

Staying power



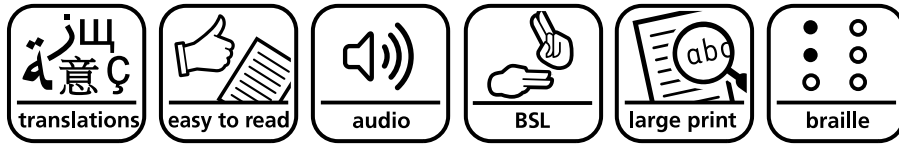
community
food and health


(scotland)



**A consolidation of,
and reflection on,
research looking at
the sustainability of
community retailing**

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 0131 314 5300

 nhs.healthscotland-alternativeformats@nhs.net

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1 South Gyle Crescent
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Introduction

This publication consolidates and reflects on the key findings and recommendations included in five pieces of research about community retailing, which were carried out between 2007 and 2016 (see Appendix 1 for full details). It also considers notes and reports of a community retailing round table, and events and meetings held for community retailers and stakeholders. Each piece of research was carried out for a different purpose, but all shared one aim: to identify the issues community retailers were facing, and recommend how these could be overcome to strengthen and develop the community retailing sector.

This publication looks at:

- key findings and recommendations found in two or more pieces of research
- the developments within community retailing over the last 10 years
- how to overcome barriers to developing more collaborative working.

Key messages

- Community retailing brings a range of benefits to communities.
- Community retailers may face a number of challenges which can affect their sustainability.
- Working collaboratively is key to improving their long-term sustainability.

About Community Food and Health (Scotland)

Community Food and Health (Scotland) (CFHS) was set up to increase access to affordable, healthier foods within low-income communities. It supports community food initiatives, including community retailers, to overcome the barriers to a healthy diet that exist in their communities, and help reduce health inequalities. CFHS has supported community retailers for over 20 years.

What is community retailing?

While there is no agreed definition of community retailing or community retailers, CFHS uses the following:

Community retailers are community groups selling affordable, quality foods within or for low-income communities. Their purpose is to make it possible for people with less income to buy fresh produce. They focus on selling fresh fruit and vegetables, but may sell other healthier foods.

Community retailers sell their produce through community retailing outlets – these include fruit and vegetable stalls and co-ops, fruit barras and community-run shops.



A community retailing short-life working group suggested the following definition:

- Community retailing's aim should be to increase access to affordable fruit and vegetables.
- It may, or should, be part of a package of support that is assisting community members to improve their health and wellbeing.
- The model of community retailing used may differ to reflect local needs and circumstances.
- It has a great potential to support a range of interventions targeting specific health issues (but this may be underappreciated).

Every community retailer is different, but they have these features in common:

- They use a community development approach in their work. That is, they were established to meet a need identified in their communities, and they are run by and for people in their community.
- Being able to provide volunteering opportunities is an important part of what they do.
- Any surplus income they generate is reinvested in their community.

They may run a range of food and health or community health activities in addition to their community retailing. Some are supported by community food networks, other community food initiatives, third sector groups, or by community workers (including community food workers).

As well as making it possible for people in their communities to access a healthier diet, community retailers often support their communities in other ways. This includes providing volunteering, training or work opportunities. Many aim to support local businesses by buying and selling locally sourced produce, yet, what is most important to all is their role in helping to build and strengthen their communities.

Most community retailers are based in the central belt and Aberdeen/Aberdeenshire and the community-run shops are mostly in very rural and island communities.

Policy context



Policy-makers have recognised the important contribution of community retailing to increasing access to affordable, healthier diets and reducing health inequalities for over 20 years.

'Eating for Health: a Diet Action Plan for Scotland (1996),¹ 'Recipe for Success: Scotland's National Food and Drink Policy (2009)² and the follow-up discussion papers 'Becoming a Good Food Nation' (2014)³ and 'Dignity: Ending Hunger in Scotland – The Report of the Independent Working Group on Food Poverty'(2016),⁴ all acknowledge the role that community retailing or the activities community retailers provide (e.g. access to affordable food) can play in delivering policy objectives.

Community retailers may also have a role in supporting the delivery of emerging food and health policies, including the Diet and Obesity Strategy in Scotland and the Good Food Nation Bill (the consultations for both are planned to commence in late 2017).

