Growing the local food market in Tyneside

A feasibility study looking into setting up food hubs to make it easier to buy environmentally friendly and local food, starting in the West End of Newcastle.

Report produced by Food on the Tyne, a project of the WEA Green Branch
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Contents

Executive Summary

Every day we all eat food, we all buy food, or someone else buys it for us. And the choices we make every day have an impact, even if we can't see it.

They have an impact on our health, the local economy and on the environment.

In Wingrove, situated in the west end of Newcastle, and on Tyneside generally, there are limited opportunities for buying food produced locally using environmentally friendly production methods.

This study is the first step in deciding whether or not Food on the Tyne should set up Wingrove Food Hub. Food hubs aim to make it easier to buy local, environmentally friendly food directly from the producers.

The study looks in depth at three other food hubs in the UK; StroudCo, Fife Food Co-op and Fair Food Carlisle. We look at how they operate, the benefits they can bring, and ask whether they are financially viable. We have also learned from Growing Communities and OrganicLea in London.

The study asks;

Could the food hub model work in Wingrove?

Would enough people pledge to buy from it on a regular basis so that;

1) it is worth setting up a trial

2) we can attract funding for the trial and

3) we can have some confidence that it will break even in the future.

Is there sufficient support from community organisations for the idea, so that it is relevant to people from a range of socio economic backgrounds and won't just be considered a niche activity.

Are there enough producers to sell produce to the hub?

What are the logistical issues and are they manageable?

What are the benefits to setting up a food hub?

It concludes that there is sufficient support for the idea, from both individuals and community organisations, that it is possible for a food hub to be financially viable, and that due to the benefits a food hub would bring, that this work should be continued. Next steps include looking for further funding to identify more producers and to try out the software, and for a minimum of three years running costs.

The authors also put forward the case for Food Hubs across Tyneside and how that could look.

Chapter 1
Introduction and Overview

Why is setting up a food hub important? Why are we putting our time and energy into trying to set this up, when people can easily buy their food from a supermarket? Are there not more important things to do that will protect the environment and improve people's lives?

Food is key to a healthy life and protecting the environment. Every day we all eat food, we all buy food, or someone else buys it for us. And the choices we make every day have an impact, even if we can't see it.

They have an impact on our health, the local economy and on the environment.

Even though we have had access to cheaper and cheaper food, (Notes 1 and 2) and the variety of food we have access to is immense, our health, as a nation is getting worse. Levels of obesity and conditions relating to obesity are being seen on epidemic proportions.

The supermarket price wars force food manufacturers to look for cheaper and cheaper ingredients. This has an impact on farmers livelihoods, for example, 50 % of UK dairy farmers have gone out of business in the last 13 years (3). This also has an impact on the environment as farming practices deteriorate in order to cut costs. For example, in the UK we are seeing an increase in planning applications for large scale meat and dairy production facilities. The intensification of farming practices has led to soil erosion, water pollution by fertiliser run off, the collapse of the bee population, and massive loss of wildlife.

What we eat also has an impact on environments abroad, for example, rainforests in Indonesia are being cleared to grow palm oil, which is now present in nearly all the processed food we eat.

In relation to the local economy; 97 % of the nation's food bill is spent at the major supermarkets (4). When we spend money in them, the profits do not stay where they are spent, in this case in the north east, and the amount of people they employ is reduced to the bare minimum, with automatic check outs reducing the need even for check out staff. Work by the New Economics Foundation has shown that for every pound that is spent in a locally run enterprise, 3 pounds is generated for the local economy. The Campaign for the Protection of Rural England estimate that money spent in local food networks is contributes £6.75 billion of total value to local economies (5). The North East needs to be benefiting from this.

The above reasons are a brief summary of what motivates us to do this work. Food hubs help people to have easy access to locally produced, environmentally friendly produce and make it easier for people to spend some of their food budget in a way that contributes to changing our food system for the better.

This research has created the opportunity for conversations about food and the type of food system we want. There are not usually opportunities to talk about this, and encouraging these conversations to happen has been an important part of this project. Do we want thriving local economies, family farms, a healthy soil, a countryside that is full of wildlife and a healthy nation? Because if that is what we want, we have to actively work towards it.

We also want to challenge the idea that what is needed for a healthy nation is to reduce food prices further. We already spend the least proportion of our income on food out of all European countries, except Luxembourg (6). What is needed is a living wage so people can afford to buy good quality food. By reducing food prices further the true cost of food production is paid for by reduced health, a degraded environment and a loss of jobs in the farming community.

The information in this report is available for anyone to use. We welcome working with anyone with similar aims and values, as we are a small group and there is a lot to do! Our vision is to work with other organisations to develop a network of food hubs across Tyneside in the near future, connecting up the urban and the rural.

(1) Until 2007 when prices started to rise again (2) Urgent Recall, 2014. Published by the New Economics Foundation (3) The Guardian 12th Jan 2015 (4) From field to fork: Hexham Mapping the local food web, 2012. Published by the Campaign to Protect Rural England (5) From field to fork: The value of England's local food webs, 2012. Published by the Campaign to Protect Rural England (6) Urgent Recall, 2014. Published by the New Economics Foundation

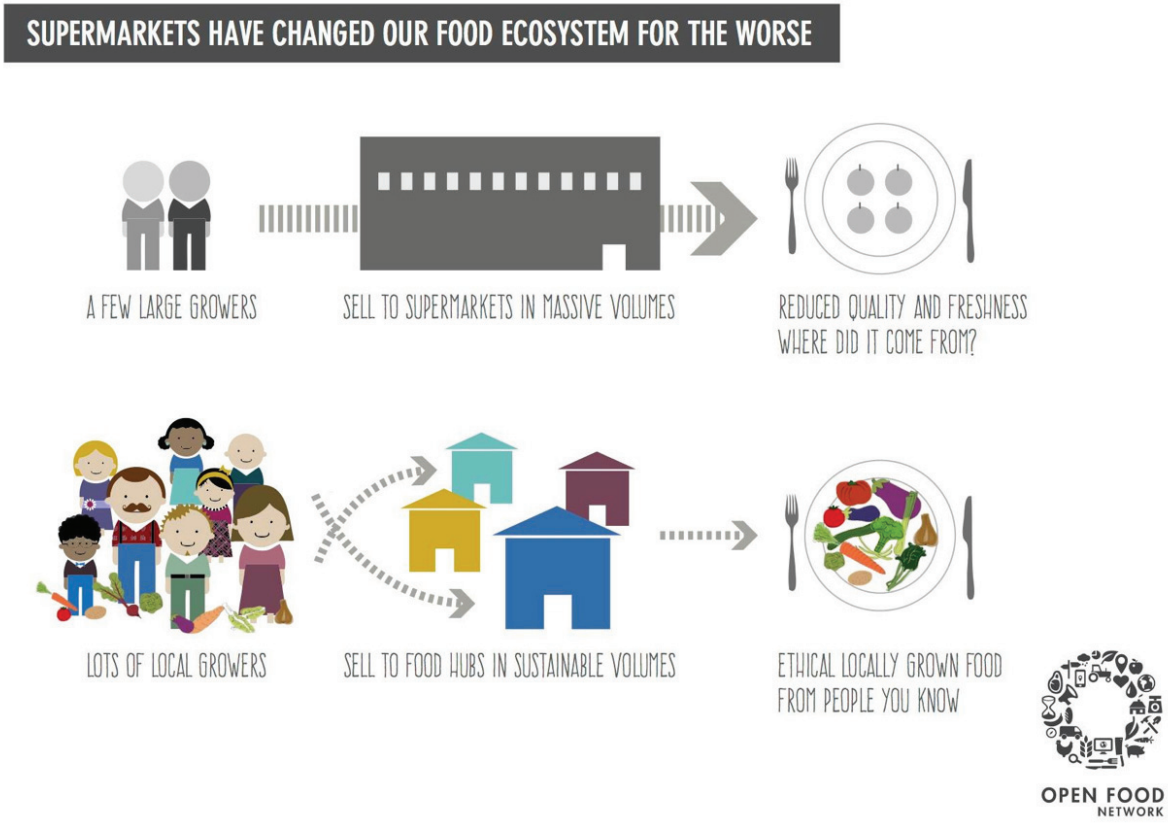
Chapter 1

Introduction and Overview

Brief history of Food on the Tyne

The idea for the Wingrove Food Hub came out of the conference on food and the food system organised by the WEA Green Branch in October 2013. Part of the rationale for the conference came from the authors' own experience of trying to buy locally grown and environmentally friendly produce in Newcastle. There are box schemes, but they don't suit everyone, there are farmers markets, but only once a month, there are farm shops in the countryside, but what if you don't have a car? There is organic food at supermarkets, but it usually isn't locally produced and doesn't support the local economy.

The conference showcased initiatives that are trying to provide an alternative. One of those was StroudCo, and Nick Weir, co-founder, gave a presentation on how the StroudCo model works. (See next section for more on this) Meetings to discuss ideas generated from the conference started in January 2014, including how to move forward a StroudCo type model in Tyneside. The first meeting was advertised to people who had attended the conference and others on the transition, permaculture and green branch e-mail networks. The group met each month and came up with a name, a mission statement and had discussions on what criteria for the produce was important (See appendix 1). They also worked on practical surplus sharing initiatives. In early summer 2014 funding was obtained from Greening Wingrove and Seedbed to carry out a feasibility study on setting up an alternative food distribution system, such as StroudCo. As Food on the Tyne is an un-constituted group, the funding was applied for and is managed by the WEA Green Branch.



Chapter 2

Learning from other models

Introduction

This chapter will discuss the key things we have learned from three Food Hubs in the UK: StroudCo, Fair Food Carlisle, and Fife Diet. We have also looked at OrganicLea and Growing Communities in East London, particularly at how they support urban agriculture projects.

