Local Food Plan

Growing the Local Food Sector

A snapshot of barriers and solutions

June 2024

Food, Farming & Countryside Commission

Landworkers' Alliance

PASTURE FOR LIFE

Sustainable Food Trust

sustain the alliance for better food and farming

Contents

Executive summary

This report provides a **snapshot of the state of local food** from the perspective of those involved in the sector. It looks at:

Vision: What the people we talked to want from, and for, local food.

Barriers: The factors they believe are getting in the way of growth.

Solutions: What they feel is needed for local food to thrive.

The findings in this review are the first part of a process of developing an Action Plan for local food firmly grounded in the insights and experiences of those directly involved in local food supply systems.

Next steps: We will build on the findings of this review through research exploring definitions and types of local food systems, their key elements and their needs. In addition, we will engage people with expertise in local food and draw on insights from a diversity of local food initiatives. Our aims are to define practical solutions to move towards ever more vibrant and beneficial local food systems, and to present an Action Plan for delivering them.

Find out more by visiting the Local Food Plan website **localfoodplan.org**

ROTHSCHILD FOUNDATION

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Glossary

Better food retail - where sustainable, ethical produce is sold.

Community Ownership Fund - this would be similar to the Community Ownership Fund, a £150 million 4 year fund to support community groups across the UK to take ownership of community assets which are at risk of being lost. Due to the UK elections in July 2024, this is now closed and it remains to be seen if it continues afterwards.

Cost sector catering - covers all aspects of foodservice, be they in-house or run by contract caterers.

Cross-cutting barriers - barriers that are interconnected and cut across retail, procurement and infrastructure.

Dynamic Procurement Practices - a Dynamic Purchasing (or Procurement) System (DPS) is a 100% electronic tool that is used to buy goods and services. This means a DPS can add new suppliers to its system at any time. Buyers can therefore choose from a shortlist of suppliers whenever they like.

Eater - anyone who eats food.

Inherently local - which covers box schemes, farmers markets and other types of retail that are set up to support local food supply.

Planograms - visual depictions of a shop's services and / or products.

Policy Coherence analysis - Policy Coherence aims to align different policies from regional authorities and the national government to ensure that the varying policies work towards achieving their agreed objectives.

Public procurement - in this context, (public) procurement refers to the government buying goods and services for public use. As spublic procurement makes up a substantial percentage of the taxpayers' money.

Scope 3 emissions - those that are not produced by the business itself and are not the result of activities from assets owned or controlled by them (like the emissions from generating the electricity they use), but by those that it's indirectly responsible for up and down its value chain.These include the emissions from artificial fertilisers used by farmers in their producing of food stuffs.

Sector(s) - in this report, the term 'sector' refers to two things. It refers to the local food sector as a whole and it refers to the individual sectors that make up the local food sector; the horticulture, arable and livestock sectors.

Snowball sampling - a process of research participant recruitment where a handful of research participants are used to recruit a larger number of people.

Small Medium Enterprises (SMEs) - small and medium-sized enterprises are businesses whose total revenue and number of staff don't go above certain levels.

Sustainable Food Places - the Sustainable Food Places (previously Sustainable Food Cities) Network helps people and places share challenges, explore practical solutions and develop best practices on key food issues through collaboration.

Symbol Groups - Symbol Groups are the independent businesses which use the same branded products, marketing designs etc. eg Spar, Premier and Nisa.

Turn-key solutions - a turn-key solution is a whole or complete product or service that is ready to use and can be easily implemented into any business process.

About the Local Food Plan

"Local food is powerful"

Around the UK, local food systems are creating delicious food in climate and nature-friendly ways, reviving town centres and building local economies and communities. But right now local food only makes up a tiny proportion of what is on offer to us as eaters.

Our goal: We aim to grow the local food sector substantially

The goal of the Local Food Plan is to grow the local food sector substantially. Sustain's "A Case for Local Food" suggested growth of 10 times by 2030 to enable it to deliver a multitude of benefits to our communities, economies and environments.

