



# Building a Sustainable Community Food Hub

## Adding value through catering services



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### Introduction

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This paper is one of several published by the Food Supply and Distribution project, which is investigating community-led approaches to building more robust and sustainable food systems. The project is run by Sustain as part of the Lottery-funded Making Local Food Work programme. We are working with local community partners throughout England, exploring ways of providing healthier and more sustainable food to their community.<sup>1</sup>

### School Meals

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#### Origins

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Local Food Links Ltd is a social enterprise based at the Centre for Local Food in Bridport. The organisation was established in 1999 by West Dorset Food and Land Trust (a registered charity and local community organisation) as a trading subsidiary to run farmers' markets, operate a café and manage book sales. The two organisations have developed a range of innovative and practical activities over the last 10 years including:

- Dorset's first **farmers' markets** in Bridport and Poundbury, Dorchester
- The first **Dorset Local Food Directory** and the first **Dorset Food Week**.
- A Local Food Links **Producer Network**, offering training and business support to 65 producers
- A county-wide organisation – **Dorset Food Links** –to co-ordinate the sector and jointly manage 12 farmers' markets across Dorset. The Trust also helped set up the **South West Local Food Partnership** and the national body, **Food Links UK** (now part of the Local Action on Food network).
- **The Grow it, Cook it, Eat it programme**, established with HealthWorks, Dorset's health promotion agency, and subsequently a new organisation, **Dorset Food and Health Trust**.
- **Wessex Reinvestment Trust**, a Community Development Finance Initiative (CDFI), which provides finance to small and micro-enterprises. One of the key sectors highlighted for support is local food and sustainable agriculture.
- The **Centre for Local Food**, which provides managed workspace and support for a cluster of local food businesses, social enterprises and community food initiatives.

The Centre for Local Food developed because of work that Local Food Links did with local producers at the farmers' market. It became clear from this work that there was a lack of infrastructure to enable farmers to develop value-added produce. The Centre for Local Food was originally conceived to provide incubator units where local producers could make value-added products. The first tenant was expected to be an organic meat co-op which wanted to develop a meat processing unit on the site. However, the relationship with the co-op did not work out and the plan was abandoned.

However, the Centre continued to develop as there was a clear local need for a resource centre that would provide meeting rooms and office space. The centre also provided a focus and identity for the work of Local Food Links and the West Dorset Food and Land Trust. A training kitchen was developed on the site to support the educational work of the Trust and Local Food Links refocused their work to look at the consumer rather than the producer end of the supply chain.

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*1. For more information about the context for this paper please go to page 4*

## Use what you have to seize opportunities

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The vision for the work of both organisations has always been to address a range of concerns related to the way food is grown, cooked and eaten in this country and around the world. These concerns are particularly acute when looking at public sector and “cost sector” catering (ie catering where profit is not the primary motivation eg catering for staff or institutional catering such as in old people’s homes).

In 2003, the training kitchen provided the infrastructure to allow Local Food Links to develop a scheme delivering chopped fruit to local schools. This was the start of the relationship with local schools that has grown into the school meals operation that Local Food Links runs today.



*Children tuck into school meals prepared by the Centre for Local Food in Bridport, using local catering staff and premises and local, organic and Fairtrade ingredients*

*Photo copyright: Local Food Links*

In 2005, Local Food Links worked with Bridport Primary School to establish a pilot hot lunch scheme, serving soup, a roll and a home-made dessert to children, staff and parents. Kitchens had been removed from Dorset’s primary schools in 1981. One of the reasons for setting up the scheme was to explore an alternative to packed lunches, which were then made in London and trucked down overnight. Take-up of these packed lunches was very low, and governors wanted to explore other options. The pilot soup scheme was very successful, and the scheme was adopted by Bridport St. Mary’s school.

The situation changed in late 2005 when the government announced that all schools must put plans in place to provide hot meals. Local Food Links used the relationship they already had with a couple of schools to meet with the heads of all eight schools in the immediate area, and persuaded them to commit to a social enterprise approach to providing school meals. As the schools had no kitchens they were asked by the council to sign up to a contract with a company making ready meals in Nottingham, which would be trucked over 200 miles and re-heated at the schools. Local Food Links offered an alternative model of making the lunches at the Centre for Local Food using local, organic and fair trade ingredients.