What is a Food Hub?

Food Hubs are usually cooperatives that act as an intermediary, so that the people who grow and make food can sell their produce to the people who buy and eat it. However, unlike a conventional intermediary, such as a supermarket, the Food Hubs have a social and environmental purpose, as well as being a food business. Their main aims are:

- To make it easier and more affordable to buy local food with shorter supply chains, both in distance and the number of people involved.
- To support small businesses and farms, with producers given a fair price for their produce.
- To support local economies.
- To support environmentally friendly farming and production methods.
- To create change in the existing food system.

- To increase understanding of food production and increase opportunities for people to be involved in food production.

By acting as an intermediary it means that the producers of the food can focus on growing or making it, rather than having to spend a lot of time selling produce (for example on stalls at farmers markets) or having to become experts in marketing and online selling. Food hubs can provide additional routes to markets for producers.

The three models we have looked at all operate an online platform so prices can be kept as low as possible. For each order cycle, producers upload the produce they have available onto the website, then customers choose what and how much they buy. Their order is then delivered to a collection point, sorted into bags by the food hub and the customer picks up their order at an agreed time. This is the basic model, each food hub we have looked at has slight variations on this.

How do they work?

They have software which allows flexibility to both producers and customers. For each order cycle producers upload available produce to the website, the customer then chooses what they want to buy, even if just one item. Two or three days before the delivery/collection date, the orders are closed, to allow time for the producer to harvest, prepare and/or package the food before delivering to the hub. At the hub, the food is then packed into either bags or boxes by the hub co-ordinator or volunteers, ready to be collected by or delivered to consumers. The Food Hubs all operate either weekly or monthly order cycles.

StroudCo run their Food Hub on a weekly cycle. Customers can go on the website to place their order up until Wednesday night, then orders close to give the producers until Saturday morning to harvest/ make and pack the produce and deliver it to the local school. The hub co-ordinator and volunteers then pack the food ready for members/customers to come and collect it in the afternoon. Any orders not collected are left in the school shed for collection later. They also do home deliveries and deliver customers orders to local independent shops for collection.

Chapter 2

Learning from other models

Fair Food Carlisle runs their hub on a weekly cycle. Produce is delivered to their depot, where it is packed into bags and delivered to the work places of their customers on a week day. Each workplace has a buying group. The idea behind this model is to minimize the amount of drop-off points. However, they found that numbers in the groups would slowly drop so they now also do deliveries at work places for individuals. Individual customers can also come and collect food from the depot. They also take a small number of telephone orders, though the majority of customers order online.

Fife Food Co-op was a six month pilot project from July to December 2014. They operated regionally across Fife, which is a much bigger geographical area than Stroud and Carlisle, and had 4 main hubs with two additional ones added in November. They ran the hubs on a monthly order cycle, with hubs open for 2 hours staggered across a Friday and Saturday. The producers would deliver to the most Northern hub (most of the food is produced in North Fife) and then Fife Diet would transport the produce to the other hubs located further south. They found that it did not take much more time to run multiple hubs than to run one.

Development and Organisational Structure

StroudCo is a not-for-profit social enterprise set up as a Community Interest Company (CIC) without any shareholders. The enterprise is run using co-operative principles and the members refer to it as a co-op. The Co-op is made up of 36 producer members and 246 consumer members who jointly own the business and elect a committee to steer the democratic running of the hub (For more information: www.youtube.com/watch?v=AJyYH8OJoww). Producer members contribute to the co-op though holding open days, inviting other members to occasional work days on their land, and co-operating with other producers by sharing labour, equipment and deliveries. Consumer members contribute to the co-op by paying a membership fee of £2 (£1 concessions) a month or £1 (50p concessions) for each order to help cover the running costs of the hub, and can choose to work as volunteers to help run the hub.

Fair Food Carlisle developed out of a partnership between Sustainable Carlisle and Brampton Food Network, and is now a project of Sustainable Carlisle. Sustainable Carlisle is a network of people and projects in Carlisle committed to creating a resilient future based on ecological wisdom and social justice. They are incorporated as an IPS (An Industrial and Provident Society) which runs as a cooperative for the benefit of the community. Brampton Food Network is a Social Enterprise which aims to increase the supply and consumption of local, sustainable food.

Fife Food Co-op is a project of Fife Diet. Fife Diet started in 2007 as a volunteer network of people living in Fife wanting to explore a more sustainable diet. A steering group was formed to support and direct the start-up and running of a food hub during its pilot phase. The aim of the co-op was to experiment with this model, make it workable and share the experience with other groups wanting to do the same.

Customer Base

The Food Hubs all started with an existing membership base to draw their customers from.

StroudCo have over 400 members, 260 of which have set up a StroudCo account, with 80 making infrequent orders and 20 ordering on a weekly basis. They set up Stroud Community Supported Agriculture before the food co-op, which helped to involve people.

Fair Food Carlisle have 250 members, many of whom are part of their 27 buying groups, some of these have only 1 or 2 people. They have 30 customers ordering on a regular, weekly basis, and they get some customers who just make an occasional or one-off order. Some customers pick up directly from their depot.

Fife Food Co-op carried out market research among their existing membership of 3,000 people before the food co-op pilot was launched. Four hundred people made pledges to buy from the co-op, however, when it came to actually setting up, only fifty people made regular orders. These were spread out across the hubs. The average spend was just over £30. Over the six month period over two hundred orders were made. They found that the hub with a car park was the most successful as customers tended to make larger orders. Customer numbers were rising towards the end of the pilot as it became better known.

Chapter 2

Learning from other models

Creating a Market that Supports Producer and Consumer Needs

The major success of the Food Hubs we looked at is that they provide an effective route to market for local producers and at the same time provide their members with an alternative option to the supermarket. The Food Hubs also provide an opportunity for micro-enterprises, such as home bakeries, to sell their produce when they may not otherwise have had a route to market.

StroudCo have established positive relationships with their producers over the years, leading them to be continuously expanding their range of products, they now have fifty eight producers selling through the hub. They run a Community Supported Agricultural scheme (CSA) which supplies the hub with fruit and veg at the same time as providing the CSA with a route to market. They also sell dried goods which are not locally grown, such as lentils, in response to their customer's requests. They are sourced from an ethical wholesaler in Bristol.

Fair Food Carlisle have about 60 producers and also buy some produce from allotments and community gardens. They support small-scale production and more positive trade relations by paying attention to the needs of the producers. For example, if they know that their smaller beef producer has only one kill every three months they favour this product at that time of the year. They have also started to sell dried and household goods in response to customer demand.

Fife Food Co-op started off with eight producers and by the end of their six month pilot they had established good working relationships with fourteen producers. Some of these producers include market gardens they have already worked with on previous projects. They worked with the New Farmers Programme (Scottish based programme) to support new entrants into the food and farming sector. They decided to include dried goods from an ethical wholesaler. They found this to be time-consuming as it meant weighing out individual bags of goods but they recognised that it provided their members with greater choice and a meaningful alternative to supermarkets.

The Waltons - vegetable growers for Fair Food Carlisle

Organic or not?

These initiatives all sell organic produce. However, they also sell food that has not gone through the vigorous organic certification process, with some developing their own set of environmental criteria. This ensures that food is produced as 'close to organic as possible', and recognises that small scale producers might not be able to afford the organic certification process (See Chapter 4 for more information). There is a readiness to trust producers due to the close relationships developed. However, some produce is not sustainably produced but included as there are no other local producers.

Seasonality and Changing Habits

As nearly all the food sold through the hubs is locally produced, the choice of fruit and vegetables depends on the seasons. Buying and cooking with seasonal produce is something that not everyone is used to. There are also native foods that are not widely seen on the supermarket shelf and are not part of traditional British cooking, such as celeriac. StroudCo has produced recipes and has a blog on their website where people can share knowledge on how to cook with seasonal and unfamiliar ingredients.

Chapter 2

Learning from other models

Barriers

We recognise that there are barriers to making this a workable alternative for some people to supermarkets. Cost of food is a significant factor, especially for low income families who may wish to buy more ethically sourced and healthy food but who do not feel they can afford the extra expense. The Food Hub model, due to having minimal overheads by being online and few storage facilities needed, means that the cost of the food can be kept as low as possible whilst paying the producer a fair price. We would like to offer food hub volunteers discounts on food purchases as a way of overcoming the affordability issue for some people. Customers can buy items as and when they can afford them, with no monthly fixed payment, a requirement of most veg box schemes.

Leaflet to promote the meals on wheels service run by Fair Food Carlisle.

Another barrier is the online ordering system. Some people are uncomfortable buying online or they may not have access to a computer or the internet. Others want to be able to see and touch their food before they buy it. Convenience is the biggest barrier, with collections only one day a week, when people are accustomed to the convenience of the supermarkets. The three initiatives we have looked at all try to address these barriers in some way.

StroudCo originally wanted to sell their produce to a low-income housing estate next to the school, but found that although residents expressed interest, no one actually bought from them. They keep the mark-up costs low and, like the other hubs, have a flexible ordering system so that customers can make the choice to spend more on food as and when they can afford to. They also now make home deliveries to improve convenience for customers.

Fair Food Carlisle have recently branched out to reach more isolated, low-income members of the community by providing a Meals on Wheels service made from ingredients provided by their producers. They also take phone orders.

Fife Diet ran a stall to sell fresh surplus produce on the collection days, to attract people who hadn't pre-ordered. This was successful, but did add the complication of dealing with cash payments. They took phone orders when people had problems using the website, though this wasn't something they actively offered.

Growing Communities have surveyed their customers and found that a third of them consider themselves to be on a low-income. This suggests that if people are willing to make the choice to spend a little bit extra on ethically sourced food then it can be affordable for low income groups. They have also set up a farmers market so that people can meet the producers of the food, see the food before they buy it and enjoy the buzz of a food market in their community.