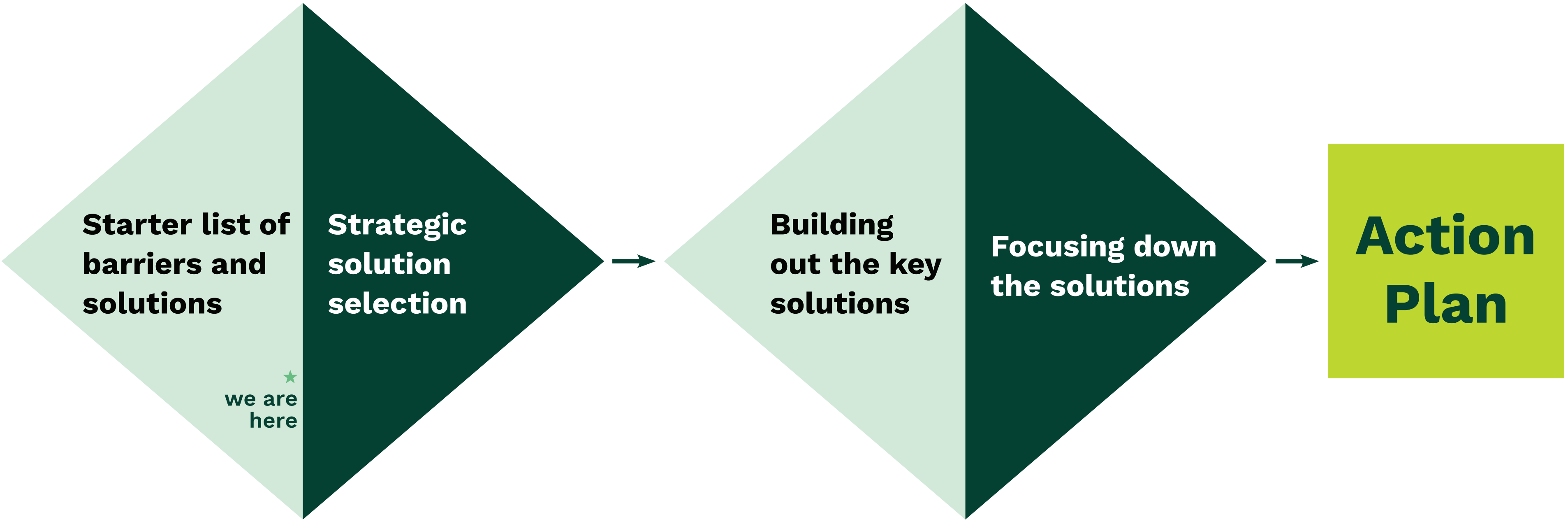
This plan is being developed over 3 phases (see page 5), with the stakeholder interviews feeding into phase 1, alongside a piece of research and analysis conducted by the Sustainable Food Trust. In support of this vision, the Local Food Plan will include ambitious, realistic targets for growing the sector and the practical steps required to achieve them.

The plan will be based on the work presented here (a snapshot of barriers and solutions), structured engagement with experts and practitioners across the sector and analyses of previous studies and other initiatives. You can track our progress and future publications via our website **localfoodplan.org**.

Phase 1:
Local food snapshot

Phase 2:
Solutions design

Phase 3:
Action planning



Establishing a long list of the biggest barriers and most needed solutions from those working on the front line of local food.

Selecting the most critical solutions to take forward into development in the Phase 2.

→

Building the specifics of those solutions with experts and examples from the UK and beyond.

Narrowing down the list of solutions into three categories: most impactful, strategically sound and practical.

→

Bringing the solutions together in an Action Plan and Collaborative framework.

What do we mean by local food?

Local food means different things to different people. This project uses the following definition:

- Usually characterised by shorter and farmer-focused supply chains

  Fostering greater proximity and connection between producer and eater than the supermarket supply system.

- Diversified retail

  Sold through a variety of independent and community-owned retailers beyond the big supermarkets which could include box schemes, farmers markets, local shops, convenience stores, symbol groups and even vending machines.

- Local benefits

  Local food maximises value for the people, communities, economies and environments where it is produced, sold and eaten.

What about distance?

'Local' is a relative term that means different things in different contexts. Setting a blanket definition such as 'food mile distance' can be challenging for the following reasons:

- Local food means something different whether you live in a city, town or rural area.
- Local food means something different depending on the type of food – for example, it's much easier to grow herbs near where people live than it is to produce plant protein.
- Food may be produced in geographic proximity to a population, but not maximise benefits for the environment or local people.

We need our food to come from a mixture of places. **The Food Zones model created by Growing Communities** helps to illustrate how sourcing food in a proximity could maximise sustainability.

Rather than being about distance alone, truly local food brings closer connections between producer, processor and eater and maximises the economic and environmental benefits in the area where the food is produced and sold.

In the interviews presented in this report, we left the definition of 'local' open, and invited the interviewees to talk about their visions for local food as they understand it. By bringing together these views with our work analysing previous definitions of local food, our final Action Plan will present approaches which both recognise its diversity and better focus actions to support its growth.

A collective vision of local food

We asked interviewees what they hoped a thriving local food system would achieve, why they are involved in local food and what they believe local food systems can achieve. No single response emerged - people described a variety of potential benefits and outcomes from local food systems. Yet their answers broadly fell into two areas: the potential for local food to improve resilience at multiple levels, and to improve quality of life.

