiclea had to educate and negotiate with producers to ensure they could deliver the produce on time and at times when they could be sold to customers. • Organiclea has become an important source of advice for allotment holders. For example, the development worker has discussed organic approaches to overcoming slugs.

Food Chain North East Community Interest Company http://www.foodchain-ne.org/ Making Local Food Work, 'Building a Sustainable Community Food Hub: Supplying Food Access Projects'. 0191 482 6820	
Location	Newcastle
Lead organisation(s)	Food Chain North East
Other organisation(s)	Commercial and community growers such as the Good Life, Rising Sun Farm and Blyth Star Enterprises
Description of the initiative including aims/activities/scope	Food Chain North East, established in 2004, aims to make it easier for local people to buy fresh, affordable fruit and locally grown vegetables. It distributes food to schools, workplaces and community food groups. It acts as a hub between growers and retailers/caterers and end consumers. It provides over 150 community food projects and delivers directly to 3,500 households per week and workplaces. Its main source of produce is a wholesale market but it also has sources of ultra-local supplies, and buys produce directly from growers including community gardening projects such as: • The Good Life community allotment; • Blyth Star Enterprises, which provides activities and training for adults with mental health problems, including horticulture work. Food Chain North East buys tomatoes, cabbage, lettuce and sugar snap peas from Blyth Star; and • Rising Sun Farm, which works with adults with learning disabilities, produces fruit and vegetables such as strawberries, raspberries, broccoli and cabbage. It received funding from sources including Making Local Food Work programme and the Ashden Trust.

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Community food elements included	☐ **Community growers** ☐ **Community caterers** ☐ **Community retailers**
Costs involved	**Salaries:** £132,169 **Volunteers:** £359 **Premises:** £7,280 rent, £1,941 electricity, £3,735 telephone/internet **Transport:** £10,939. The Good Life, Rising Farm Farm and Blyth Star do not deliver to Food Chain, but Food Chain picks the produce up while doing their customer deliveries. The initiatives are near to Food Chain North East, so transport costs are minimised. **Food purchases:** £124,179. Food Chain buys produce from the initiatives at wholesale prices. **Insurance:** £641 **Marketing:** £6,277 **Payroll:** £372 **Accountancy:** £661 **Training community projects:** £4,985 **General expenses:** £1,254 **Travel:** £7,479
Cost savings achieved	No information received
Income generating activities – current and planned/under consideration	**Food sales:** Bag sales: £132,902, Markets: £10,730, Fruit for School: £40,941 **Service Level Agreement (South Tyneside Council):** £7,643 **Big Lottery Fund:** £86,000 **Fair Share (BIG):** £4,921 **Coalfields Regeneration Trust:** £8,057 **Comic Relief:** £4,577 **Ashden Trust:** £19,387 Working in partnership generates income for the community growers, who sell their produce to Food Chain North East, and Food Chain North East, which sells the produce to its customers.

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	Food Chain North East is currently developing a new education, training and growing site to serve the entire North East of England, and aims to become financially self-sustaining.
Links (formal or informal) with other community initiatives	Food Chain has close links with several initiatives including the Good Life, Blyth Star and Rising Sun Farm.
Evidence of benefits/impact – for participating organisations, communities and other stakeholders	There is a mutually beneficial relationship between Food Chain North East and the Good Life, Rising Sun Farm and Blyth Star: • Blyth Star, Rising Sun Farm and the Good Life have a buyer for their produce; and • Food Chain North East can source ultra-local food, which acts as a unique selling point, and can promote its work in the communities that the Good Life and Blyth Star work with. Communities value the food co-ops supported by FCNE as sources of high quality, affordable produce, as well as providing an opportunity for social interaction. Evaluation showed that participants reported eating an increased quantity and range of fruit and vegetables and that customers like to support local businesses and recognize the impact of food miles on produce quality and the environment.
Challenges and lessons learned	Food Chain North East has funding from the Ashden Trust to employ a Food Growing Officer, whose role it is to support and develop the community growing supply chain. The initiative feels it is important to have the services of an experienced grower to complement the efforts of volunteers. The viability of organisations like Food Chain North East working with community growing projects depends on the projects being: • able to grow produce of a consistent quality and quantity; • very close to the food hub to minimise transport costs; and • able to sell at wholesale market prices. Strong local partnerships with the third sector, NHS, education authorities and local authorities are

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	important.

Hackney Growing Communities **http://www.growingcommunities.org/** **Annual Report, 2009/10**	
Location	Hackney, London
Lead organisation(s)	Growing Communities
Other organisation(s)	
Description of the initiative including aims/activities/scope	A social enterprise developing community-led alternatives to the current food production system. It has developed two main trading outlets – an organic fruit and vegetable box scheme and a farmers' market which provide an outlet for 29 small-scale, local, organic producers including organically-certified urban market gardens run by the project. "These harness the collective buying power of our community and direct it towards those farmers who are producing food in a sustainable way - allowing those small-scale farmers and producers whom we believe are the basis of a sustainable agriculture system to thrive. Growing Communities believes that if we are to create the sustainable re-localised food systems that will see us through the challenges ahead, we need to work together with communities and farmers to take our food system back from the supermarkets and agribusiness".
Community food elements included	☐ **Community growers** ☐ **Community retailers**
Costs involved	No information
Cost savings achieved	No information
Income generating	The box scheme and market provide food to around 3,000 people every week. The turnover in