We have asked people through our survey if on-line ordering would work for them (see Chapter 7, Survey Responses) and have also asked local community organisations (see Chapter 6, Community Organisations) if they can provide support for people with no internet access.

Chapter 2

Learning from other models

Conclusion

Learning from these models has helped us understand what could work here in Wingrove and more widely across Tyneside. We have similar values and principles to the initiatives discussed in this chapter. We want a food hub in Wingrove to support local producers who are taking steps towards producing food in an environmentally friendly way.

Through our work we want to increase awareness of where our food comes from. This means having an educational focus to our work that promotes a greater understanding of our food system so people can make informed choices about the food that they buy. To do this we will need to find clear and effective ways to communicate this message.

Whether or not to have weekly, fortnightly or monthly order cycles and one or multiple hubs depends on the demand and the needs of people who would buy from the Wingrove Food Hub. (See Chapter 7 Survey Responses)

We want to explore the possibility of having one main hub in Wingrove, then local community organisations in the west end providing additional collection points to bring food closer to peoples' doorsteps and engage with groups who may not otherwise buy from hub (see Chapter 6, Community Organisations).

The strength of these initiatives partly comes from them having built a strong organisational structure before starting their hubs. They all have a robust management structure and a good membership base to steer them and draw customers from. If we are going to run a successful hub we need to further strengthen Food on the Tyne or find another organisation to host the food hub.

Barriers - customers uncomfortable with ordering online can be offered telephone ordering, food prices kept as low as possible through keeping hub operational costs down and by offering hub volunteers discounted food. People can order the items they can afford, when they have money available rather than having fixed monthly payments.

Chapter 2

Learning from other models

StroudCo

StroudCo was started in 2006 by the two founding members of Stroud Community Supported Agriculture (CSA) who wanted to use that experience to make local food more accessible to the people of Stroud. Following a public meeting, producers and consumers came together to build the StroudCo model to create a different food distribution system that would be community-controlled, democratic and promote ethical local food trade. The idea was to increase access to local food and build trade relations based on trust, create supply chains that would be less dependent on fossil fuels and provide a meaningful alternative to supermarket shopping. (For more info, the 2012 Review: http://www.stroudco.org.uk/how-it-works/) The work re-connects farmers with the communities that eat their food and increases understanding of food production. StroudCo started trading in 2009 and have shared their model all over the UK with other groups wanting to adapt it to suit their communities.

Chapter 2

Learning from other models

Fair Food Carlisle

Fair Food Carlisle was set up in January 2013, out of a partnership between Brampton Food Network and Sustainable Carlisle. The aim was to set up a Food Hub linking local food producers with consumers so that they can buy environmentally friendly food directly at a fair price for all. It is a co-operative selling food produced within a 30 mile radius, although they do sell some produce sourced from slightly further afield in Cumbria. They piloted the project in the City Council offices by going and giving a talk about the benefits of the project and signing people up on the day to form the first buying group. A video was produced to promote the idea further afield which can be viewed on the website. The buying group model has the advantage of one delivery point for several members, a big advantage especially as they were delivering groceries by bike! They now deliver to individuals at their work places and have started a very successful Fair Meals Direct made from produce from the hub and delivered to some of the most isolated people in Carlisle. For more info: http://fairfoodcarlisle.org/

Fair Food Carlisle promotional stall.

Chapter 2

Learning from other models

Fife Diet and Fife Food Co-op

Fife Diet started in 2007 as a volunteer network of people who are passionate about local food. They hold regular public meetings, create community gardens and trial local crops on a garden scale as well as distributing seeds to fellow growers. They are very active in celebrating the variety of local food, including wild produce. They have over 3,500 members some of whom became interested in the StroudCo model as they recognized there was a need for better access to food produced locally with high environmental and animal welfare standards. They formed a steering group and in June 2014 launched the Fife Food Coop 6 month pilot project. In the spirit of experimentation they decided to be the first organisation to use the Open Food Network software in the UK. This is open source software which allows a network of software developers interested in creating change in the food system to all contribute to it so that community groups wanting to set up their own food hubs can use it with minimal maintenance costs (For more information: https://www.youtube.com/watch?v=q1S2DfuiEh4). They had many successes as well as challenges during this project, see appendix 2 and webpage for more detail: http://fifediet.co.uk/fife-food-coop/

Chapter 2

Learning from other models

Growing Communities

Growing Communities grew out of a Community Supported Agriculture project (CSA) started in 1993. It has since grown to become an organisation working to 'transform food and farming through community-led trade'. They decided to change from being a CSA to running an organic veg box scheme as they felt this was a more efficient way of generating jobs and income in the farming sector, and to demonstrate how 'trade can be a force for good' by building trade relations with professional farmers. More than a veg box scheme, it has subsidized the creation of acres of market gardens, runs a farmers' market which has 29 farmers and food producers and feeds about 5,000 people in Hackney. They have grown to be financially self-sufficient since 2006, now bringing in over half a million pounds each year. They run mentoring schemes for other sustainable food initiatives, run apprenticeship schemes for new growers and have 26 part-time paid members of staff. They are committed to influencing the way food is produced, traded and eaten to help existing and new farmers so that they can have a meaningful livelihood, and provide sustainable and affordable food for communities.

Chapter 3

Food hubs as viable economic models

Start up and development time

Both StroudCo and Fair Food Carlisle started with just a few producers and customers to try out logistics and software. Fife Food Co-op ran a 6 month pilot project.

StroudCo received £63,073 from the Big Lottery local Food programme to set up the enterprise and for three years of running costs. As the running costs were lower than anticipated this covered 4 years of running costs. As they were the first in the UK to set up this model there was time included to share what they learned with other projects and to develop the software required.

Fair Food Carlisle started a small scale trial in August 2012, before receiving any running costs grants. However, they received a £5k grant within 3 months of starting the trial, then an Esmee Fairburn grant of £22,975 for a three year period to cover their diminishing costs. Carlisle City Council also gave them a grant of £5040 in 2013, followed by an additional 1k towards room hire.

Fife Diet set up the food co-op pilot as part of an overall programme of work related to food, food growing and nutrition. The development time, the promotion and co-ordination costs associated with the food hub were all covered by grants. This is important to bear in mind as although economic viability was part of what the pilot looked at, the sale of produce did not have to cover costs, which influenced the level of mark up on products (10%). They also supported the upgrading of existing software. (See Chapter 9 - Software)

Costs of food hubs

Staff time

Finding out the actual costs involved is difficult, and therefore it is hard to compare the projects. For example, is development time and liaison time with producers included in the staff costs or is it just the time needed to pack and deliver the boxes? Another important factor is that the people leading these projects all care considerably about their work, and therefore do more work than they are actually paid for. How much additional work is hard to quantify. This is similar to other start up businesses when the entrepreneur puts in many hours to make the business work. The projects themselves also have differences, with differing numbers of hubs, delivery to buying groups and one with home deliveries. The differing order cycles also make it hard to compare. Once the system is set up, as it is mainly automated, administration time is reduced.

StroudCo (weekly order cycle) pay one part-time member of staff to pack the boxes on a Saturday afternoon with help from a couple of volunteers. They also pay a hub co-ordinator/manager around £600 each month to run the hub.

Fair Food Carlisle (weekly order cycle) is run by a co-ordinator who works 1 day a week packing, delivering, creating and sending out a newsletter and managing the finances. They have a volunteer who works approximately three hours per week. The co-ordinator does 2 hrs a week voluntarily liaising with producers. The amount of time on this reduces as producers become comfortable with the system, and some now upload their produce themselves.

Fife Food Co-op (monthly order cycle) found that they needed 5 days a month to run the hubs which includes; preparing before the order cycle, processing orders and sales after the order cycle closed, packing the orders and running the hubs over the weekend with volunteer time as well. This did not include time spent on research, development and fundraising which added up to a full time working week for months leading up to the pilot and the first two months of the pilot. They needed more staff time for promotion of the food hub particularly on social media.

Chapter 3

Food hubs as viable economic models

Other costs

Accountants fees, premises (hubs and storage facilities), public liability insurance, van for distribution, software maintenance and upgrades.

StroudCo The hub, including storage, operates out of a school that provides space for zero cost. The caretaker is paid in StroudCo credits to open the school premises. They do not have their own van, but do pay a driver to deliver to people's homes and additional drop off points who provides his own van. The software system they developed has reached the limits of its use, and they are working with Fife Food Co-op and others to develop open source software. They have additional funding to do this work.

Fair Food Carlisle They have recently moved to smaller premises to reduce costs, and reduced the paid admin hours dedicated to the project.

Fife Food Co-op They stored produce in a room at the Fife Diet offices, and used the van owned by Fife Diet to move food to the hubs; so many costs were absorbed in this way.

Income and expenditure

	FAIR FOOD CARLISLE	STROUDCO	FIFE DIET
Year trading from	Autumn 2012	2009	July –Dec 2014
Customer numbers	30 regular (200 signed up)	20 weekly orders 80 infrequent	50 in total
Gross income (sales and membership)	For 2013/14 Produce **£21,000**	Jan – Dec 2014 Essential £5,516 Local produce £45,803 Membership £1422 Total **£52,741**	Produce **£6,653.01**
Cost of produce	**£17000**	Essential £4,243 Local produce £40,895 **£45,138**	Dried goods £1873.58 Local produce £3971.15 **£5844.73**
Net income	£4,000	£7,603	£584.47 (10 % of sales)
What were their costs in 2014 1) Staff	Approx. £10,000	£8,910.50	£7,000 for set up of food co-op (estimate) £3,000 actual hub operations (estimate)
2) Other running costs e.g. van, insurance, accountant, premises, pay pal fees etc	£5000	£2,106.92	£223.81 (pay pal, internet selling fees) £1500
Total costs	£15,000	£11,017	£11,723.81 (Estimate)
Profit/Loss	-£11,000 For 2014-15 their losses are estimated at -£5K	-£3415	N/A only 10 % mark up charged, as pilot wasn't aiming to break even.