Resilience

- **Stable climate and nature ■**
- **Strong local economies ■**
- **Food security ▲**
- **Fairness for producer ▲**

Quality of life

- **Fresh, healthy, delicious food for all ■**
- **Community Connection ■**
- **Local sovereignty ●**
- **Placemaking ●**

■ Strongest consensus ▲ Good consensus ● Emerging area

Benefits

Here we highlight the common themes that emerged, illustrating the points with direct quotes from interviewees.

A multitude of interconnected benefits:

“Local food ticks a lot of boxes; environment, community, connection between farmer and consumer, economic benefits to a local area, more resilience if the business model works.

Food security:

“There’s no reason why we couldn’t be growing a huge variety of things in Northern Ireland. I worked with an agronomist to build a database of 180 different fruit, veg and herb varieties that could be grown here. Why are we buying it in, when we could produce it?

Strong local economies:

“There’s a ripple effect that is extremely important for the wider rural economy. A very interconnected network of local supply chains gives diversity and that gives the rural economy resilience.

Fairness for producers:

“The big win and where it all started for me was about how to make my farming profitable.

Stable climate and nature:

“We must transition from current farming and food systems - to systems which operate within planetary boundaries.

Fresh, healthy delicious food for all:

“The flavours, particularly in the summer, the flavours of the salads and the tomatoes and cucumbers are like beyond anything you would find in the supermarket.

Community connection:

“Farmers markets are not just markets, it’s a community space – we have music and dance – it’s an outdoor community centre.

Local sovereignty:

“We want citizens to have a say in their food system and be enfranchised.

Placemaking:

“People said of our town: “You can’t have nice things” and, “Nobody here cares.” Neither of those things are true. We’re proving we can have nice things and people do care.

Methodology

Research methodology

44 x 1:1 qualitative interviews

+

Literature review cross-check

+

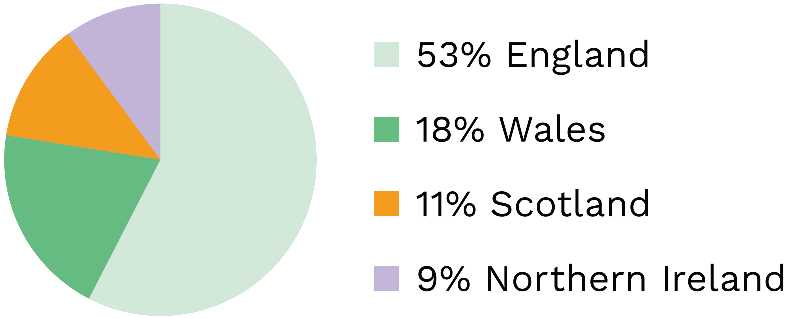
Devolved nations cross-check

- Interviews conducted with those working across supply chain infrastructure, retail and procurement.
- Conducted between autumn 2023 and spring 2024.
- Involved those working with local food, as well as some mainstream food system actors.
- Analysis involved aggregation of key themes and identifying the areas of greatest consensus, as well as emerging ideas.

Who was interviewed?

We used snowball sampling to identify our interviewees, who came from all four UK nations. We aimed to source an even spread of participants from across the horticulture, arable and livestock sectors. There was a particular emphasis on those working in independent retail, processing, and public sector procurement, as well as local government and civil society.

Location of participants



Sector breakdown of participants

- 45% infrastructure focused
- 40% retail focused
- 31% procurement focused

Diversity

The agriculture sector is one of the most ethnically homogenous workforces in the UK, with 97.5% self-reporting as white, according to the Office of National Statistics in 2021. We aimed to interview people from a diversity of backgrounds, including ethnically diverse, to try to reflect a plurality of perspectives. We set a goal of 20% of interviewees identifying as being Black or a person of colour, but struggled to achieve this, with 11% reporting as from this group (compared with 18% nationally and 2.8% in agricultural sector). This will be a focus for further engagement in the next phase.

The 6 big shifts we want to see for local food

Based on their list of benefits, we asked interviewees what changes would enable their vision to become reality. This drew out 6 key shifts they wanted to see for local food:

1 Sector growing and thriving	Local food being a bigger, visible and thriving part of the UK economy.
2 Valued by society	Publicly appreciated for the benefits it brings.
3 Well supplied, year-round	Enough produce to meet demand.
4 Accessible to all	Physically and financially accessible to many people.
5 Proven positive impacts	Able to demonstrate the value of local food for climate and nature and society.
6 Financially sustainable	Economically sustainable while paying good, fair wages.