1. www.gov.scot/Resource/0040/00400745.pdf
2. www.gov.scot/Resource/Doc/277346/0083283.pdf
3. www.gov.scot/Publications/2014/06/1195
4. www.gov.scot/Publications/2016/06/8020/8

What did we learn?

The benefits of community retailing

All but one piece of research focused on the challenges community retailers faced and how these may be overcome. Some highlighted (and others assumed or implied) the positive contributions that community retailers felt that they were providing to their communities, in addition to providing access to affordable fruit and vegetables.

‘[community retailing] is the glue that holds everything together’

‘food co-ops give identity to and provide strength within communities’

Source: Participants, ‘The Future of Community Retailing’ – CFHS round table, 24 September 2014.

Community retailers believed that they were playing a key role in their communities through:

- Building capacity – providing volunteering, training and employment opportunities, and helping to build skills and self-confidence.
- Community empowerment – supporting their communities to do things for themselves.
- Supporting health improvement and reducing health inequalities – providing access to information, or informal or formal learning opportunities, and providing social spaces and reducing social isolation.
- Reducing food insecurity – providing access to other activities and services which aim to maximise people’s income and minimise food expenditure, e.g. cooking on a budget.



Decline in community retailing

With the exception of community-managed shops, the research showed that fewer community retailing outlets were running in 2016 than in 2006. While some new outlets had opened, more had closed. This may be because community retailers were unable to overcome challenges or issues they faced individually.

However, both the research and insight from the sector, gained both formally (e.g. through round tables and discussions) and informally (e.g. from one-to-one meetings), indicate this may also be because:

- there are fewer community food networks, and therefore less support for community retailing outlets or for communities that wanted to establish one
- the scale and range of support available to community retailing outlets – from the remaining community food networks, other third sector organisations or the statutory sector (local authority and Health Boards) – has reduced
- outlets were set up within communities without a community-development approach: as a result, the communities didn't feel they had ownership of the outlets
- outlets relied on key volunteers, and had no strategies in place to ensure services could continue if they left.

The challenges

The research identified a range of challenges faced by community retailers.

Funding



Many said they relied on funding to keep their services going. They reported that they felt:

- less funding was available, was only short term or was more likely to be for developing new activities, not for supporting existing activities
- there was increased competition for funding within the third sector
- short-term, time-limited funding could make it more difficult to retain staff, and therefore their skills and experiences within the community retailers
- there was an expectation from some funders, support organisations or stakeholders that their community retailing would generate income, and become less reliant on external funding.

... support for community food projects seems to be diminishing – with funding often precarious, short term and tied to varying grant provisions 🗨️.

EKOS paper 1

Capacity



The research also highlighted the issues and consequences of reduced staff capacity at both managerial and operational levels. Community retailers did not feel that they were always able to support, deliver or develop services as they would like, because:

- managers may have both a strategic and operational role, which could be difficult to balance
- the time taken to apply for and report on funding reduced their capacity to undertake other work
- time constraints restricted managers' ability to network
- they had fewer staff or less staff time available for their community retailing.

Community retailers cannot operate without volunteers. However, community retailers reported that volunteers required support and training, which required resourcing, and they could be difficult to recruit and retain. Volunteers also play a key role in governing community retailers, but they may be less willing to become part of the board or management committee because of perceptions about responsibilities or the time or workload involved, or be unaware of the strategic role of a board or management committee.

Buying produce



Community retailers buy produce from a range of suppliers, such as wholesalers, local growers and supermarkets. The research identified issues with:

- the cost of produce – the smaller scale of purchases influenced the sales prices
- the quality of produce delivered – dealing with quality issues took staff time away from other activities
- sourcing local produce – community retailers wanted to buy and sell more local produce but could not always source it.

Available resources



Between them, community retailers have access to a wide range of resources, including warehouse space and vans. The research found this infrastructure was not always being used to full capacity.

It also found that access to the training and learning required by staff, board members and volunteers members could be limited.

Competition



All the research recognised that community retailers face increased competition, particularly from commercial retailers. The scale of competition increased significantly between 2006 and 2016 with the growth in the number of supermarkets, particularly discount supermarkets, including in lower-income areas. Rural community retailers in particular were also facing increased competition from supermarket home delivery services.