Chapter 3

Food hubs as viable economic models

StroudCo have a mark up of 38 % on dried goods from the wholesaler and 12 % percent on the local produce. They made a decision that the dried goods would subsidise the local goods. They also charge £1 per order (50p for those on low income).

Fair Food Carlisle have a 25 – 30 % mark up depending on the product.

Fife Diet took 10 % of the overall sales of all produce for the purpose of their trial but anticipated that if they continued they would need to put this up.

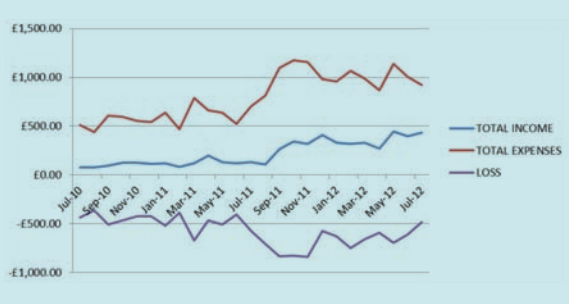
Economic Viability

F**air Food Carlisle** have reduced the losses in the 2nd full year of trading to £5K, down from £11K in the first full year of trading. They have moved to smaller, shared premises. They no longer employ an administrator on 22hours a week, the co-ordinator now does this work in less hours. They need to increase sales from £300-600 a week to £500-1K a week in order to break even.

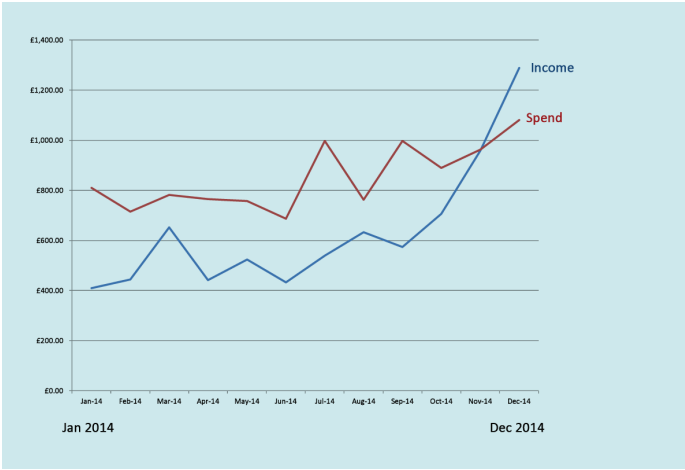
The **Fife Food Co-op** pilot focused on whether there was demand, both from producers and customers, and whether it could work logistically. The short period of time did not allow them to build up the customer base necessary to demonstrate economic viability.

A closer look at StroudCo.

StroudCo have been trading since 2009. They hoped to be financially viable after 3 years, but were not reaching this goal. When they increased delivery cycles from every fortnight to every week, income went up, but so did costs.



So they took a number of decisions to increase income and reduce expenditure (see appendix 3). This included increasing the mark up on local produce from 8 % to 12 %, and on dried goods from 28 % to 38 %. They reduced accountant's fees. The most recent figures from 2014 show that in the winter of 2014 that they made a profit. This was in the run up to Christmas and it will be interesting to see whether they can maintain this in the coming months.



Chapter 3

Food hubs as viable economic models

Conclusion

The data from the three projects provides us with useful learning but due to the differences between projects it is hard to draw conclusions.

However, key points are;

- **That grants are needed to get a food hub up and running.**
- **That it takes time for the business to be financially viable. Nearly 5 years in the case of StroudCo.**
- **That it is vital to minimise costs. This can be done by working in partnership, for example, to reduce premises costs.**
- **Additional unpaid time has been put into these projects by the lead staff (particularly StroudCo and Fair Food Carlisle)**
- **That promotion is really important, particularly on social media.**
- **That the business can break even!**
- **That the food hubs looked at face a number of disadvantages. Stroud is a small market town with a limited customer base and strong competition from other ethical food suppliers such as farmers markets, box schemes and independent food and health food shops. Fife is a large rural area, so not all potential customers could access a food hub. Also, it took a lot of time for co-ordinators to travel to hubs and to move food from one hub to another. Carlisle is the most similar geographically to Tyneside, with a rural area providing food for a city.**
- **A food hub set up in Wingrove would have access to a large population in a concentrated area, with additional customers coming from nearby urban areas.**
- **Setting up a series of food hubs across Tyneside could provide economies of scale, and help the initiative to be economically viable.**

Chapter 4

Criteria for producers

What do other projects do?

All the food hubs we looked at aim to source locally and to source organic where possible. However, achieving both these aims can be challenging. There are a number of reasons why the food they supply is not always certified organic;

- Organic products may not be available locally, and the food hubs want to support local suppliers who are modifying their practices to become more environmentally friendly.
- Organic products may not be available locally but the hub may choose to buy locally even when the producers are not making moves to become more environmentally friendly. Both Fair Food Carlisle and Fife Diet bought from conventional local producers for very specific crops that weren't otherwise available.
- Some of StroudCo's produce is foraged, for example fruit from derelict orchards so this is not possible to certify.
- Organic certification can be prohibitively expensive for small growers. A benefit of sourcing locally is the trust developed between the food hub and the farmers, with the hubs trusting that the producers are as 'close to organic as possible'. OrganicLea, buy from local gardeners and allotment holders for whom it is not economically feasible to be organically certified. However, the gardeners and allotment holders have to meet the Wholesome Food Association guidelines. StroudCo have drawn up a production questionnaire, based on production criteria they felt were important, to help ensure non certified suppliers meet certain standards.

What is local?

The distance which food hubs decide as local varies; local for Growing Communities in London is much greater than that which StroudCo, based in a small market town in Gloucestershire decided was local. Most of StroudCo food is grown or produced within 15 miles of Stroud. The producers at the Growing Communities Farmers Market mainly come from a 60 mile radius of Hackney with a few exceptions from further afield. Many of the market's local food producers are based in Hackney itself.

The box scheme also supports very local market garden initiatives. It also supplies food not grown in this country, for example oranges are sourced from co-operatives in Italy and Spain.

A StroudCo cider producer who uses apples from derelict orchards

Chapter 4

Criteria for producers

What does Food on the Tyne want to do?

In group discussions some of the issues identified as important to Food on the Tyne are:

- Farming practices that support wildlife and biodiversity
- Not using imported crops for animal feed (Soya makes up 40% of all proteins used in animal feed in the UK. The growing of soya has a negative impact on the environment in Brazil)
- That the carbon footprint of farming practices is taken into account. That producers for the hub are involved in measuring the carbon footprint of their activities. And that there are input/output diagrams produced for products.
- Encourage efficient use of resources, recycling and reduction of food waste.
- That the hub sells good quality food with lower sugar/ salt levels.
- For food to be sourced as locally as possible.
- That the people who grow or make the food receive a fair wage.
- That there is clear information on the products, both on how they are produced or if processed food, what is in it.
- That the food hub should be a social enterprise with transparency on where any profits go/profits shared.
- Support vegan organic farming practices as well as organic
- That we work in partnership with other organisations such as woodland trusts and the Area of Outstanding Natural Beauty (AONB).
- That we want to support foragers, but to ensure that they follow guidelines on leaving enough for nature and for other foragers.
- We want to encourage small scale producers.

OrganicLea buy surplus produce from allotment holders through a crop share scheme.

Chapter 4

Criteria for producers

Certification schemes

To help Food on the Tyne decide what our criteria for sustainable food will be we researched the different farm certification schemes that currently exist.

ORGANIC STANDARDS There are at least 10 organic certification bodies within the UK, all of which conform to the standards laid down by the EU, and the minimum standards set by the International Federation of Organic Agricultural Movements (IFOAM). They usually have higher standards than the minimum set. To be certified farmers have to follow strict guidelines including guidelines on animal welfare, sourcing animal feed, maintaining long term soil and encouraging wildlife. There are also guidelines on the treatment of workers. Farms are visited regularly to check they reach the standards required. The numbers you see on the EU organic symbol refers to which body has certified the product. Most commonly recognised is the Soil Association organic standard symbol. It is expensive for farmers to be certified, due to the farm inspections required.

BIODYNAMIC/DEMETER Biodynamic growing is a form of organic growing that seeks to improve the nutritional value of food and the sustainability of land by nurturing the vitality of the soil. Biodynamic farmers do this through applying special manure and herb based preparations to the fields and compost to stimulate and enhance the microbiological life in the soil. They also take into account the subtle rhythm of the sun, moon and planets when deciding on sowing and harvesting times as they argue that this improves the quantity and quality of the crops.

LEAF – LINKING ENVIRONMENT AND FARMING Leaf has standards on farm biodiversity, soil conservation, minimising pesticide use, water conservation, reducing inputs and outputs onto the farm generally, energy efficiency, opening up farms to visitors, looking after footpaths, good animal health to reduce antibiotic use. It doesn't appear to have standards on what animals are fed on, and the environmental /social impacts linked to that. Their standards are based on principles they have developed - Integrated Farm Management. Farms are inspected.

CONSERVATION GRADE CEREALS They have high standards on farm biodiversity, with levels of wildlife five times higher than on a conventional farm. The scheme was established by Jordans, the millers who produce breakfast cereals. Most of the farms are based in the south of England.

GOVERNMENT RUN FARM STEWARDSHIP SCHEMES The government, through Natural England, run an entry level and higher level stewardship scheme. The entry level scheme is open to all farmers and the higher level scheme is for farms in specific environmentally sensitive areas. The schemes focus on biodiversity, and also address soil erosion, water runoff and conservation of archaeological sites.