Sector growing and thriving:

"Local Food needs to be visible and thriving. Not a niche thing, but part of a mainstream way of thinking about food and about buying food. And for it to provide a thriving part of the UK economy.

Well-supplied, year-round:

"We just can't get enough access to organic, locally grown produce - there just aren't enough growers.

Proven positive impacts:

"We still get local authority coordinators asking if we have anything to send to senior teams within the local authority to persuade them that local systems deliver, because there's still a bit of persuading to be done.

Valued by society:

"We need to show publicly the role of local food; economically, environmentally and socially - that it's much more important than everybody assumes and that the sector touches upon every aspect of our lives.

Accessible to all:

"Without pricing and convenience being solved, no matter how much awareness raising you do, there's only going to be a certain number of people that will engage.

Financially sustainable:

"Local supply chains need to be able to stand on their own two feet economically and be accessible to local people in the same way that supermarkets are accessible to local people.

What are some of the regional differences between the four UK nations?

From our interviews and through discussions with organisations across all four nations, we can see an emerging picture of challenges and opportunities across the four nations, many of which are consistent across geographies. However, there are some important differences between the nations in terms of legislation and the sector's size, scale and scope.

With half of interviewees based in England, many were referring to Westminster when they described a lack of government support for local food. In contrast, interviewees across the devolved nations discussed emerging and strengthening policy opportunities for growth at a local and regional level. For example, the **Good Food Nation Act in Scotland** provides a key opportunity for local authorities to evaluate their procurement practices and begin to move towards more local sourcing. In Northern Ireland, the size of the country and the fact that public sector procurement is largely consolidated means there is an excellent opportunity for their procurement processes to act as a test bed for potential solutions. But there are also unique challenges in Northern Ireland related to its border with Ireland and the EU. In Wales, there is also fertile ground for growing the local food sector, especially through the Welsh Government's support for food partnerships in every area, including high levels of local authority interest in local food procurement. The Welsh Government has also committed to developing a Community Food Strategy, but this has yet to be finalised.

However, beyond the policy and legislative differences across the four nations, the broader barriers and solutions were more aligned across the nations. There is a universal tension between supply and demand, and the challenges of local food entering existing markets. This suggests that a resilient local food system can learn from and be coordinated through action across nations.

Key insights: barriers

There was a **strong consensus** around the key barriers to local food sector growth, which was common across nations, sectors, organisation and investment. Most barriers also applied across supply chains and production systems (e.g. horticulture, arable, livestock).

- High barriers to entry as it is often difficult for local food retailers to compete with established, larger scale supermarkets.
- Human resources was a top issue, including low pay, long hours and burnout, leading to a lack of capacity for scaling (despite ambitions to do so) as well as insufficient rising talent, despite a surge in interest during the pandemic.
- While farm-level issues are not the focus of this project, conversations about infrastructure, retail and procurement cannot be divorced from the lack of supply of local, sustainable produce. Effective national and local government action needs to address this.
- The way the local food sector is set up and organised is often not conducive to scaling, including lacking critical expertise and coordination, which could provide efficiencies and economies of scale for all sectors.
- In the face of rising food insecurity, the often higher cost (perceived and actual) of local food poses a challenge for many customers (whether individuals, retailers or procurement teams) who would, in principle, like to support it. This is adding to the existing policy and cultural narrative that food needs to be 'cheap,' instead of 'levelling the field' setting up the structural and economic systems which would enable all citizens to support a local food system and be able to afford local food.
- This related to another top barrier, which was a lack of sufficient customer demand for scaling up and out. This is due to decades of public disconnection from food supply chains, and a lack of sufficient communications from the sector to express its added value to a broad audience.

- There is a lack of physical and digital infrastructure critical for growth, as well as challenges working with existing wholesalers and procurement teams due to a mismatch in expectations around product, price, volumes and consistency.
- In public sector procurement, there is a mismatch between what producers can offer (whether in terms of volume, consistency or seasonal availability) and what food service companies and procurers expect, as well as reluctance to develop alternative approaches because of the financial costs of change and business risk.
- In retail, aside from the challenges of rising costs, there was a lack of a convenient customer offer that suits people's shopping habits, alongside a lack of capacity for marketing to stimulate demand.
- There was also found to be a lack of a convenient offer from the local food sector to independent retailers, with mismatches in expectations around product, price, volumes and consistency.

