

Sustainable Food Procurement Hubs; the people involved in the Welsh procurement pilot

The Open Food Network UK





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Summary



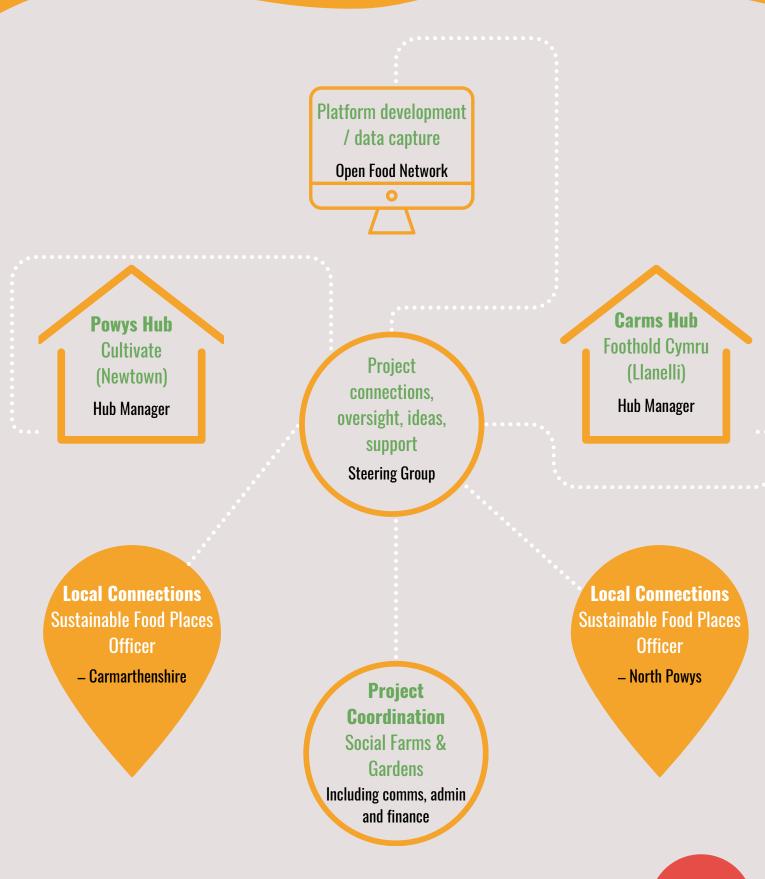
There is increasing interest from public sector buyers keen to source local food. To meet the broad range of food requirements, this means buying from new producers. A key barrier to buying from more local producers is size - many producers are smallscale, whilst the public sector has high demand and rigorous administrative requirements. There is a need to consolidate produce from multiple <u>smallscale</u> producers who could collectively meet the volume and administrative requirements of the public sector contracts. This case study is intended to encourage public sector procurers, food hubs, growers and other food producers to draw from our experience of a project that ran from March 2022 to June 2023. <u>Our project</u> enabled a care home, a college, a country park and multiple schools to source local produce from a network of local growers and other food producers coordinated by two food hubs using <u>the Open Food</u> <u>Network platform.</u>

The project paid the salary of a 0.5FTE Manager at each hub and connected with the Sustainable Food Places Coordinators in each area to facilitate relationship building. OFN were resourced to develop the platform to enable product aggregation. The project was connected to wider developments in local food public plate through an experienced Steering Group and was led by Social Farms & Gardens.