WILDLIFE TRUSTS – LIVING LANDSCAPES AND FLEXIGRAZE The wildlife trust has a living landscapes programme which looks at groups of farms, for example all those in one river catchment and those whose farms connect up separated areas of wildflower meadow. They help target work to make the most difference, do ecological surveys, bring in volunteers and help farms access higher level stewardship funding. In the north west and north east they run a system called flexigraze, a social enterprise which has herds of sheep and cattle that graze areas specifically to increase the biodiversity of grass lands.

WHOLESOME FOOD ASSOCIATION Started in 1999 by small scale farmers growing produce using organic principles but who operated on too small a scale to afford organic certification. They do not have a certification process in order to keep costs down, so it is based on trust, which is why it is only for farmers who want to sell locally. Farmers have to have an open gate policy so that consumers can visit the farm and ask questions.

Chapter 4

Criteria for producers

Conclusion

The authors propose that the food hub buys firstly from local organic farmers and growers, and small producers who use organic methods but cannot afford certification. That we also buy from organisations that produce food from foraged produce (such as Fruitful Durham). That we then look for farmers who 'are as close to organic as possible', and then those who are working towards the issues outlined earlier. (Further work will need to be done to clarify these.)

There are some areas that we will not compromise on, such as the source of animal feed, but other areas that can be open for negotiation, when deciding whether to work with a grower or food processor.

We propose following the approach used by StroudCo, where the suppliers have to state how they fulfil certain principles. This information would then be available on the website, to help customers choose who they want to buy from. We will also learn from OrganicLea's use of the Wholesome Food Association guidelines for allotment holders.

As we do not have the knowledges or capacity, at this time, to certify growers or producers ourselves, we want to work closely with other organisations who are supporting environ-mentally friendly farmers in the North East, such as AONB, LEAF, the North East Association of Farmers Markets and the Soil Association, who can recommend producers to us.

We have not yet defined how far local is, but our working definition is the counties that make up the North East. We would also need to decide on the proportion of local and organic ingredients that processed food would need to contain to be sold through the food hub.

Chapter 5

What food will the hub supply and where will it come from?

People have shown interest in buying fresh fruit and vegetables, dairy products, meat, processed food such as bread, cakes and jams, dried goods such as rice, portions of food ready to turn into soup or stews and even ready meals.

Producers have shown interest in supplying many of the items that people would like. This is an area of the study that needs more work, there are many potential producers out there who we need to talk to, but we only had limited capacity in this first stage of research. If you are a producer and want to talk to us please get in touch!

Fresh fruit and vegetables

93% of respondents to the survey said they wanted to buy fruit and vegetables from the food hub

There is a lack of vegetable producers in the north east who farm organically, which is what we focused on for this study. This finding is echoed by Durham Food Charter and Durham Local Food Network (7).

North East Organic Growers, based in South East Northumberland, are supportive of the food hub concept. They are happy to supply surpluses into the hub as and when they have them, such as courgettes, lettuce and cucumbers. The way the hub would be set up would allow for that, so this is helpful for both us and them. However, they are reluctant to grow specifically for the food hub as we cannot guarantee orders. For example, if they grow 60 leeks for us, we cannot guarantee that people will buy 60 leeks from us. So they will have spent money growing a crop that is wasted. This then puts their business at financial risk. As an organisation that wants to support small producers we clearly do not want to put producers at greater risk by setting up the food hub! More on this later.

Other vegetable producers that have shown interest are;

Gibside Community Supported Agriculture. They have a surplus of certain vegetables at some times of the year that their members do not need. Some of this is sold to a local box scheme, and some through the farmers market at Gibside, but they are interested in supplying the hub as well, stating 'a backstop for surpluses would be good'. Again, as with NEOG, this is surplus rather than planned production for us.

Ovington Go Local, a community supported agriculture scheme (CSA) in the Tyne Valley are also interested in working with us.

City growing projects

Small growing projects such as the Time Exchange in Wingrove have expressed interest in selling the food hub surplus vegetables. Although this would be very small volumes, it would provide some income to these projects, helping to support them in their work, and provide the hub with produce. Hackney Growing Communities sell produce grown at the patchwork farm, a series of urban growing sites, where people who have come through their urban apprenticeship scheme grow salads. They also source from allotment gardeners who are part of the OrganicLea cropshare scheme. This is something that could be explored across Tyneside. It could be a way of increasing the volume of fruit and vegetables to the hub, supporting social enterprise and the food growing culture on Tyneside. There are practical issues that would need to be investigated, such as ensuring soil used for growing isn't contaminated.

Growing Communities – Patchwork Farm in Hackney is made up of small plots of land where people who have come through the Urban Apprenticeship scheme grow salad to sell to the weekly veg box scheme

(7) Sustainable Local Food Strategy, County Durham Food Partnership. 2014: pp. 4,5

Chapter 5

What food will the hub supply and where will it come from?

Reducing financial risk to growers

What can we do about this? We could guarantee a minimum order. We would then need to find a way to pay for this if the goods do not get sold. Maybe from our operating surplus, from people who support the food hub idea putting some of their own money in, perhaps through a community share offer, or through a Community supported agriculture model. All of this would have to be looked at in more detail.

Feedback from other food hubs suggest that once a food hub has proven it is successful, and has increased its customer numbers, then vegetable producers are happier to take on some of the financial risk of producing for them, as there is more information available to evaluate risk.

Dairy

53% of survey respondents said they wanted to buy milk from the food hub

Acorn dairy, just outside of Darlington, are very supportive of the food hub idea and would be willing to supply us. They supply milk and butter. They are organically certified. They would sell to us at wholesale price. They already deliver to Newcastle regularly throughout the week, so would be able to include the food hub in their deliveries.

A cow at Acorn Dairy - an organic dairy near Darlington.

Meat

48% of respondents to the survey said they wanted to buy meat from the food hub

Our desk based research, informal chats at the NE Land Workers Alliance meeting and visits to farmers markets have shown that there are a number of organic meat producers in the area, and although not organically certified, the flexi graze system operated by the wildlife trust also produces lamb for sale. However, some of these producers only sell half or whole lambs. Discussions need to be had with these producers, but it appears that sourcing local lamb, beef and pork isn't going to be a barrier to the feasibility of the food hub, at least not at first while quantities required are fairly low.

An important point identified is the sporadic availability of meat, available as the animals reach maturity, especially when sourcing from small scale producers. Depending on the supplier, the meat would be jointed and available fresh, then in the following weeks it would be available frozen. Other food hubs also have this issue, but give precedence to the smaller organic meat producers when they have just slaughtered an animal.

Chicken

Sourcing chicken is more difficult. We have identified one organic chicken supplier in Northumberland, and need to discuss with them whether they are interested in supplying the food hub.

Chapter 5

What food will the hub supply and where will it come from?

Bread and Cakes

69% of survey respondents said they wanted to buy bread from the food hub

There are a number of small scale, artisan bakers who are interested in the food hub idea. Wylam Community Bakery sells bread once a week at Wylam Library; the bread is produced by volunteers and staff in the kitchens of Dilston College.

Nigel Wild in Ryton produces bread for Ryton Farmers Market, as well as pasties and pizza, and has expressed interest in supplying the food hub. A Wingrove resident who runs a small catering business is interested in supplying the food hub with cakes.

The Sugar Down bakery on Pink Lane is also interested in the idea. They make cakes and pizzas which they could supply to the food hub.

A Baker for StroudCo

Eggs

82% of survey respondents said they wanted to buy eggs from the food hub

There are a number of free range and organic egg producers in Northumberland and County Durham. We need to discuss with them whether they would be willing to supply the food hub. (Information about producers in County Durham was accessed through the Durham Local Food Network)

Other items that people requested that we sell

Dried Goods

The survey has shown a demand for dried goods such as rice, pulses, dried fruit, etc. The food hub could buy these in bulk from Suma, who are our nearest whole food wholesale suppliers, based near Halifax. The food hubs we looked at all supply dried goods, as it provides the hubs with an additional source of income as well as encouraging people to buy from them, as the range is wider. StroudCo started off only supplying locally produced food but then, as customers demanded it, provided dried goods as well.

Ready Meals

A Wingrove based catering business is interested in supplying the food hub with ready meals such as veggie burgers. Other food hubs have provided meals on wheels ready meals and this has been successful. (See Chapter 2)

Community organisations have suggested providing the ingredients for making a meal, such as a stew or a soup. This is something the food hub could also do.

Miscellaneous

Fish, Cheeses, Herbs, and Preserves were also requested. We need to do further work to identify producers of these products. We have been approached by a group of local fisherman about the possibility of selling langoustines, dab and dover sole.

There are also non food products that farmers would like to sell that we had not considered. For example, pet bedding from Northumberland hay meadows.

Local food entrepreneurs

The food hub could support the development of small food businesses based within the local community. A Wingrove resident, who makes jams, is interested in supplying the food hub. As long as the correct food hygiene regulations were followed, the food hub could help them develop a business by providing an outlet.

Chapter 5

What food will the hub supply and where will it come from?

Other support to producers

Some producers have asked for support with promoting their businesses and products across Tyneside, to help build their customer base. The food hub could have information about producers and links to their websites on the food hub website. The other food hubs do this. Educational work about the food system could encourage people to buy from local producers. This could be part of what Food on the Tyne does.