To fulfill the new contract, Local Food Links needed to fund-raise to build a central kitchen in the Centre for Local Food in Bridport.

## Organisational structure

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By this stage, Local Food Links Ltd was becoming a larger organisation than the West Dorset Food and Land Trust. In addition, if the school meals service was to become “user led”, then membership by schools and parents was required. So in January 2007, Local Food Links was restructured as an independent organisation, and registered as an Industrial and Provident Society. Later that year it also took on the running of the Centre for Local Food from the Food and Land Trust. The Trust now rents out space as a tenant in the Centre for its various activities.

Local Food Links reports that separating this work into two separate organisations has been important in providing the secure footing for developing Local Food Links. They are now supplying 30,000 meals per month and were awarded the Food for Life Gold Catering Mark , in recognition of the quality of their food. Over 50 per cent of their produce is bought from local farmers and suppliers.

## Building sustainability

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Despite the success of the schools project, it still requires grant funding, so cannot yet be described as fully robust and sustainable. However, Local Food Links expect that this work will be financially independent within two years by increasing the number of schools they supply. Because of the low margins on school meals, Local Food Links is already exploring other possible markets to diversify its work, initially looking at other public sector opportunities, particularly around services for the elderly.

Over time this portfolio of activities might create a model for a social enterprise food hub, based around the catering services and underpinned by a set of secondary activities such as renting managed workspaces, running training courses, and possibly setting up a small market garden and composting facility. It is hoped that this model will be replicable with funds being raised through community share issues.

*Acknowledgements: thanks to Local Food Links for supplying data, photographs and information for this case study.*

## The context of this paper

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### What is a community food hub?

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One of the ideas that the Food Supply and Distribution projects aims to investigate is whether a series of community based local food hubs could address the problems of distribution from small-scale suppliers to small outlets and individual customers. There is particular interest in how these activities could serve the needs of low-income consumers, for whom market failures often result in poor provision of healthy and sustainable food.

Through the Making Local Food Work programme, Sustain and our project partners have been exploring the idea of a local food hub through practical application and research. It is clear that one of the reasons the supermarket regional distribution model works is because of the economies of scale they are able to achieve. A community based hub working with small volumes is unable to do this. It seems therefore that these hubs may need to do more than just distribute food in order to be sustainable.

Our work is exploring a more diversified model for a food hub which involves a number of different elements (like petals on a flower), some social, some environmental and some commercial that work together to create a vibrant, robust and sustainable social enterprise.

This is based on the idea that a hub is an intermediary which, by pooling together producers or consumers, adds value to the exchange of goods and promotes the development of a local supply chain. This added value may be gained through economies of scale, social value, educational work or other services. In other words, the pure function of distribution is only one element of the hub.

This paper, explores one element or “petal” that our community partners have been developing.







## Building a Sustainable Community Food Hub Distribution of surplus from allotments



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### Case Study: Cropshare: distribution of surplus produce from allotments

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OrganicLea is a community-based not-for-profit food growing co-operative in the Lea Valley in Walthamstow, in East London. It runs a community allotment site where a group of volunteers grow a wide range of organic vegetables, fruit and herbs. Salads and seedlings are grown in a glasshouse plant nursery, which provides regular volunteering opportunities and open days where people can come to learn and join in the work. It also provides training in organic food growing.

OrganicLea is a partner organisation in the Making Local Food Work programme. From its base at the Hornbeam Centre in Walthamstow, it is developing a wide range of food related initiatives. These include a box scheme, a fruit and vegetable stall, a Food Centre and a community café. Surplus from OrganicLea's growing sites is sold through these schemes, supplemented with organic produce from a co-operative of East Anglian growers.

### Is it legal and is it right?

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There are 35 allotment sites in Waltham Forest, the London borough where OrganicLea is based. From their own experience, OrganicLea knew that most allotments produce surplus crops and that much of this gets wasted. They wondered how they could tap into this surplus, stop it being wasted and instead distribute this ultra local produce through their stall and box scheme.

Initial contacts with allotment growers indicated that they were very concerned to ensure that their allotments would not be turned into commercial growing spaces. Being growers themselves OrganicLea understood these concerns. Because staff were viewed by allotment holders as "one of us", OrganicLea was able to build trust around the aims of the project and assuage their concerns.