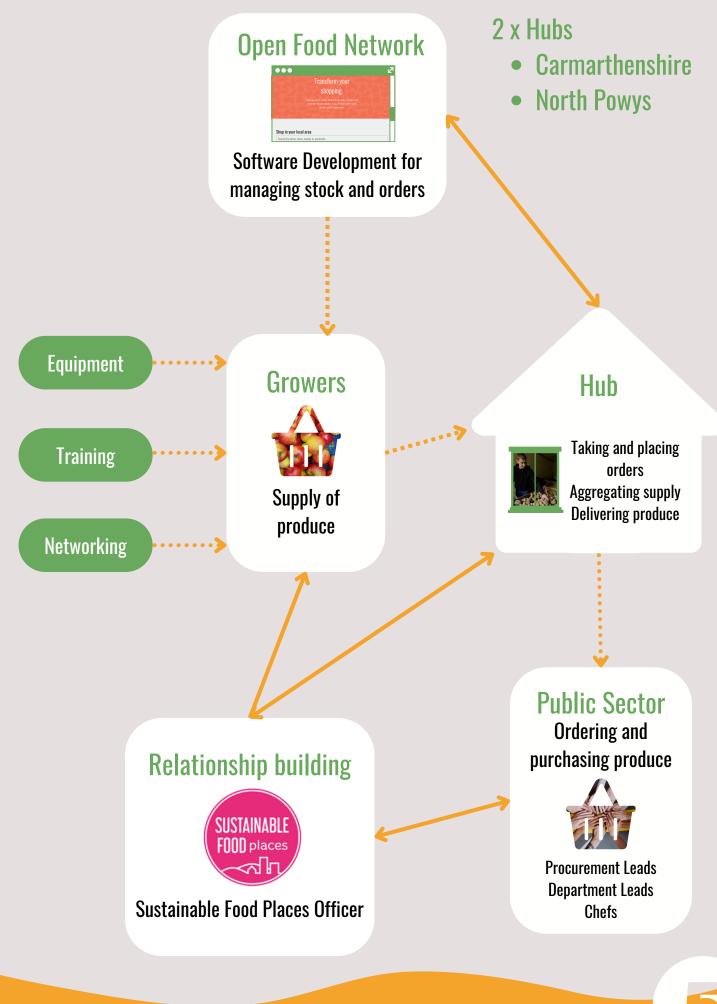
These diagrams show the structure of the project:



Delivery team









Cultivate in Newtown, North Powys



<u>Cultivate</u> has a network of small scale growers and supplies produce to a local school and college.

Cultivate has existed as a food network for the local community for about ten years in various iterations including;

- a co-operative wholesale buying tinned goods,
- a veg and fruit box and bag supplier, and
- a deli with a high street presence.



They already have relationships with many growers in the area so it was a no-brainer for them to be a part of this trial. The hub had mainly been supplying produce directly to household customers but had also been supplying a small amount to the local college. The food hub is very much part of the community and holds regular food related events and workshops, and has growing space on site. Their micro-allotments, polytunnels and community growing plots are used to educate local people on food growing. There is also processing equipment on site to turn apples into cider and apple juice and vegetable gluts into preserves.

The trial began with small volumes of carrots, apples, potatoes and onions.



The food hub has been instrumental in the smooth running of the pilot. They are well placed to coordinate between the schools and growers about what is available and what is needed.



Foothold Cymru in Llanelli, Carmarthenshire



<u>Foothold Cymru</u> has existed as an organisation for over 30 years and works across Carmarthenshire. Three or four years ago they established a Lottery funded food hub providing a subsidised box of supermarket and FareShare products to local households.

A recent new initiative for Foothold is a food-growing area that supplies fresh food into the boxes.

The hub's main focus for this pilot is delivering to a care home and the council-owned Pembrey Country Park which has a restaurant and cafe. They make special dishes out of whatever is available each week.

In February 2023 the hub started delivering to a local Primary School as well . The hub has nine growers who are able to provide produce across the county. They make special dishes out of whatever is available each week.





The Move to Wholesale

Both hubs already had strong local reputations and networks. By linking with the local Sustainable Food Places Officers, the pilots were able to build stronger connections into the public sector and connect with growers.



To supply the public sector in Wales, the hubs required <u>SALSA accreditation</u>, which is a food safety certification scheme for smaller food producers and suppliers. Hubs were supported by <u>Food Centre Wales</u> to complete their accreditation which also required three months of trading evidence. The hubs were able to supply while going through the accreditation process. During the pilot phase, the hubs operated outside of current food supply contracts with the local authorities. This limited expenditure to £5,000 which is the threshold set by Carmarthenshire and Powys County Councils before full procurement is required. Dynamic purchasing frameworks could open up more opportunities for smaller suppliers.

Supply to the public sector can be supplemented by supply to other institutions, public or private to enable larger quantities to be traded.

Stories from the growers



Richard from ERW Edwards

"We've been growing since we set up in 2007. It's something I had been thinking about for a long time but what pushed me over the edge was the offer of redundancy. We did it because there was also at that point in time a veg box scheme that I'd heard about and been involved with a little bit. So I knew there was a veg box scheme to supply to and they needed more produce.

To start with we grew everything because we were producing for the veg box. Whatever you can think of growing, we grew all of that. And really to the amounts that were needed. But now we grow runner beans, strawberries, leeks, apples, pears, plums, raspberries, redcurrants, blackcurrants, gooseberries, whitecurrants, tomatoes, kale. We use a no-dig, raised bed system to build up the nutrient value in the soil. Up until July 2022 90-100% [of our produce] would have gone via the deli in Newtown.