Challenges for producers supplying food hubs

Feedback from producers has highlighted some of the challenges they face supplying food hubs. Often very small quantities are ordered, that are not economically viable to deliver, unless shared deliveries can be made by a number of producers from the same area. The order cycle, with 2 or 3 days between ordering and delivering, works well for some products and not for others. And there are risks to producers in not having guaranteed orders. However, even when faced with these difficulties, producers are generally supportive of the food hubs as they share their values and principles and want to see them succeed. Farmers have used the food hubs as their only market (especially new, small scale entrants), as one of a number of markets, and as a place to sell surpluses. (See fife food co-op evaluation, appendix 2)

Working with the online platform can also be a challenge. None of the food hubs have an app that allows farmers to upload details of crops available when out in the field. Fife Food Co-op and Fair Food Carlisle let producers e-mail or phone through the produce available which they then upload. This helped them to develop good relationships with the producers. The software used by StroudCo and Fife Diet did not allow for weighed items such as cheese and meat to be sold accurately. This caused problems. The software used by Fair Food Carlisle did allow for this.

A vegetable grower for Fair Food Carlisle.

Chapter 5

What food will the hub supply and where will it come from?

Conclusion

Our initial findings suggest that there are enough producers interested in supplying the hub to make a trial phase possible. We have talked to suppliers of vegetables, milk, butter, lamb, pork, bread products, jams and ready meals. We have also identified producers of other products through desk based research. However, before a trial phase is undertaken discussions needs to be had with these potential producers, so that we can fill gaps in product range and ensure we have a regular supply of products.

In particular more work needs to be done identifying fresh fruit and vegetable producers who can grow for us. If we cannot find people who will grow for us, we need to at least have enough growers who will sell their surpluses through us before we start trading. More work needs to be done to find ways of reducing the risk to growers, when growing specifically for the food hub.

When talking to potential producers we need to be upfront about the challenges of supplying food hubs, and hopefully find ways to reduce these challenges.

Setting up a food hub could help to stimulate social enterprises and micro businesses focused on food growing and production.

It would be helpful to the producers if there was either collaboration between groups setting up food hubs in Tyneside, or if there was one umbrella organisation for developing hubs (see chapter 10 for further discussion on this). Otherwise growers, of which there are at present a limited number, would have to have individual discussions with each separate food hub, which would be time consuming for them. There would also be economies of scale for producers being able to deliver a higher volume of goods in one trip into Tyneside.

Chapter 6
Community Organisations

Food on the Tyne aims to make the food hub as accessible as possible to people from different socio economic backgrounds. We want anyone who wants to, to be able to eat food from the food hub, and for the food we supply and the values we promote not to be considered 'niche' or just for those on a high income.

To this end, we have had discussions with 7 community groups who are either in the Wingrove area or based within 10 minutes walk of Wingrove.

Our discussions were based around 3 questions;

1) Do you buy food in for meals for the project participants? If so, what do you buy and would you buy from the hub?

2) Would your participants be comfortable buying online, and if not, could you support them in any way?

3) Could your organisation be a potential collection point for customers, and a potential drop off point for farmers? (See Chapter 8 - Practicalities)

Further points that do not fit within these questions are discussed at the end of the chapter.

Summary of responses

Question 1

Organisations buy in food for senior lunch clubs, for nutrition and cookery classes, as snacks during organised activities, for social brunches, for internal events such as AGM's and for event catering.

There was a general interest in buying from the food hub. Examples included; apples to include in children's snacks, bacon for a group that meet for a weekly brunch of bacon sandwiches, ingredients for cookery and nutrition classes, milk for cups of tea and coffee, ingredients for event catering so the social enterprise who organise the catering can offer people local/organic food, ingredients for the senior lunches, fresh produce for a food co-op.

Constraints mentioned about buying from us were around price. One project explained that the senior lunch club, which is run by volunteers, charges £3.50 pound for the meal, which covers all of the ingredient costs (the kitchen costs are covered by the host organisation).

As the people who come to the meal have very little money, prices could not be raised. So our prices would need to be competitive for the lunch club to buy from us.

However, where the community organisation is paying for the food, although there were concerns about price, it was not so critical. Discussions included; including food hub ingredients for just some of the food that is supplied, for example, the bacon for the brunch; Including the cost of the ingredients in funding applications for nutrition and cookery courses, and that this may even be seen as favourable to funders as it links to a wider educational remit around food. In terms of the event catering it was seen that it could improve the menu offer to customers. One project would need Halal meat for their cookery sessions.

The proposed food co-op at Cruddas Park was interested in buying from us in bulk, for example, sacks of potatoes and parsnips. This offers another avenue in which the food hub could trade with community organisations and others. They were appreciative of the contacts we had made with producers, which would be helpful to them. They were also interested in sourcing fresh fruit and vegetables from us. Although the food co-op is aimed at those on very low incomes, there was a wish to provide some food produced locally and in an environmentally friendly way, so that everyone can be part of the discussion about the food system and be part of changing our food system. Food sourced from the food hub will also be good quality which was very important to the organisers, as too often those with very little money 'are expected to eat what others won't so reinforces feelings of worthlessness'.

Chapter 6
Community Organisations

The projects we spoke to were all supportive of the idea, both of our values and principles, and that we are a social enterprise. However, we recognise that not all projects will be interested in this as they have other priorities.

As customers of the food hub, projects would hear about farm visits. There was general interest in participants of the projects being included in these visits, as well as hearing about specific farms they could contact to arrange their own trips.

Question 2 - Would your participants be comfortable buying online, and if not, could you support them in any way?

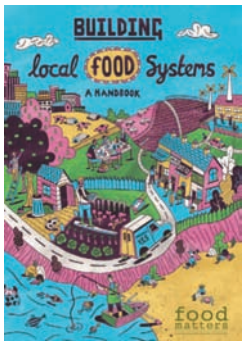
For the first part of the question there were mixed responses, most projects saying that their users, particularly young people and parents, were confident using the internet, did some shopping online and there was a high use of smart phones. Other projects reported that project users were not all confident. Older people were reported to have lower levels of confidence in using IT.

Projects offered to support their users in a number of ways and saw this support as fitting well with their day to day work. Examples included; helping people to order online as part of learning IT skills; acting as a central point where project users could tell them what they wanted to order, and the project could then order for them, in effect acting as a mini food hub themselves.

Other discussion points

The Islamic Diversity Centre are interested in working alongside us to start discussions with providers of Halal lamb, on whether the lamb could be sourced locally from environmentally friendly farmers, and then slaughtered according to halal principles. This could be another strand to the food hub work.

Some of the groups we spoke to were interested in the food hub providing educational materials and workshops on the food system. Some of the meetings helped stimulate discussion about the shopping and eating habits of the staff present at the meeting, opening up a space to talk about food and the food system. These are potential strands to the food hub work, and would fit closely with the Workers Educational Association educational purpose.



Conclusion

Community organisations would like to buy food from the hub if it were set up, including buying vegetables in bulk.

They offered to help their participants buy food from the hub by offering support with the on line ordering process. This fitted in with IT programmes that these organisations already provide. They also offered to input orders from users who did not want to use the online ordering service, in effect acting as 'mini hubs'

There is demand for educational resources and opportunities that the food hub could provide. The research provided opportunities to discuss the food system.

The discussions identified other potential strands of work for the food hub and Food on the Tyne, for example, working with Halal meat suppliers.

Chapter 7
Survey responses

Methodology

To find out whether individuals would buy from Wingrove Food Hub we attended events in the Wingrove area and set up a web page with a link to our survey. The online survey was open to all, not just Wingrove residents, as we wanted to see what the interest was beyond Wingrove. If residents from further afield travel to Wingrove to buy from the hub, this would make it more economically viable. We had also begun thinking that there is scope for more than one food hub on Tyneside, and wanted to collect more data to see if this is the case.

The on-line survey was promoted widely in Wingrove through local organisations including Greening Wingrove Project and CIC, and through the researchers' own social media networks, as well as through the Transition Initiative Newcastle newsletter, the North East Permaculture Network, Food Newcastle and WEA Green Branch mailing list. The survey was set up on November 25th, and 112 responses were collected as of January 20th 2015. The results discussed below include 112 responses from survey monkey and 41 responses from the questionnaires we filled out with people face-to-face, at Wingrove events, together making 153 responses.

Research Questions

Two questions have guided us when we were asking people what they would want from the Food Hub:

Is there demand in Wingrove and beyond?

Will the Food Hub model work?

Is there demand in Wingrove and beyond?

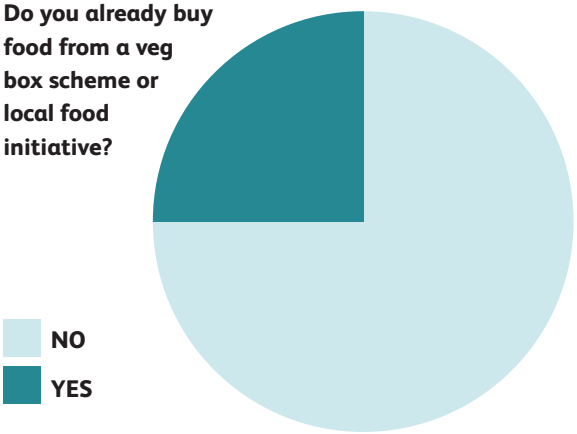
Commitment to regular purchasing indicates demand for this kind of social enterprise, 91.5 % of respondents said that they would like to buy on a regular basis: weekly, fortnightly or monthly, with the remainder only wanting to buy occasionally.

How often would you like to buy from the food hub? (Question 2)

ANSWER CHOICES	RESPONSES	NO OF RESPONDENTS
Yes, buy on a regular basis	91.5 %	140
Occasionally	8.5 %	13

Various reasons were given for wanting the hub, including; wanting a better diet, wanting to eat more organic produce, and wanting more specific information about the food products being purchased. 75 % of respondents stated that they do not already buy local produce, so we would be opening up new markets. There could be some competition with existing initiatives for the remaining 25 % which we need to be aware of. We would hope to complement what they offer.

Do you already buy food from a veg box scheme or local food initiative?