Photo © Alena Veasey

Key insights: solutions

Solutions varied from 'quick-wins' that could be gained through better local food sector coordination, to big policy shifts that would need to be developed over time. These will be explored further in the next phase, but include:

- There was a clear need for policy to level the playing field with bigger players, while simultaneously supporting the development of good practice that will promote the growth and consumption of local food.
- Strongest consensus existed around the need for more aggregation in the sector to streamline admin, logistics, processing, marketing etc. There was diversity of opinion on what forms that aggregation could take, but the efficiencies and economies of scale that this could bring were felt to be critical by many.
- There was strong consensus that the sector needs to attract and retain new talent, including those with tech, business and marketing skills, as well as a better offer to potential new entrants to encourage them to join and, critically, stay within the sector beyond a few years.
- The role of Local Food Strategies was found to be important, but better coordination across Local Authority departments on food issues is needed to enable strategies to translate into action on the ground.
- A range of suggestions were made on how investment could be optimised to encourage sector scaling, including a greater breadth of investors to expand the amount of money available. More private investment is needed with sector-led investment criteria. In addition, more casual, smaller pots of money could be accessed by a greater diversity of people.
- There was a sense amongst many that more concrete data and metrics of persuasion are needed around the economic, social and environmental benefits of local food, in order to secure public sector, investor and consumer engagement.

- In public sector procurement, processes of collaboration and building trust between different parties need to be developed, which should be stimulated by changes in legislation around public sector procurement procedures and inclusion of social value.
- In retail, a concerted effort around demand generation is required and includes the need for a greater investment in understanding and expanding audiences. This includes tapping into the experience economy for marketing and campaigns.
- Emerging ideas around business models included moving away from establishing as charities and social-enterprises, towards community-owned businesses or local retail franchises that can utilise economies of scale and access different investments, whilst retaining local sovereignty.
- A more convenient customer retail offer could be gained through more aggregated retail spaces, progressive wholesaler partnerships, partnerships with high footfall retailers and better use of the opportunity that the rise in online grocery shopping provides.

A closer look: barriers

What's standing in the way?

We asked our interviewees to identify the biggest barriers preventing the growth of local food systems. These have been split into cross-cutting barriers that affect the entire local food ecosystem, as well as infrastructure-specific, retail-specific and procurement-specific barriers. We aggregated responses into key themes and identified areas of strongest consensus.

Many of the barriers to the growth of the local food sector were interrelated. One of the most common barriers was seen to be financial, across all stages of the supply chain and all three sectors (horticulture, arable and red meat). This was highlighted by producers trying to sell their food at a price that allowed them to earn a living wage and by retailers who wanted to sell sustainable food to ordinary citizens at a fair price while covering their costs. It was also viewed as a core barrier for local authorities who wanted to procure more local food, but were limited by their budget. In some instances, the perception of higher cost was felt to be more of an issue than actual cost. Another key barrier mentioned was the administrative and logistical challenges associated with sourcing from more SME (Small and Medium Sized Enterprises) local producers rather than fewer bigger ones. This partly relates to a need for more infrastructure for processing and aggregating locally produced food on a local or regional scale.

Interviewees described insufficient and varying levels of governmental support for the development of local supply chains. Insights linked this to the perception that governments fail to grasp the benefits local food can provide or how it relates to other priorities for local and national governments. Without support or improved standards at a national level, it was perceived that sector growth was dependent on individuals "buying in"; a precarious situation for a business or sector to be in.

These difficulties contributed to a third recurring issue: the need for more skilled labour. People interviewed from all sectors found it challenging to attract adequate long-term talent into their field due to poor wages or working conditions. This combination of barriers was present in most interviews, regardless of sector or stage in the supply chain. Understandably this contributed towards the limited size of the local food sector as a proportion of the broader UK food system.

1. Cross-cutting barriers

From the interviews, we have identified cross-cutting barriers and grouped these into four categories that emerge as significant hurdles to the advancement of the local food sector.

1. Varying levels of policy support across nations were seen as hindering progress.
2. Interviewees raised human resource issues, such as low pay and succession challenges impeding growth.
3. They highlighted a lack of funding and funding disparities restricting essential initiatives.
4. Some interviewees focused on the issue of insufficient customer demand to enable the sector to scale up.

These are explored in further detail in the following table, which also shows how strong the consensus was on each of these issues.

Policy		Local food sector			
Insufficient national government support ■	**Varying Local Authority support for local food**	**Lack of capacity and expertise for scaling** ▲	**Lack of produce supply** ▲	**Human resources issues** ■	**Lack of collaboration for economies of scale** ▲
Varying levels of policy across nations to support local, sustainable food production. Lack of policy to get a fair price for food. Lack of policy translating into action on the ground. Regulation that blocks local food growth.	Strategies about food across local authorities aren't coordinated/ joined. Lack of public involvement in deciding local food strategy.	Lack of time and mental capacity to focus on scaling up and out. Lack of technological expertise. Lack of understanding of public / consumers. Lack of a commercial mindset in the sector.	Lack of access to land. Lack of good routes to market for producers. Cost of agroecological transition too high.	Lack of appropriate pay for production. Burnout, low-pay conditions. Lack of successors as not seen as an appealing sector to enter. Lack of good training opportunities.	Solo and competitive mindsets. Lack of connection within regions and with neighbours. Lack of focus on scaling as a movement.