Another concern of the allotment holders was around the legality of the scheme. OrganicLea conducted research into allotment law and issued a paper in 2007, reviewing the legal situation (see: <http://www.organiclea.org.uk/sellingallotmentproduce.pdf>). This document was invaluable in discussions with the allotment holders who did not have the capacity to do the research themselves, but needed to be reassured that what they were embarking on was legal. Despite the provisions of the law, OrganicLea found that some individual tenancy agreements did not allow the sale of any produce whether surplus or not.

By June 2009, over half of the allotment sites in the borough had been contacted by OrganicLea and initial discussions had taken place about them joining the scheme – now called Cropshare. There are currently five allotment holders regularly supplying the stall and box scheme.

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*1. For more information about the context for this paper please go to page 6*

## Certification

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It was clear that it was unrealistic to expect Cropshare participants to be certified as organic due to the costs and bureaucracy involved. However, some form of regulation of the way the crops were grown was necessary if they were not to conflict with OrganicLea's principles of producing low-input food. All Cropshare members therefore have to meet the Wholesome Food Association Guidelines, described as "a low-cost, 'grassroots' alternative to organic certification for people who are growing or producing food for sale in their local region". (see: <http://www.wholesome-food.org.uk/> for more details).

## Crops grown with pride

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The Cropshare growers take pride in their produce and OrganicLea has reported that their customers seek out this ultra-local produce, recognising that it is something unique that they are unable to get from other outlets.

## The need for nurturing

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Educating and assessing Cropshare members for the Wholesome Foods criteria and getting them to support the processes for delivering the crops were both areas that required considerable development time. It was critical that the Cropshare growers were able to deliver their produce at times which meant they could be sold on to customers when produce was at its freshest. Getting this to happen required flexibility and negotiation on the part of both the growers and OrganicLea.

Cropshare members growing ethnic produce unfamiliar in the UK also needed to understand that whilst some crops might be very well known to them, OrganicLea staff and customers might not recognise them and would therefore require information about what the crop was and how to use it.

Some growers also looked to OrganicLea for advice on what to grow and as a conduit for sharing information with other growers. This work was an important part of engaging the growers in the work of the Food Centre and making them feel involved, but also required a significant time commitment on the part of OrganicLea staff. For example, the development worker spent a lot of time discussing organic options for overcoming the ever-present problem of slugs!

The amount of produce bought through the scheme and the cost involved in both nurturing the growers and processing the produce means that Cropshare is unlikely to become financially self-sustaining. OrganicLea believes the scheme will take up less staff time as it grows but that grant funding will always be required to pay for a development worker to build new contacts and nurture the growers. Nevertheless, OrganicLea considers that this investment is worthwhile as Cropshare has a number of important social and environmental benefits which makes it a critical element of their work to engage different members of their local community with their food.

## Social and environmental benefits

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OrganicLea reports that the benefits of Cropshare are wide ranging, summarised as follows:

- Building confidence in the growers by valuing what they do and paying them a fair price for it. This is understood by OrganicLea to be “part of the cultural shift that needs to happen in our relationship with the people who grow our food on whatever scale”;
- Engaging a group of people in the work of the Food Centre who might not otherwise get involved in other activities at the Food Centre;
- Providing support and advice to growers on how to make food growing more sustainable;
- Providing consumers with ultra-local food that has a very short field-to-fork journey. Seeing what is being grown by other people on their doorstep may also encourage consumers to have a go at growing themselves;
- Supplying diverse crops used in ethnic cooking which are either unavailable or expensive to buy at other outlets.

### Cropshare produce on OrganicLea's stall



Photo copyright: OrganicLea

*Acknowledgements: thanks to OrganicLea for supplying data, photographs and information for this case study.*

## The context of this paper

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# Building a Sustainable Community Food Hub Supplying Food Access Projects



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## Exploring options for supplying local food to an urban food access project

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The Food Supply and Distribution strand of Making Local Food Work has two project partners whose main area of activity is to provide deprived communities with access to fresh, healthy food. One of the aims of the Making Local Food Work programme is to develop ways of increasing and improving the amount of local food that these projects supply to the communities they serve. For these projects, price and quality are the over-riding purchasing considerations and they often source their supply from the wholesale market. Their work under the Making Local Food Work programme is exploring whether a direct supply chain from farmer to project is possible. This case study details some of the findings that we have had to date.