Before this project I had occasionally supplied the college in Newtown. When we found out about the project we wanted to join it because it was such a good opportunity to be able to provide fruit and veg to schools."

"We use a no-dig, raised bed system to build up the nutrient value in the soil. Up until July 2022 90-100% [of our produce] would have gone via the deli in Newtown."







John from Broniarth Farm, Newtown

"It saved my time in selling wholesale at bigger quantities to the schools."

"My family has always run a farm and I got into fruit and veg growing about ten years ago. I've always done a bit on the farm and for quite a few years now we've had a little potato planter that you put behind a tractor and a potato lifter to lift the potatoes. It's still quite hands-on work even with the tractor. It must have been around 2015/2016 I approached Cultivate to see if they were interested in buying any veg off me. They had the deli up in Newtown and were quite keen to take any produce I had. I'd also grown tomatoes and things like that and had a greenhouse at the time so I expanded there and ended up putting up a commercial sized poly-tunnel to supply extra tomatoes and cucumbers and was growing about half an acre of field-scale veg as well. It's grown from there and I used to supply veg boxes to local people in Newtown.

Now I'm mainly selling to Cultivate. I'd rather supply big bags of potatoes and carrots in bulk, it's easier for me so it's working quite well at the moment.

This is the first time supplying to the schools. I was quite keen to supply to the schools because they could buy in bulk. It's a regular custom as they would like a certain amount each week. That suited me. I'd rather just know in advance.

It saved my time in selling wholesale at bigger quantities to the schools.

I don't have any interaction with the schools I just work with Richard and Nick [from Cultivate]. They gather the requirements from the schools then gather the produce from the producers, get it all together and deliver it to the schools. It's good for me as I can just focus on growing the veg, which is the bit I enjoy."

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John doesn't put any chemicals or fertiliser on his veg apart from animal manure from the farm and all weeding is done by hand.

"In terms of paperwork it's only really producing invoices [for the Cultivate hub] and there's not much else I need to do."





"It's probably the best it's ever been if this carries on."





Helen Evans, Foothold Cymru

"Sourcing locally improves the nutritional value of the meal. With school meals this also introduces children to a local diet so they're more familiar with it. It supports local growers and therefore the local economy and reduces the carbon footprint of food."

THE IMPORTANCE OF LOCAL FOOD IN PUBLIC INSTITUTIONS

Richard, Cultivate

"You've got the ability to supply food that's produced much closer to the point of consumption. You've got the whole environmental impact to consider. But you've got the ability also to have a much higher nutritional content in the food because you can get the food to people that much quicker. You've also got a boost to the local economy.

Another element of this is education. Through this you can really tie in with young people on how field-to-fork works."





pricing

Cultivate chose to use a pricing strategy of paying growers UK average wholesale market prices. These prices were taken from statistical datasets published weekly by the government for non-organic produce and monthly by the Soil Association for organic produce. All growers were therefore paid the same price for the same produce, and customers ordered from an aggregated product list that combined produce from all producers into a 'producer blind' format. This meant that customers in Powys could order 'potatoes' for example, but not see which producer supplied them.

Cultivate added a 25% markup to the products; most of that went towards delivery and logistics as that was one of their main problems. "We have to pick it [the produce] up, weigh it, deliver it, and do the paperwork." Due diligence on growers in terms of growing methods and local produce is carried out by the hub to provide reassurance to the public sector buyer.



In Llanelli, Foothold went for a different pricing approach. Helen Evans explains:

"Growers give me a list of what they have available and their prices, and we send that to the customers, who are the county council, then they send me their orders.

This is the first time we've sold our produce and liaised with the other growers in a commercial sense. "

"I pay growers whatever they're charging and we pass that exact cost onto the customer. We're not charging a markup. Because we've got organic growers who are accredited and those who are basically organic but not accredited, and then those who are not organic (but who are not using pesticides) so to try to find one costing for all those would be difficult."

Something growers need to consider is the cost of their products and whether they are willing to accept wholesale prices. John was used to working with this model through the Cultivate deli and found the prices offered by the schools for this project to be "pretty good".