■ Strongest consensus ▲ Good consensus ● Emerging area

Investment			Demand
Lack of consideration of local food by investors	**Lack of funding where it's most needed** ■	**Inappropriate funding processes**	**Lack of enough demand for significant scaling up** ■
Sector seen as too small and insignificant to make real impact by the government and investors.	Funding opportunities not equally available across the 4 nations. Lack of funding for turn-key solutions like marketing and infrastructure. Not enough investment to really kick-start growth.	Lack of capacity to apply for long funding applications. Processes are too complicated and bureaucratic. Mismatch of funding timescales and production cycles.	Lack of direct connection between citizens and local food and therefore a lack of demand. Lack of public awareness of the value of local food and therefore a lack of demand. Dominant narrative of 'cheap food'.

■ Strongest consensus ▲ Good consensus ● Emerging area

What we heard

Lack of government support:

"There are lots of good plans, but there's not much action. The government can put a plan in place, but if they still decide they just want to buy the cheapest food, there's just a real big "say-do" gap.

Lack of rising talent:

"People need to be able to make a decent living out of it. We've definitely seen an increase in new entrants into market gardening since the pandemic but how long will that continue if there's not a healthy living to be made out of it?

Lack of significant demand for scaling-up:

"There's been a stripping away of our connection with food that is not down to individuals, that is down to food companies. We need to acknowledge that disconnection whilst also not making that about individual responsibility.

2. Infrastructure barriers

Appropriate infrastructure is essential to the growth of the local food sector from farm to fork. Interviewees identified a wide range of barriers which loosely fell into three categories: those relating to the local food sector itself, to investment and to policy. Many interviewees found that it was difficult for SME producers to access customers because intermediaries were ill-equipped to process or deal in smaller quantities of produce. Infrastructure may be outdated, but is too expensive to replace. This was a particular issue for the livestock sector where smaller abattoirs are notoriously few and far between.

Local food sector				Investment	Policy
Lack of physical and digital infrastructure ■	**Rising costs**	**Skills and staffing shortage**	**Difficulty working with existing wholesalers** ■	**Lack of funding for new infrastructure**	**Lack of motivation for wholesalers and retailers to engage**
Logistics and distribution challenges. Lack of physical processing infrastructure. Lack of adequate IT systems. Lack of data on food and money flows.	Cost of production of local food going up (e.g. energy, staffing, etc). Inefficiency of scale for small producers and processors.	Shortage of staff and successors - not seen as a viable sector to enter into due to financial precarity, burnout, regulatory burden, and in regards to meat processing - stigma.	Mismatch of scales. Product formats and consistency not meeting wholesaler expectation. Different price expectations.	Lack of funding for new infrastructure (e.g. electric vehicles for distribution). Funding may be insufficient to cover infrastructure or equipment upgrades.	Wholesalers and retailers not mandated to take responsibility for the environmental impact (e.g. greenhouse gas emissions) that arise from their supply chain.

■ Strongest consensus ▲ Good consensus ● Emerging area

3. Local Food Retail barriers

Three key challenges emerged in our analysis of barriers to local food sector growth in relation to retail: mismatched supplier-retailer expectations, low consumer demand and less streamlined shopping experiences. We also saw other challenges emerging with less consensus, which we have included below.

All 'better food' retail			Inherently local	
Supply challenges ■	**Economic pressures on small traders**	**Demand generation barriers** ■	**Business models not supporting growth** ●	**Challenges of making retail work** ▲
Supply of sustainable and local produce can often be too low. Mismatch of expectations between suppliers and retailers on volumes and consistency of delivery.	Rising costs. Supermarket retail dominance. Losses in fresh produce. Risks of buying new local products with unknown demand.	Lack of sufficient consumer demand to support a boost in growth. Lack of capacity and budget for marketing. Seasonality can disrupt existing demand.	Lack of the right business models to support scaling up sustainably.	High set-up costs. Lack of access to useful physical locations. Markets being badly run by Local Authorities (LAs).

■ Strongest consensus ▲ Good consensus ● Emerging area

Independent retail			Customers	
Logistics challenges ▲	**Product challenges**	**Perceived lack of customer demand**	**Inconvenient offer ●**	**Price barriers ▲**
Lack of planograms and sales data to compete with big wholesalers. Lack of desired volume and consistency. Invoicing inconvenient.	Lack of fresh offer in many independent outlets. Product formats not helpful. Price barriers. Shelf-life.	Lack of perceived demand. Expectation of consistency, not seasonality. Lack of promotional activity to drive sales.	Lack of physical access at convenient times. Shopping experience not convenient.	Lack of financial accessibility. Lack of a price that customers find acceptable.