## Case study 1: supplying local food to a food access project in East London

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Community Food Enterprise (CFE) is a social enterprise that works to make healthy fresh produce available to all members of their community, in and around Newham in East London. It runs a food distribution depot, supplies food co-ops, schools and breakfast clubs with fresh produce and works on a range of educational activities to address social deprivation and health inequalities. In 2006, when CFE's work was independently evaluated, it was supplying (among many outlets and marketing activities) around 25,000 customers through social food outlets such as food co-ops, 100,000 pieces of fruit to workplaces, and 200,000 pieces of fruit to primary school children.

Through the Making Local Food Work programme, CFE were interested in exploring ways of including more local food in their range. East Anglia Food Link (EAFL) was the partner in the Making Local Food Work project, charged with helping Community Food Enterprise to secure supplies of locally grown fruit and vegetables.

The work to increase supply of local food to the CFE food access project in East London has proved to be challenging for a number of reasons. This case study seeks to unpick those reasons and set out a possible course of action for future work.

During the first half of 2008 EAFL undertook research into the options for buying locally grown fruit and vegetables from producers in East Anglia, i.e. within 150 miles of CFE's premises in Newham. This included visiting and liaising with ten producers and three distribution hubs. The latter are larger farm enterprises that consolidate produce from surrounding smaller producers. This work involved collecting prices from each of the enterprises on a regular basis. Only one of the hubs was consistently forthcoming with prices. The attitude of the suppliers tended to be that, if you want to buy something today, we'll tell you what the price is today. If not, we have more urgent things to attend to. This made it additionally challenging to help CFE plan its work. Such prices as EAFL secured were compared to prices actually paid by CFE at the wholesale market. Analysis of these prices led to the following options being considered for building a direct supply chain for CFE.



*Photo copyright: Sustain*

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1. For more information about the context for this paper please go to page 4

## Option 0: “Business as usual”

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The first option was for CFE to continue with its present arrangement of buying produce from Spitalfields Market. This is done a number of times a week by a member of CFE staff visiting Spitalfields. CFE’s experience has been that it gets good quality produce and that its preferred wholesalers provide a preferential deal because of its charitable status.

Advantages of this approach include:

- Simplicity. The approach is straightforward and relatively little specialist knowledge is needed by CFE.

Disadvantages include:

- CFE is unlikely consistently to be able to buy local produce. While this seems relatively unimportant to the majority of CFE’s current customers, it might be possible for CFE to win new customers if CFE could offer local produce.

## Option 1: “Buy direct from farmers”

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This is the option that seemed the most likely approach when the MLFW project was first put together. However, in practice, a number of issues arose which made this especially difficult, namely:

### a) Shrinking conventional vegetable production

The number of growers producing vegetables by conventional farming methods (i.e. not organic) has fallen dramatically in the last few years. Grain prices have risen quickly, while supermarkets continue to bear down on vegetable prices. Most farmers can choose whether to grow vegetables or grain, so many are choosing grain. The low value of vegetables is exacerbated by problems in finding agricultural labour. The accession of countries like Poland to the EU means that migrant workers from those countries can now get employment and are not limited to farm work. Crops that demand a lot of labour – including most fruit as well as salads, brassicas, etc – now present additional problems for farmers.



*Photo copyright: Sustain*

Until recently a good proportion of fruit and vegetable production for the supermarkets was undertaken by farmers with large arable holdings, who chose to put a small part of their land (but a very large part of their effort) into horticulture. These are the growers who increasingly are closing down their horticultural operation and concentrating on arable production – with the result that they can earn more money for much less effort.

This leaves a very small number of very large and very specialised fruit and vegetable producers supplying all of the vegetables to the supermarkets. Typically these businesses are not interested in employing sales staff, order-pickers, etc., to deal with local sales. It is much easier for them to focus on their big supermarket customers. Any surpluses will either be left unpicked or, if it has already been picked, quickly dispatched to the wholesale markets. It is not uncommon, for example, to see large quantities of crops like strawberries and lettuce in the London markets after a wet week when supermarket sales have been poor.