94 % of respondents pledged to buy from the food hub. A limitation of this survey is that initial pledges do not always translate into actual buying from the Hub. Going from the experience of Fife Diet, 400 pledges to buy from the hub only resulted in 50 actual customers, though they were operating across a much larger geographical area, with hubs often many miles away from potential customers. Another consideration is that some of these pledges to buy from the hub may be conditional on it being set up closer to the respondents, as not all of them were Wingrove residents.

Chapter 7
Survey responses

In response to the following question:

'Would you pay a little extra than you do at some supermarkets for produce?' (Question 11)

ANSWER CHOICES	RESPONSES	NO OF RESPONDENTS
Yes	73 %	111
No	3.3 %	5
Maybe	24.2 %	37

Our results showed that the majority of respondents would be willing to pay more. Frequent comments relating to this point included; that it was worth paying more to know your food is ethically sourced but that the food had to be good quality, a good range of choice was wanted and some people would want it to be organic. We did not specifically ask if people demanded organically certified food, this is a question we would include in any future surveys. Whether people would pay more was dependent on how much more and whether they could afford it.

Will this model work?

The Food Hub model that we presented relies on an online ordering system and set collection days. To find out whether this would work for people, we asked:

'Are you happy to order your food online?' (Question 10)

ANSWER CHOICES	RESPONSES	NO OF RESPONDENTS
Yes	89 %	137
No	11 %	17

There were various reasons why some people did not want an online ordering system. Reasons such as preference for telephone orders or no internet access, would mean that this model can still meet the needs of customers by giving the option of telephone ordering and working with local community organisations to provide computer access (See Chapter 6). Preferences for being able to see and touch food before buying were given by some, although this was a small minority. This could be catered for by having stalls at the collection point selling surplus veg that was not pre-ordered online. Fife Diet did this during their pilot project and found that it was successful but added the extra complication of dealing with cash payments.

This model will only work if people are willing to collect their food. To gauge whether or not people would be willing to pick-up their food we asked 'Where would you like to pick-up your food?' (Question 6) and gave five multiple choice options; community centre, shop, school, other and gave them the option of 'none of the above, I would only buy from the hub if it was delivered to my door'. The 'yes' responses in the table below include all respondents who chose one of the three options or made an alternative suggestion in the 'other' box. The 'no' responses include respondents who said they would only buy from the hub if it was delivered to their door.

ANSWER CHOICES	RESPONSES	NO OF RESPONDENTS
Yes (collection points)	96 %	147
No (only home deliveries	4 %	6

Chapter 7
Survey responses

Set collection points are a limiting factor to this model and StroudCo did end up adding home deliveries as an option. Wingrove is approximately 1 mile squared and it takes up to half an hour to walk from one end to the other. It has various community centres located within and around the Wingrove area, some of which we have consulted as being possible collection points. To find out whether or not we would need multiple collection points for food within Wingrove, or if we could just have one central location we asked:

'How far in walking distance would you travel to pick up your food?' (Question 4).

Our results show that 69 % would be willing to travel 15 minutes to pick-up their food but no longer than this.

We need to bear this in mind when siteing collection points. We may need more than one collection point in Wingrove. If we want to encourage customers from across the west end we would need additional collection points outside of Wingrove.
21 people said that they would pick up from Wingrove, but don't live in the area. Attracting customers from other parts of the city would make the hub more economically viable but raises wider environmental concerns around car use, parking and pollution, unless people come by bike.

See appendix 4 for additional survey questions.

ANSWER CHOICES	RESPONSES	NUMBER OF RESPONDENTS
No longer than 5 minutes	5.9 %	9 out of 153
No longer than 10 minutes	28.8 %	44 out of 153
No longer than 15 minutes	33.9 %	52 out of 153
No longer than 20 minutes (Not included in paper survey)	22.3 %	25 out of 112
I would travel from another part of the city (Not included in paper survey)	18.8 %	21 out of 112

Chapter 7

Survey responses

Conclusion

We have identified that there is significant demand for this project in Wingrove and beyond. However, initial pledges may not translate into actual buying from the Hub. Our results showed that the majority of respondents would be willing to pay more to know their food is ethically sourced but that the food had to be good quality and a good range of choice was wanted, some wanting it to be organic. Whether people would pay more was dependent on how much more and whether they could afford it. 75% of respondents do not currently buy local produce yet are interested in the food hub model, which suggests we are offering something different that suits their needs.

The responses indicate that an online ordering system with set collection points could work. 89% of respondents were happy to order their food online and those who prefer telephone orders or do not have internet access could be catered for by giving the option of telephone ordering or working with local community organisations to provide computer access. Preferences for being able to see and touch food before buying were given by a small minority. 96% responded that they were willing to collect their food, only 4% responded that they would want it delivered to their door.

69% were willing to travel up to 15 minutes in walking distance to collect their food. This is important to bear in mind when considering a venue for collection. There could be multiple collection points in Wingrove and across the West End to improve accessibility. 21 people said they would pick up from Wingrove, but don't live in Wingrove. Attracting customers from other areas of the city would make the hub more economically viable, but raises wider environmental concerns around car use, parking and pollution, unless people come by bike.

Chapter 8
Practicalities

For a food hub to work there needs to be a delivery point for producers, a sorting place where individual orders are made up and a pick up place for customers. All of the models we have looked at have had these elements. However, they don't necessarily have to be in the same place.

Delivery points for producers

Delivery points need to have vehicular access, be secure and have refrigeration/freezer units. Ideally, producers should be able to deliver produce even when there is no one at the delivery point. Fair Food Carlisle have an industrial unit with a secure box with a combination lock that producers can leave food in. This box has a refrigeration compartment and ice packs. This set up works well. There should be space to store dry goods in large quantities. Fife diet collected some of the produce themselves, and then delivered it to the food hubs.

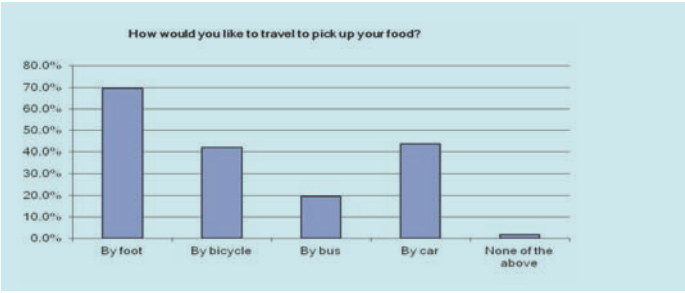
Food Logica - food delivery in Amsterdam using electric tricycles.

Sorting space

There needs to be a place where staff and volunteers can sort the produce into each customer's order. The building should be warm and easily accessible to staff and volunteers.

Collection points for customers

This needs to be somewhere where people feel safe and welcome. 70 % of survey respondents stated that they would like to pick up their produce by foot, so it should be somewhere that is pleasant to walk to, and near areas with a high population density. 42 % would like to pick up by bike, so ideally it should be on a safe cycle route with bike parking provided. 43 % would pick up by car, so there should be parking nearby. 20 % would like to pick up by bus so it should be close to bus routes. (Survey respondents were allowed to choose more than one answer). It needs to have vehicular access so produce can be brought from the sorting space. There is the potential to use electric bikes to move produce between the delivery and collection points.



StroudCo have use of a shed on the school premises where customers can pick up their bags after the hub has closed.

The level of community involvement at a pick up point should help with the decision of which venues are chosen. Fife Diet found that local groups on the ground can help promote and manage the hubs. For example, a church which hosted a hub helped to generate more customers. This adds to the argument that a network of hubs in Tyneside, supported by local community groups is a potential way forward.

Collection point options in Wingrove

(Not in any order of preference)

Nuns Moor Play Centre

Nuns Moor Park Depot building

Robert Stewart Memorial Hall, Wingrove Road

Time Exchange

Chapter 8

Practicalities

Food Safety

To ensure food safety regulations are met, food hubs are required to be registered as a Food Business through the local council who ensure that they meet all the required regulations. The Food Hubs are responsible for eliminating any risk of cross-contamination of foods and therefore hub co-ordinators have to be trained in food handling and hygiene. Fife Diet had a workable system of having one person wearing red who would handle the animal products and another person wearing white who would handle the other less risky products.

The food hub needs public liability and employer's liability insurance.

Refrigeration

Products such as milk, meat and cheese need refrigerating. Frozen products need to stay frozen. Fair Food Carlisle have a secure box with a refrigerated compartment and ice packs, where produce can be kept cool before being transferred to the fridge and freezer in the depot. Frozen meat is delivered to the buying groups in a freezer bag, which the customer takes home.

Fife diet transported frozen food, including venison, between hubs and the main storage site using cold boxes. This was acceptable to the council's food standards and environmental health inspectors.

Growing Communities sorting space.

Chapter 9
Software

Food on the Tyne commissioned an IT consultant to look at the different software options available for the online ordering system. In order to do this he asked us how we envisioned the hub working in 3-5 years time, so that the software we choose now will meet our needs in the future.

The aims of the ordering system are:

- to reduce the administrative workload of Food Hub administrators to a minimum
- to enable producers to easily register and add their available produce
- to enable members to easily find and order produce

Options

FarmDrop

https://www.farmdrop.co.uk

This is a proprietary system that is in the early stages of development. When it was first launched it appeared to be aimed at covering all of the UK. It now appears to only cover certain postcodes in London so it would not currently be possible to use this for Food on Tyne. It looks like an attractive easy to use system and may be worth keeping an eye on in the future.

StroudCo Food Hub

http://www.stroudco.org.uk/

StroudCo developed their own web-based software ordering system for their website. They have released this software on an open source basis for other food hubs to use. This software looks quite dated and appears to have been superseded by the Open Food Network system. In fact StroudCo are planning to move to the Open Food Network software this year.