Reduced income



Some community retailers reported their income had reduced because they were attracting fewer customers, or their customers were spending less, possibly because their customer had less income, they were using other commercial retailers (e.g. supermarkets) or they were using other third sector providers (e.g. food banks).

Improving long-term sustainability

The research included a range of recommendations about how long-term sustainability could be achieved.

Collaborative working was seen as key in all the research. It concluded that the community retailing sector could become more sustainable, more efficient and meet community needs better if community retailers worked together.

The research suggested that working collaboratively around purchasing produce, marketing, and training and learning would benefit community retailers most. Accessing funding and contract opportunities, providing infrastructure support, and maximising use of their resources were also seen to benefit.



The research highlights that successful collaborative working depends on the individual community retailers benefiting as well.

‘[Greater collaboration] should occur when mutual benefits are clear ... [Collaboration] should not be at the expense of individual relationships [with funders and suppliers customer groups].’

EKOS 1

Most of the research also suggested that **partnership working** with other third sector organisations and the public and private sector could help support community retailers' sustainability, for example through sharing of resources, expertise and knowledge.

Joint purchasing of produce was identified as key to improving sustainability. Increasing the volume of purchases could provide better negotiating power with suppliers, resulting in reduced purchase costs for individual community retailers and the ability to lower sales prices. Some of the research identified the challenges that would need to be overcome, including the logistics.

Joint marketing has the potential to increase the profile of community retailing, its influence with policy-makers and its reach to potential customers. It may also help raise the level of understanding among communities, supporters (including funders) and stakeholders on what community retailing is and what it can achieve.

Development of consistent good practice across community retailers could be achieved through **design and delivery of joint training** for managers, staff, volunteers and governing body members. The training could include community retailing skills, governance, business skills and community engagement.

By working together, community retailers may be able to **access other funding sources**. Conversely, it may also put them in a stronger position to **apply for public or private sector contracts** (e.g. for supplying produce) and reduce their dependency on grant funding.

Setting up **bespoke, shared operating and administrative systems** could support joint purchasing, and assist individual community retailers to operate more efficiently.

Working together could enable community retailers to **maximise the use of their individual resources**. It could also provide mutual support to enable better delivery, or development, of other community food and health activities.



What's changed?

Since 2007, there have been several developments within the community retailing sector which have taken forward recommendations from the research.

- Several community retailers, particularly the community food networks, have become more enterprising, and are selling to private and public sector customers to generate additional income.
- Working in partnership with Health Boards and individual GP practices, several community retailers run outlets in hospitals, health centres, GP surgeries and health centres.
- More community retailers are purchasing directly from local growers, or are purchasing more locally grown produce.
- Some community retailers have developed their community retailing activities to attract more customers, for example selling 'five-a-day' bags or 'meal in a bag' offers, running home delivery schemes or selling fruit and vegetable boxes.
- In 2015, the Scottish Government awarded three of the community food networks £25,000 each to support their core activities, including their community retailing. A further award was made to the three networks in 2016, with the Scottish Government stating it may be able to continue to fund them in future years, depending on budgets.



What has not been achieved is any significant collaborative working between community retailers.

The development of collective working was widely discussed, both nationally and within Glasgow, over a number of years following the publication of research produced by EKOS Ltd. Little progress was achieved at the time, owing to a range of internal and external factors, including operational, financial and staffing pressures within the community retailers involved.

However, the community retailing short-life working group established in 2016 and the Glasgow Community Food Network launched in June 2017 both have the potential to support the development of the community retailing sector.

How to further develop community retailing

All of the research suggests that working more collaboratively has the potential to help community retailers and community retailing become more sustainable.

Get the right support

Investing in the community retailing sector to overcome the resources issues identified and enable the sector to take forward the research recommendations may help this to happen.

None of the research suggests developing more collaborative working would be easy. It would require time and commitment from the community retailers, particularly to manage the process, and would result in additional staff and management costs. It would also require external support to ensure legal and financial requirements are met.

Explore learning from and working with commercial retailers

While an increasing number of community retailers are selling to private sector customers, very few (with the exception of some of the very rural and island community shops) have worked with commercial retailers to develop their services.