### b) Prices

There do remain a small number of medium-sized growers who are very happy in principle to do business with CFE, provided that quantities are sufficient (i.e. at least a whole pallet). However, vegetable prices are very volatile. This is influenced by among other things the exchange rate of the Pound against the Euro. The demand for what little indigenous production there is goes up and so does the price. Oil and other production costs are also having a big effect.

As a result farmers are reluctant to try to second-guess future price movements in order to set a fixed price. Farmers will quote the price on a daily basis or maybe on a weekly basis. Their main interest is to dispose of produce that is surplus to the requirements of their main customers, the supermarkets.

Another result of these fluctuations in prices is that CFE would need to employ staff with the necessary know-how to negotiate prices with farmers. This would take time (perhaps a few hours a week) and money.

#### **c) Transportation**

After talking to growers who might be able to supply CFE it appeared that the volumes required on a weekly basis were not big enough for the grower to arrange transport. In most cases CFE would need to collect from the farm, so the cost of this would need to be compared with possible savings.

#### **d) Number of farms needed**

Most growers tend to specialise in a category of crops such as brassicas or root vegetables. The equipment needed in each category is consistent, but is different from the equipment needed for a different category. To get a sufficient variety of produce, CFE would need to work with several farms, multiplying the effort and transport requirements. For CFE to collect a good range of produce from five to six growers, a journey of around 240 miles, taking about seven hours would be needed.

#### **e) Environmental efficiency**

We calculated that a week's supply of a range of produce would fit onto CFE's 7.5 tonne truck, even in the autumn when it would include several pallets of apples. At other times of the year the truck would be less than half-full. Even when full, we know that transporting produce in 7.5 tonne trucks is not the most efficient way to transport them (i.e. larger trucks are more efficient). In addition the truck would effectively be empty on the outward journey.

#### **f) Washed potatoes**

CFE's customers want to buy washed potatoes, and CFE has no capacity to wash them. We could find no local potato growers who wash their own potatoes. This is due to costs and the much more stringent regulations now in place for the disposal of the washing water.

## **Conclusions on buying direct from the farmer**

### **Advantages:**

- This is probably the cheapest way to buy produce, although the savings could be outweighed by the transport and management costs.
- CFE could buy cheaper from farmers when there is a glut on the market, for example of strawberries or lettuce. Having said that, gluts also tend to be reflected in lower prices at Spitalfields wholesale market.
- Certain less popular sizes of produce are cheaper, especially onions and apples. By dealing directly with a farm that packs their own product, CFE could specify small produce thus allowing the grower to sell more and waste less product. This is not illegal and does not affect the eating quality of the produce.

### **Disadvantages** include:

- This approach is likely to be time-consuming. More expertise will be needed from the buyer to select the right supplier at any given time of the year, to specify the right produce, and to negotiate the appropriate price.
- CFE will still need to use Spitalfields wholesale market for washed potatoes, imported produce and produce that is not currently in season.

## Option 2: “Buy from a distribution hub”

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Some distribution hubs exist that could be used to bring together a range of produce in a single physical location. Most of these have been established to supply a range of produce to the supermarkets, and are owned by marketing organisations.

- **Hub A** – is a co-operative, owned by the farmers whose produce they sell. They mainly supply supermarkets with certain produce, but as a side-line they bring together a range of produce, mostly for cash-and-carry sales to smaller outlets such as local restaurants. They deliver to Covent Garden market and could send pallets there for CFE at a cost of £20 per pallet. CFE would however need to pay someone to hold the pallet and also to collect it from Covent Garden (which they do not currently visit).
- **Hubs B and C** primarily supply “local” produce to the multiple retailers. They are in effect wholesalers acting as an agent for a number of local primary producers who would not be large enough to supply the multiples on their own. The produce is mostly distributed through the multiples regional distribution centres.

The problem with Hubs B and C was that one of them had much higher prices than CFE would be willing to pay, whilst the other was only interested in volume sales which CFE did not have capacity to take.