Open Food Network

http://uk.openfoodnetwork.org/

The Open Food Foundation have developed an open source web-based ordering system. This system is built on the ideas of the StroudCo system and is currently being trialled in Australia and the UK. The Fife Food Coop is one of the first groups to use this software in the UK

The software has an attractive user interface which should be easy for members to use. However the software is still in development . The biggest advantage of this system is that it is being offered as a hosted service. This means that Food on the Tyne wouldn't have to worry about the management of the software but would just pay a fee to use it.

Fair Food Carlisle

http://fairfoodcarlisle.org/

Fair Food Carlisle have developed their own web-based system. This has also been released as open source software. However, as far as I'm aware it hasn't been adopted by any other food hubs. The software has an attractive interface which should be easy for members to use

See appendix 5 for the detailed report.

Chapter 10
Discussion and Conclusions

Is Wingrove food hub feasible?

This study was carried out to see if it was feasible to set up a Food Hub in Wingrove. For us, this involved answering the following questions.

Can food hubs be economically viable and what lessons can we learn from other food hubs?

StroudCo has broken even after operating for nearly five years, for the last two months in 2014. This was in the run up to Christmas and it will be interesting to see whether they can maintain this in the coming months. Its losses for 2014 in total were £3,415.

Fair Food Carlisle has reduced its losses from £11K in year 1 to £5K in year 2 and Fife Diet saw an increase in orders at the end of the six month trial period.

Each of the projects operates in a different geographical area with different limitations. Fife Diet was limited in the amount of customers it could attract as it is a rural location, with dispersed customers, so many of the customers who expressed interest did not buy from them as their nearest hub was set up too far away. Also, it took a lot of time and transport costs for co-ordinators to travel between hubs, transporting food from the hub in the north to the hubs further south.

Stroud is a small market town with a limited customer base and strong competition from other ethical food suppliers such as farmers markets, box schemes and independent food and health food shops, as well as having a large amount of supermarkets for a small town. Carlisle is the most similar geographically to Tyneside, with a rural area providing food for a city (population 107,524).

In comparison, we have a large, dense population (829,300 in Tyneside) in an urban area. With few suppliers of local, environmentally friendly produce.

All of the hubs received grant funding to get up and running. StroudCo received funding for 4 years of running costs and Fair Food Carlisle received a grant for a three year period to cover their diminishing costs. Sharing learning about the food hub model was included in StroudCo's funding. We can benefit from the experiences of existing food hubs and utilise the software they have developed. We would need to gain funding to support the food hub.

Only Fife Diet ran a pilot, the other hubs started operating and modified their operations as they went along. We need to decide whether to have a pilot or just start operating. Stopping the hub after a pilot would mean losing continuity, therefore losing customers and make it harder for growers and producers to rely on us as a market. Fife Diet have stated that the short pilot did not allow for them to build up the customer base necessary to demonstrate economic viability and that a three year trial would have given them a better opportunity to demonstrate this.

If we don't run a pilot, but started operating, we need to decide how long we want our grant funding to be for. As stated above, Fife Diet recommend three years, and banks usually allow 3 years to see if a business if viable. StroudCo took nearly 5 years to break even. If we cannot find the funding for a sufficient amount of years do we go ahead? To receive grant funding for too short a period could mean the initiative fails. 3 years would be the minimum time needed.

Setting up a series of food hubs across Tyneside could provide economies of scale, and help the initiative to be economically viable.

Retaining existing customers and attracting new ones is a challenge, so food hubs not only need marketing at the beginning but constantly. Effective use of social media is vital.

Additional unpaid time is put into these projects by the lead staff (particularly StroudCo and Fair Food Carlisle). However, this can be a risk as well as an advantage. If motivated lead staff leave, then it can be hard to replace them if the work is not properly paid for. The biggest risk to this project currently is the reliance on the ongoing goodwill and commitment of the authors of this study, who are putting in a lot of volunteer hours into this work. Volunteers are important for all the projects, for packing bags and running hubs, but having paid lead staff is vital.

Chapter 10
Discussion and Conclusions

Other key points

We share the same values and principles as the other food hubs we have looked at.
These initiatives came out of existing organisations which had organisational structures in place. They also had existing membership from which customers could be drawn and who could be consulted on future plans. If we are going to run a successful hub we need to further strengthen Food on the Tyne or find another organisation to host the food hub. Other organisations such as Student Community Action Newcastle are interested in the food hub idea. We need to collaborate with these groups.

Is there demand for a food hub and would the model work?

We have identified that there is significant demand for this project in Wingrove and beyond, with 91.5 % of respondents saying they would buy from the hub on a regular basis: weekly, fortnightly or monthly. Our results showed that the majority of respondents would be willing to pay more to know their food is ethically sourced but that the food had to be good quality and a good range of choice was wanted, some wanting it to be organic. Whether people would pay more was dependent on how much more and whether they could afford it. 75 % of respondents do not already buy local produce.

The responses indicate that an online ordering system with set collection points could work. 89 % of respondents were happy to order their food online and those who prefer telephone orders or do not have internet access could be catered for by giving the option of telephone ordering or working with local community organisations to provide computer access. Preferences for being able to see and touch food before buying were given by a small minority. 96 % responded that they were willing to collect their food, only 4 % responded that they would want it delivered to their door.

A limitation of this survey is that initial pledges do not always translate into actual buying from the Hub. Fife Diet received 400 pledges to buy from the hub which resulted in 50 actual customers, though they were operating across a much larger geographical area, with hubs often set up many miles away from potential customers.

Is there support from community organisations?

All of the organisations we spoke to were supportive of the idea and wanted to either buy from the food hub themselves, help their participants to buy through us or both. One project wanted to bulk buy vegetables from us to support their food co-op. They also had suggestions for further work, for example, working with Halal meat suppliers, and were interested in the farm visits and the educational resources that we could potentially offer.

A pig producer for Fair Food Carlisle.

Are there enough producers to sell produce to the hub?

We have talked to producers of vegetables, milk, butter, lamb, bread products, jams and ready meals who are interested in supplying the hub, and have identified producers of other products through desk based research. Discussions needs to be had with these potential producers, so that we can fill gaps in product range and ensure we have a regular supply of products. In particular more work needs to be done identifying fresh fruit and vegetable producers who can grow for us. If we cannot find people who will grow for us, we at least need to have enough growers who will sell their surpluses through us.

Chapter 10

Discussion and Conclusions

What are the practicalities and are they manageable?

Delivery points and collection points would need to be found in Wingrove. There are offers from a number of community organisations in helping us with this which would need to be explored in more detail. The food hygiene aspects are manageable, with the food hub needing to become registered as a food business, and obtain public and employers liability insurance.

Software options

There are currently two options that would suit our needs. The Open Food Network on line platform and the platform developed by Fair food Carlisle. Both are available to use.

The benefits of setting up a food hub

A food hub is not just a business but has an environmental and social purpose, as well as aiming to strengthen the local economy.

Other food hubs have:

Provided additional markets for farmers and growers. This can help farmers to stay in business and encourage new entrants, apprenticeships and community supported agriculture.

Provided support and a market for market gardening activities within the city.

Encouraged environmentally friendly farming.

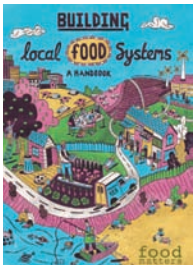
Increased the profile of food businesses through the hub websites, resulting in sales additional to those through the food hub.

Supported the development of micro food processing businesses. This could be particularly helpful in increasing employment and skills in Wingrove.

Encouraged better connections and understanding between the urban and rural populations.

Contributed to Local Authorities' objectives of reducing carbon emissions, through more environmentally friendly agriculture and reduced food miles.

This project has already:



Opened up opportunities for community organisations and individuals to discuss the food system.

If set up, as well as the activities above, we hope that the food hub will:

Provide educational opportunities and resources about the food system, the environment, health and the local economy. This fits well with the WEA's educational aims.

Play a small part in changing the food system on Tyneside. There could be more strands to the work of Food on the Tyne, as well as co-ordinating the food hub, for example, we could work with Halal meat suppliers and continue the surplus sharing events which we already run.

Encourage the councils of Tyneside to understand the importance of land for growing food, rather than for building on.

The bigger picture - Food Hubs across Tyneside.

As we have carried out this research it has become clear that a network of food hubs across Tyneside would provide economies of scale and be attractive to farmers who would be travelling to Tyneside to deliver produce.

If a network of food hubs were to be set up, what form could it take? There seems to be two options. One is for Food on the Tyne to operate food hubs across the city. The other is for an organisation (which could be Food on the Tyne) to be an umbrella organisation, providing the IT software and liaising with producers, but for the hubs to be managed and run at a very local level.

Our current thinking is that it would be better if there were locally run hubs, with an umbrella organisation providing support and liaison with producers, as local ownership increases involvement and ownership. Thinking about the longer term, bigger picture has helped inform our thinking about what features any software system we use would need.

Chapter 10

Discussion and Conclusions

Conclusion

There is demand for a food hub in Wingrove and beyond.

The food hub model could work in Wingrove and across Tyneside.

Community organisations would buy from a food hub, and help their members to buy from it.

Food hubs can be economically viable. Setting up a food hub in Wingrove would benefit from a dense urban population.

Setting up a series of food hubs across Tyneside would have economies of scale, and be more attractive to producers to supply us.

There are producers who would like to supply the hub, but we need to identify more of them.

The software we need to run the hub is available.

Food hubs are not just a business but have a social and environmental purpose. There is demand for educational opportunities and resources about the food system.

Next Steps

That we strengthen Food on the Tyne so it can host a food hub, and work collaboratively with other organisations with similar ideas and interests.

That we look for further funding to identify more producers, and to try out the software.

That we look for funding for a minimum of three years running costs.

If you would like more information or to join the Food on the Tyne steering group please check out our Facebook page www.facebook.com/foodonthetyne or contact going.green@wea.org.uk

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