■ Strongest consensus ▲ Good consensus ● Emerging area

Note: The Retail sector has been split into three broad categories that have emerged – All 'better food' retail - where sustainable, ethical produce is sold, inherently local which covers box schemes, farmers markets and other types of retail that are set up to support local food supply and independent retail which are not part of chain stores. There is overlap between each of these categories.

What we heard

Demand generation barriers:

"The normal 99% of consumers don't get it. They don't understand why the food is better. Fresher is better. Less chemicals is better.

Inconvenient offer:

"Local Food feels like it's about really small enterprises, whereas people want to be able to walk into one building and make one payment at the end of it and have done all their grocery shopping.

Business models not supporting growth:

"Our issue with finances is being a social enterprise. We can't do equity, so it reaches a point quite quickly where your debt exceeds your assets and then you're technically insolvent. So that puts a real cap on what you can borrow and how fast you can do things.

4. Public sector procurement barriers

The world of public sector food procurement is complex and governed by different legislation across the four UK nations. However, barriers arising from the interviews relate to leadership, logistics, costs, infrastructure and knowledge.

Policy	Sectoral challenges			Investment
Lack of governmental leadership	**Logistical hassle**	**Cost**	**Knowledge and experience**	**Infrastructure**
National and local governments are not leading by example: without higher standards businesses have no incentive to do better.	Much simpler to source from fewer, larger producers than multiple SMEs. Who takes on the burden? Very difficult for producers and customers to work together directly, particularly for individual or few products. Supply chains are currently very opaque.	"Cost sector catering" operating within set budgets is a key deliverable. Perception may not be real but is still strong. Local authority budgets are pressed across departments, leaving little room for additional spending on local food.	Many procurement teams will deal with multiple products of which food is just one, and have no real food or farming background or expertise. Procurement professionals and caterers may not be the best informed and have no capacity. Relying on passionate individuals leaves progress vulnerable to changing priorities. Risk aversion. Catering companies often have bid writers who specialise in this area, therefore difficult for SMEs to compete.	Many schools, hospitals, prisons etc don't have working kitchens. Requires real change to how goods are stored, handled, processed, aggregated.

What we heard

Inertia:

[The] Minority are passionate, [the] majority agree but aren't invested so you're not going to get it by informing them.

Infrastructure:

The biggest challenge we face is getting distributors to adopt more short supply chains [...]. They'll have finance directors telling them to consolidate suppliers etc whereas we're saying what we need is for them to adopt more and more farms to have as short a possible chain. They'll need convincing that the software we're providing will give them simplicity.

Logistical hassle:

You can't just buy carrots from 20 different farms and chuck them in the same container in our stockroom; if you have farm level traceability, you've got to stock them sensibly [so] that [you] maintain the chain of provenance - that alone is a big change.

Government support:

Setting national standards allows us to have a guidance for a good diet from a level of authority. In countries with good procurement standards you start to see other areas start to mirror it, it creates a culture shift. Businesses need certainty.

Photo © Alena Veasey

A closer look: solutions

How do we make change happen?

We asked our interviewees to identify what they think is needed to grow local food systems. We aggregated responses into key themes and identified areas of strongest consensus, as well as emerging ideas around which there is a growing interest.

Many of the barriers identified by participants could be "solved" by simply reversing the barrier; for example, the lack of national horticulture strategies could be redressed by governments developing a strategy in consultation with producers. However, it is important to establish why the lack of a horticulture strategy is a problem, which would help to identify the root cause of the issue - this will be explored further in the next phase.

Many interviewees identified the need for more aggregation and collaboration across the sector to enable economies of scale and efficiency to develop. Other solutions related to working better with existing wholesalers, for example through different product formats and consolidating to achieve the volume wholesalers require. There were also a number of answers related to addressing the financial barriers discussed above, including grants for equipment or towards start-up costs for food hubs. Better software and administrative systems were a common theme, especially to help with dynamic procurement practices that help SME's access larger contracts.

While many of those interviewed felt solutions were best delivered on a grass-roots or local level, there was general consensus that a national lead was necessary. This would help to set the standard, provide a cohesive vision for industry and businesses to follow and provide the required regulatory and financial support that would facilitate, rather than hamper, the growth of a sustainable, local food sector.