Nick Burdekin from Sustainable Food Places, Powys

Nick Burdekin, Sustainable Food Places Officer for North Powys, suggested grants and subsidies as a current way of 'bridging the gap' between what the public institutions can afford to pay and the price the growers need. The project captured additional data such as nutritional information and carbon footprinting from growers and produce and worked with the hubs to measure (and improve) their sustainability against the Wellbeing of Future Generations indicators to demonstrate the wider benefits to public sector bodies such as their net-zero targets and local employment. By taking a full cost accounting approach across the public body, the price becomes much more competitive.

Feedback on the produce from the customers

"One bit of feedback I'm getting from the customers is how fresh it is. Basically it's been cut on the field on Wednesday, packed and sorted on the Thursday then delivered to them Friday morning. You can't get much fresher than that. They can smell it. And it's made a huge difference. They've all commented on how different the fruit and veg smells." - Helen

"They're [the care home and school] finding there's a lot less waste as well. I think because it hasn't been stored as long. Because this is such a small project I'm able to actually sift through the produce as well. If you had huge quantities of it, it comes in in sacks and goes out in sacks and if there's something bad in the middle of it nobody knows. Whereas because this is aggregating produce from lots of smaller growers you get to inspect it as you do it."

"The cooks in the primary schools have told me "John's potatoes are absolutely fantastic and they're fluffy and they taste great" It's a win-win. If you're involving local people in buying food locally and supporting the local economy and farmers you're building community cohesion. I know for a fact our growers feel really really good that they're supplying to their local community."



Helen comments on the cost vs. quality aspect: "Yes it [local food] might be costing them [the public institution] more, but if the produce is that much better quality and the waste is less, they're gaining from that respect.They're not having to send produce back and raise credit notes so the admin is that much less. The school and care home are buying local produce from us because they want to, not just because they've been told to by the local council."

"Produce is consistently of a high standard. The smell and look of the vegetables is nice and so is the freshness."



Denise Evans from Maesyrhandir Primary School has been receiving weekly orders of potatoes from Cultivate. She feels it's important to use local produce because of the environmental benefits of reducing transportation . Denise's expectations of the project were high and she thought it was "going to be great". The ordering and delivery has been simple and she has reported that the potatoes were great to cook with. Denise's only issue was with the availability of the produce they needed, as there wasn't yearround availability of all products. This is echoed by the food hub managers Helen and Richard , who feel that more growers are needed in their local areas to produce a wider range of products more consistently. Storage of products is something that could help with year-round availability and could be done by the food hubs.

Brix testing of nutrient density

Brix testing is a way of assessing the nutrient density of food by measuring the percentage of sugar by weight in a vegetable and comparing against standardised values.

Matthew Adams, Grffn: "Here is my summary of what we found when Grffn ran a Food Quality Testing Workshop for 14 students studying catering for hospitality at the NPTC College in March. We compared produce grown by Cultivate with produce from the canteen and various supermarkets.

Leeks from Cultivate scored an average Brix of 12.3, which was the highest of 5 different leeks that were tested. Kale and parsnips from Cultivate were also better than parsnips bought from the shops and canteen. Of particular note was a carrot, from the college canteen which only scored a Brix of 5! Matthew Adams, Grffn's Director said 'This was the lowest score I have ever seen for a carrot'. After tasting the carrot students and lecturers all agreed that it's really poor quality of taste increased their experience and understanding of food quality issues

How the Open Food Network Helped



Bethan Phillips, Open Food Network UK

"Utilising a user-centred design approach, we developed integrations to automate each hub's manual processes and incorporate statistical wholesale price lists. The aim was to enable the hubs to aggregate produce and order data in the OFN system, resulting in reduced hub admin time and lowering the risk of human error. Tracking orders in OFN also provided hubs with advantages for managing finances and logistics, such as printing out order notes and running reports for paying producers. We look forward to building on the lessons learned from this progressive pilot and how we can use the OFN to support more local producers and hubs to supply local public buyers in other areas."

On using the Open Food Network, Richard and Nick said:

"Other than just getting used to the system we haven't had too many challenges. It's not a difficult system to use. The process of designing the software and working with the OFN team to work out what we needed from it has been very, very good and very easy to do.

The growers let us know their stock and we input it to the integration that OFN built for us, before uploading to OFN. At the moment we call the schools and we can have that stock list in front of us and can take their order. So it's all about efficiency. And we also have delivery notes [from the Open Food Network platform], so this means an automatic delivery note is being produced to be sent out either as a hard copy in their order or digitally, which is very useful for us."