One of the recommendations included in the policy 'Eating for Health', which was not progressed because of constraints on community retailers, was:

‘Food co-operatives have a continuing role. But their potential is underdeveloped because of difficulties in purchasing food at wholesale prices, and the lack of central purchasing and distribution systems. It may be possible, however, for the central purchasing mechanisms and the distribution channels used by the major stores to be deployed to deliver food to co-operatives, thus saving costs through bulk buying. Existing food co-operatives could group together to facilitate joint purchasing. Such collaborative action is already beginning to take place in some areas and should be encouraged. Specialist expertise from the private sector could possibly be commissioned to advise on purchasing and other procurement technique.’

Opportunities to share good practice

Community retailers are valued because of their willingness to share their knowledge and experience with each other. As well as helping to improve practice, it enables community retailers to build better working relationships, which is seen as key to developing collaborative working.

Further research

To ensure the sustainability of community retailing, more learning is needed to identify the importance of adopting a community development approach.

None of the research made it clear how important it was for community retailers to adopt a community development approach in their work. Gathering evidence would, hopefully, demonstrate the importance of taking this approach and provide a better understanding about how it may help strengthen community retailing and community retailers to overcome the challenges and issues that they face.



‘...further trust and confidence would need to be built...as basis for collective action’

EKOS paper 1

Appendix 1: The studies

This paper focuses on five pieces of research produced between 2006 and 2016 (see Table 1). Three of the studies did not solely look at community retailing, but all recognised the key role that community retailing plays in increasing food access and affordability, and in reducing health inequalities.

Table 1: Research papers

	Research title	Researchers	Completed	URL
1	Scoping study: Collective action to address community access to food	EKOS Ltd	August 2007	www.communityfoodandhealth.org.uk/publications/scoping-study
2	Scoping study: Options for collaborative working in Glasgow	EKOS Ltd	March 2009	www.communityfoodandhealth.org.uk/publications/scoping-study-options-for-collaborative-working-in-glasgow
3	Feasibility study: Developing produce supply chain between community growers, caterers and retailers	Blake Stevenson	October 2011	www.communityfoodandhealth.org.uk/publications/development-of-a-produce-supply-chain-between-community-growers-caterers-and-retailers-in-edinburgh
4	Mapping and case studies of community retailers in Scotland	Edinburgh Community Food/ Consultancy World	March 2012	Contact CFHS
5	Issues affecting the sustainability of community retailers in Scotland	Institute for Retail Studies, University of Stirling	September 2016	Contact CFHS

Appendix 2: Why was the research carried out?

The five pieces were commissioned for different purposes:

1. The first EKOS piece of research examined the feasibility and options for collective action around food procurement by community food networks operating (at the time) in Edinburgh, East Lothian, West Lothian, Midlothian and North Lanarkshire. As well as running their own community retailing, the networks were supporting and supplying community retailers in the geographical area they operated in.
2. The second EKOS piece of research looked at the feasibility and options for improved collaboration by community food and health organisations in Glasgow (including community retailers). It focused on the current and potential supply of fruit and vegetables among community and voluntary organisations (running at the time) and options for collaborative action.
3. Blake Stevenson explored the interest in and options for developing a supply chain linking community growers with community cafes and community retailers in Edinburgh.
4. Edinburgh Community Food/Consultancy World mapped community retailers operating across Scotland at the time. It included case studies about 12 community retailers.
5. The Institute for Retail Studies research was commissioned to identify the issues affecting the sustainability of community retailers, and make recommendations about potential actions or resources required to support their sustainability.

Appendix 3: Other research

In addition to the five research documents above, we also considered evidence from a range of other sources, including:

- Reports of three round table discussions about community retailing held by CFHS between 2005 and 2015.^{5 6} The focus of the first round table was community retailers taking a more business-like approach. The other two (held in 2014 and 2015) discussed the future of community retailing.
- Notes of community retailing short-life working group discussions. The group was set up in 2016 after completion of the Institute for Retail Studies research.

5. www.communityfoodandhealth.org.uk/wp-content/uploads/2006/10/scdprtdn10communityretail-0886.pdf

6. www.communityfoodandhealth.org.uk/wp-content/uploads/2015/02/The-future-of-community-retailing-notes.pdf