### Margin

In effect these distribution hubs act as wholesalers. They add a margin to the farm-gate price which will include around 10 per cent to cover the buying and selling activity, with additional costs if they have had to collect from the farm and more again if they are required to deliver. Altogether this could add up to 50 per cent to the farm-gate price (i.e. one third of the wholesaler’s price could be the wholesaler’s margin). This is similar to the margin that a primary wholesaler in Spitalfields will add, so there would be little, if any, savings for CFE.

### Range

Because they are effectively acting as wholesalers, the hubs can supply a good range of produce, including lines that it would not make sense for CFE to buy individually from farmers. Thus CFE could probably secure a greater proportion of its needs from a hub than from individual farmers. CFE would still need to go to Spitalfields wholesale market for imported produce (the hubs could supply this but will themselves be buying it on the London markets).

### Transport options

One option would be to take up Hub A’s offer of bringing pallets in to Covent Garden at a price of £20 per pallet. A standholder at the market would need to be paid to hold the pallets until CFE could collect them. The cost of all three stages would need to be taken into account. From an environmental and fuel-use point of view this is likely to be a relatively efficient arrangement.

A second option would be for CFE to collect from Hub A’s base. The round trip could be completed in a morning. A variant on this second option would be to buy most of the produce from Hub A but to pick up the greenhouse produce from one of the Lea Valley growers on the way. This would add some time, but very little distance, to the journey.

**Advantages** of buying from a distribution hub include:

- Could still secure a good proportion of regional vegetables
- Relatively little hassle and requiring little additional expertise from CFE staff
- Efficient use of transport, especially if CFE deliver into London

**Disadvantages** include

- Prices are higher than if buying direct from farms

## Conclusions

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Supply from a distribution hub through Covent Garden seemed to be the most feasible option. However, this option required higher volumes of weekly orders than CFE were able to purchase to make this cost-effective.

Given the structure of agricultural production in CFE's hinterland, building this volume would be a pre-requisite for CFE developing a more regular and direct supply of local produce. The dominance of very large growers in East Anglia makes it very difficult to foster direct relationships for low volume customers, other than in specialised areas such as organics, which CFE is currently unable to take because of its customers' sensitivity to price.

## Case Study 2: Linking community growing with food access

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The work of Community Food Enterprise and East Anglia Food Link (set out in Case Study 1) led us to think that a new approach might be needed to improving the use of local food by food access projects. Food Chain North East, another project partner in the Making Local Food Work programme, is based in Newcastle. Food Chain North East is exploring ways of developing supply chains through local community growing projects.

Food Chain North East was set up in 2004 as a way of making it easier for people in the region to buy fresh, affordable fruit and locally grown vegetables. It has a very similar ethos to that of CFE, but the programme's work with these two organisations thus far has shown that there can be great differences in what is possible with respect in supplying local food to different urban areas.

Food Chain has few farms producing fruit and vegetables in their immediate vicinity and it buys the bulk of its produce from the wholesale market in which its warehouse is also situated. Although its main source of supply is identical to CFE's, over the last year it has developed some ultra-local supplies buying surplus produce from local community gardens.

### The Good Life project

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The Good Life project was set up in 2006. It developed as a direct response to three priority concerns that were voiced by the community in a survey:

- Lack of fresh fruit and vegetables
- Lack of green spaces
- Lack of activities for local people, particularly the young

To address these concerns, a group of local people negotiated a 25-year lease with the local council on a 0.18 hectare derelict allotment. Currently, the scheme has no paid staff and is run solely by a group of twenty volunteers. They have formed a strong partnership with Food Chain North East and together developed a vegetable bag scheme which now operates in fifteen locations in North Tyneside.



*Photo copyright: The Good Life*

Food Chain got involved in The Good Life project to address the lack of fruit and vegetables in the area after the local greengrocer closed down. Various options were discussed including the possibility of a stall selling produce. It was decided that the two organisations could make a far bigger impact by offering an extension of the work Food Chain was already operating in other areas. The Good Life works with the borough to help with community development in North Tyneside venues and act as a hub to collect orders. Last year the volunteers on The Good Life Community Garden grew enough potatoes for one week's supply of the vegetable bags for Food Chain North East, which were distributed to over 400 families across the region.