The process of designing the software and working with the OFN team to work out what we needed from it has been very, very good and very easy to do." - Richard

"We've been doing things in an analogue way and we've realised that to progress we need to do things in a more online way. It will certainly be a lot quicker" - Nick Burdekin



The legacy of this pilot projecy

Richard and Nick can see the potential of this model and set up a growers' co-operative before the pilot ended to keep up momentum.

Nick: "It would be phenomenal if we could get up to 10 or 15 growers who are part of a growers' cooperative."

They can see how storage and processing of products such as carrots and potatoes can be done in a central location and all the farms can feed into it. As Richard says, "veg such as carrots can be kept chilled and kept fresh and potatoes can be sliced and diced. That allows the growers to have confidence that the quality isn't going to reduce so they can supply schools over an even larger area." Augusta can also see the value of food hubs being a part of food procurement in the future: "Hub's aggregation of supply from small producers enables access to the market in a way that otherwise there isn't." and can also see where they can add more value: "Where there's further preparation required such as slicing and dicing, if you're doing that value added thing on site and turning it into a prepared meal then that can be another function of the food hub."

Nick is excited to see the role food hubs can play "It wouldn't be difficult for food hubs to start providing fruit and veg to schools and care homes. It's not radically different."

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Richard and Nick are investigating working with a large food distributor in the future, as the distribution and logistics took up a lot of their time: "There might be an option to use a nationwide distribution network to help us make that easier. I thought it was a really interesting thing to come out of this; maybe we need to start working with some big players when we upscale." A lot of the growers and food hub managers would like the model to move to forward buying. Richard from Cultivate explains: "The aim would be to get to a point where you can have some forward buying, so that the growers are able to expand and can upskill and increase production; allowing them to produce more than they would have done previously and achieving economies of scale."



Helen continues: "For the pilot, the model was the hub asking the growers what they have available, then going to the buyer and seeing what they wanted to buy. As many of the growers are supplying to the organic market, to restaurants, or selling directly to customers, they have products that the schools, care homes, etc. aren't used to purchasing such as chard and curly kale."

Helen hopes if this project continues they could move to a system where the growers are being told in advance what is wanted so that they can choose to grow products to order. Augusta also agrees that forward buying is needed, and discussed seasonality: "We would hopefully be able to give our growers prior warning of what's going to be wanted and security that we are going to be buying their produce so they've got confidence to put those things in the ground. And then meeting our customer expectations more fully in that way. However we are interested in some work that's happening within our food partnership on menu redesign around seasonality. So meeting in the middle on what's seasonal and available, what's practical and what the customer wants."

Augusta explained the issues of supply vs demand in West Wales: "In terms of supply, the massive barrier is that currently the supply is too low to meet big order demands in this part of West Wales, so we really need to be supporting an increase in productive horticulture.

For this small project with ad-hoc ordering it has been manageable. But if you want to do more then you need to give the signal to growers and there needs to be new entrant training pathways. There needs to be apprenticeships and traineeships; there needs to be skills development in our part of the world around sustainable fruit and vegetable growing."

"We want to ensure there is proper training in production, knowing what fruit and veg is going to be in demand. And therefore we can let our growers know about that, and trialling at a larger scale next time."



"The pilot has fired us up and made us enthusiastic about scaling up." - Augusta



Bethan sums up the project and its potential legacy: "The pilot has shown us in no uncertain terms that public buyers and recipients recognise and appreciate the increased quality of local and sustainably produced food. To build on the success and momentum of the project it's important that we encourage continued involvement and flexibility from public buyers, for instance by trying different vegetable varieties they may not usually purchase but that grow particularly well in the local climate or using new ordering systems such as the Open Food Network.

all and all

Creating relationships between growers, hubs and buyers has been hugely beneficial and shows huge potential for continual improvement of local food systems. The food speaks for itself and when buyers see the difference in quality and nutrition, this can support guaranteed purchasing models which enable growers to upscale production and provide financial security. I think the key learning from this project is that greater interconnectedness between all levels of the local food system, and recognising that each level represents real people, offers us hope that a better food future isn't just possible, but achievable.

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To find out more about this project or how you can set up a food hub in your area please email hello@openfoodnetwork.org.uk

This project has received funding through the Welsh Government Rural Communities - Rural Development Programme 2014-2020, which is funded by the European Agricultural Fund for Rural Development and the Welsh Government to pilot two new procurement food hubs in Carmarthenshire and North Powys.