activities – current and planned/under consideration	2009-10 was £394,510, with a gross profit of £73,451. The turnover is broken down below: Organic box scheme: £333,124 Café sales: £14,111 Farmers' market: £37,991 Other income: £9,284
Links (formal or informal) with other community initiatives	Growing Communities has launched a Start-Up programme designed to help other community schemes establish organic box schemes.
Evidence of benefits/impact – for participating organisations, communities and other stakeholders	Provides access to healthy, locally-grown produce for local people and improves their ability to access and eat healthy food. The box scheme supplies fruit and vegetables to 616 households across Hackney and more than 100 tonnes of fruit and vegetable are sold annually. Provides an outlet for local producers.
Challenges and lessons learned	A cold winter and very dry summer in 2009-10 made conditions difficult for organic farmers. Consequently, Growing Communities was unable to buy all the required produce for its box scheme from local farmers and had to buy produce from co-ops and wholesalers. The project lost growing space but managed to grow about the same amount of salad (795kg) as in 2008-09 on 60% of the space due to a new polytunnel and the efforts of staff members and volunteers.

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Welsh Sustainable Supply Chains Project **http://www.sustainablesupplychains.org.uk/** **Ecorys (2011), Evaluation of the Sustainable Supply Chains Initiative**	
Location	Wales
Lead organisation(s)	Welsh Assembly Government
Other organisation(s)	
Description of the initiative including aims/activities/scope	This initiative ran between July 2009 and February 2011 and supported micro-enterprise food and drink businesses. It piloted innovative ways to assist these enterprises to create sustainable supply chains. This included support to establish a community-owned market garden to produce, market and retail fresh produce in South East Wales. It also aimed to facilitate closer collaborative marketing and distribution opportunities for small food producers to increase the availability of local food through the Micro-Hubs and Farmers Market Pick-Up Project. This project aimed to address issues around ordering, produce availability and delivery through developments such as a new website to purchase and order products (www.producerdirect.co.uk) and the chance for producers to drop off ordered produce at farmers markets for distribution to customers.
Community food elements included	☐ **Community growers** ☐ **Community caterers** ☐ **Community retailers** ☐ **Private food and drink producers**
Costs involved	No information
Cost savings	No information

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achieved	
Income generating activities – current and planned/under consideration	The market garden raised £8,500 of capital through a community share offer and hopes to increase this to £20,000 by the end of 2011. The market garden has established a direct to consumer small vegetable box scheme using crops harvested from the five acres currently in use. It has 27 box customers.
Links (formal or informal) with other community initiatives	
Evidence of benefits/impact – for participating organisations, communities and other stakeholders	The market garden has resulted in: • a reduction in food miles; • increased community cohesion; • supply if healthy food; • local employment; and • generation of new market and product opportunities.
Challenges and lessons learned	The micro-hubs project had difficulty securing commitment from producers, despite interest from restaurants in buying produce from farmers and other micro-producers, and had not created any trading or improved efficiencies in logistics or distribution. The initiative found that it is important to demonstrate to producers taking part in initiatives like these that they will create demand for their produce.

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Local Food Links – Dorset Local Food Distribution Hub **http://www.makinglocalfoodwork.co.uk/about/ds/Localfoodlinksltd.cfm** **Sustain (2009), Local Food Links: The First Ten Years**	
Location	Dorset
Lead organisation(s)	Local Food Links
Other organisation(s)	
Description of the initiative including aims/activities/scope	Local Food Links is a social enterprise which provides a Local Food Distribution Hub within the Bridport Centre for Local Hub. The Hub sources local, organic and fairly traded produce and distributes it to three main target groups: schools, local food clubs and co-ops, and commercial clients. Local Food Links also runs other initiatives such as: • Farmers' markets; • a Local Food Directory; • strategic co-ordination for the local food sector in Dorset; • a Producer Network which offers training and support to 65 producers.
Community food elements included	☐ **Community growers** ☐ **Community caterers** ☐ **Community retailers** ☐ **Private sector producers** ☐ **Public sector customers**
Costs involved	No information
Cost savings	No information

achieved	
Income generating activities – current and planned/under consideration	The project receives funding from a range of sources including Esmee Fairbairn, Making Local Food Work and Defra, as well as trading income. Provides greater opportunities for local producers to sell their produce that they might not otherwise have.
Links (formal or informal) with other community initiatives	
Evidence of benefits/impact – for participating organisations, communities and other stakeholders	Provides a route to market, especially to public sector customers, for local producers, many of whom would have been too small to access contracts themselves. Enables people with low incomes to access healthy and affordable food Producers benefit from new and expanded markets
Challenges and lessons learned	Quality of produce is important: the government's free fruit scheme stipulated that only grade 1 produce could be supplied to schools, meaning that no growers in the South West of England could supply the scheme. Food Hubs should add value to local produce before distributing it to local consumers. For example, Local Food Links does not just distribute the produce to 21 local schools, it provides hot meals. Tension between social and financial objectives: as a community organization, Local Food Links needs to create sufficient income to pay expenses and invest in the business, while also meeting its social objectives.