## The need for a growing officer

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Food Chain have funding from The Ashden Trust to support a food growing officer. This role will be important to help nurture and develop the community growing supply chain. Whilst an amazing amount of start-up work can be undertaken through a dedicated group of volunteers, (as in The Good Life project), the reality is that to maximise yields an experienced grower is required.

## Blyth Star enterprises

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Food Chain has also created a partnership with Blyth Star enterprises which provides activities and training for adults with mental health problems.

Blyth Star's horticulture work is based around Wansbeck Council's nurseries. While the Council provided the space, Blyth Star had to raise additional funding to develop the site as a commercial garden centre. Four local people are employed at the centre. The plants are grown in two large poly-tunnels and a number of smaller greenhouses. The Council continues to grow its own plants on the site for summer and winter bedding displays in its adjoining nurseries. Food Chain has arranged to obtain tomatoes, spring cabbage, little gem lettuces and sugar snap peas from Blyth Star in 2009.

Prices are agreed by reference to wholesale market prices, but because Food Chain operates out of the wholesale market, collecting produce from Good Life and Blyth Star costs Food Chain money. However, because both of these projects are very close to Food Chain, Food Chain has been able to work it into its customer delivery schedule. There are benefits for Food Chain in developing these links. Using ultra-local produce creates a USP (unique selling point) for Food Chain and also promotes its work amongst the communities in which Good Life and Blyth Star operate resulting in new opportunities for Food Chain. Both relationships are therefore symbiotic with benefits for both parties and Food Chain believes that their importance will grow with the likely demise of the Newcastle wholesale market over the next five years.



*Photo copyright: Blyth Star Enterprises/Food Chain NE*

## Rising Sun Farm

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The Rising Sun Farm Trust manages a 175-acre organic farm within the Rising Sun Country Park in Tyne and Wear. It makes the majority of its income from running a livery business, and also operates a mixed farm as a sideline. The farm raises sheep, pigs and chickens as well as a range of crops such as cabbages, leeks broccoli and fruit such as blackcurrants, strawberries and raspberries. Under the protection of greenhouses and polytunnels salad leaves, tomatoes and sweetcorn are also grown. They also have two small orchards producing a crop of apples and pears in summer.



*Photo copyright: Blyth Star Enterprises/Food Chain NE*

Much like Blyth Star, the horticultural work forms the core of a relationship that Rising Sun Farm has developed with North Tyneside Council through which the farm provides training for adults with learning difficulties. The main income that the farm gets from this work is through the contract with the Council for providing training services. There is therefore less pressure on Rising Sun to make the horticulture commercially viable. Because of this, Food Chain North East was able to negotiate a price for produce in line with wholesale market prices. The farm is based only a few miles from Food Chain, which helps to minimise transport costs.

## Conclusions

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Food Chain North East's work has shown that there are opportunities for developing new supply chains in an urban environment through linking up with community growing projects. However, the viability of this work does depend on the community growing projects being:

- Efficient in terms of yield and able to grow produce of a consistent quality, which in turn requires management by an experienced grower
- Located ultra-locally to the food hub to minimise transportation costs
- Able and willing to sell at wholesale market prices

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## The context of this paper

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### What is a community food hub?

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One of the ideas that the Food Supply and Distribution projects aims to investigate is whether a series of community based local food hubs could address the problems of distribution from small-scale suppliers to small outlets and individual customers. There is particular interest in how these activities could serve the needs of low-income consumers, for whom market failures often result in poor provision of healthy and sustainable food.

Through the Making Local Food Work programme, Sustain and our project partners have been exploring the idea of a local food hub through practical application and research. It is clear that one of the reasons the supermarket regional distribution model works is because of the economies of scale they are able to achieve. A community based hub working with small volumes is unable to do this. It seems therefore that these hubs may need to do more than just distribute food in order to be sustainable.

Our work is exploring a more diversified model for a food hub which involves a number of different elements (like petals on a flower), some social, some environmental and some commercial that work together to create a vibrant, robust and sustainable social enterprise.

This is based on the idea that a hub is an intermediary which, by pooling together producers or consumers, adds value to the exchange of goods and promotes the development of a local supply chain. This added value may be gained through economies of scale, social value, educational work or other services. In other words, the pure function of distribution is only one element of the hub.

This paper, explores one element or “petal” that our community partners have been developing.