1. Cross-cutting solutions

In our interviews, two pivotal solutions emerged as paramount in addressing cross-cutting challenges within the local food sector. Firstly, fostering new skills and expertise, encompassing tech, business and legal know-how, alongside initiatives to enhance the sector's appeal through education, training and marketing. Secondly, advocating for the development and enhancement of local food strategies, with a focus on citizen consultation, internal connectivity within local authorities and effective action plans.

National policies				Local policies
To increase supply of local, sustainable produce	**To level the playing field with corporations**	**To support local, independent business**	**Policy coherence analysis**	**More & better Local Food Strategies ▲**
Horticulture strategies. Develop or implement national food strategies or plans which include local food.	True Cost Accounting. Polluter Pays. Large wholesalers and supermarkets legislated to take responsibility for Scope 3 emissions.	Community Ownership Fund expansion.	Join local food up with existing government priorities.	All regions have Local Food Plans. Better citizen consultation on Local Food Plans. Better internal connectivity within LAs on local food to action the plans.

■ Strongest consensus ▲ Good consensus ● Emerging area

Local food sector collaboration			
Streamline admin for efficiency	**Better data** ●	**New skills and expertise** ■	**Mindset shifts**
Digitisation of admin processes. Consolidation of admin processes. Collaboration around admin.	Better metrics of persuasion to convince others of our value.	Tech skills. Business skills. Legal and governance expertise. Making local food an attractive sector to work in through, education, training and marketing.	Foster collaboration. Confidence in asking for change and investment.

Investment			
Equality in funding opportunities ●	**Sector-led admin**	**Funding for critically neglected areas** ●	**Greater breadth of funders** ●
Across the 4 nations. Across income and ethnic groups.	Sector-led criteria. Sustainable Food Places controlled admin.	Marketing to grow the sector. Capital to ride through rough times.	More community-based funding. Increase private investment. More casual start-up grants.

■ Strongest consensus ▲ Good consensus ● Emerging area

What we heard

Leadership needs to come from national government, but solutions can be delivered locally.

I think there's massive scope to be more creative and do more around local food, and the system, throughout all the roots to market, so more direct selling, more hospitality, more medium scale retail, more government procurement at regional level. So all the routes to market can involve local food and pay back.

We need to create a culture within agriculture where we understand that talking to your customer and understanding them is the starting point for any kind of development.

"Farming is dictating the rest of society. We have impact on school attainment, on the NHS, on your dental health - people are so far removed from that. We need to bring people back to farms and show how food matters in every part of their lives.

2. Infrastructure solutions

Interviewees identified a range of approaches to support local food infrastructure in relation to national policy, local food sector collaboration and investment. Some solutions related to simply having more local access; many processing facilities, abattoirs and distribution hubs have disappeared over recent decade, due to the consolidation of larger supply chains. There was a perceived need for greater funding and support for producers to collaborate on things such as hubs, processing equipment and transport infrastructure in particular.

National policies	Local food sector collaboration		Investment
To support local food infrastructure	**More aggregation for economies of scale and efficiencies** ■ Of distribution, admin, sales, product range and processing	**Better offer to existing wholesalers**	**Grants for key equipment and infrastructure**
Risk-based and proportionate regulation for small-scale, local infrastructure, rather than one size fits all. Recognise and support local infrastructure because of the public goods benefits provided.	Through new food hubs. Through expansion of existing food hubs. Through aggregated tech platforms. Through Coops. Through better relationships with wholesalers.	Dialogue with wholesalers to foster understanding. A more compelling offer • Customer demand metrics; • Product formats that work for wholesalers; • Alignment on price and volumes.	Small scale equipment and machinery, including dairy and plant protein processing equipment and infrastructure to preserve produce year round. Support for ancillary services. To start up and expand Food Hubs. To support the establishment of new facilities e.g new abattoirs, processing facilities etc.

■ Strongest consensus ▲ Good consensus ● Emerging area

What we heard

Aggregation:

"I think that's why the **Good Food Loop** is such a great idea as well, because it means that instead of each producer having to have a van on the road however many days a week delivering stuff out, we've got 1 van on the road delivering for everybody."

Grants/funding support:

"Government would have to put a blanket around a lot of the smaller abattoirs, they've got to offer us subsidies, for things like waste disposal."

National policy:

"It's recognising that local food is more than just food on a plate, it's about local economies, supporting local suppliers and local producers. Public health. Visibility of produce and access to rural spaces. It is the climate agenda and the nature recovery agenda. It's looking at rural areas. It's about planning and actually how can we help farmers and producers if you have things like production facilities, abattoirs etc."

Photo © Ben Pryor

3. Local Food Retail solutions

In reviewing solutions to strengthen the local food sector in retail, interviewees identified various approaches. Three key strategies stand out with notable agreement: prioritising customer demand generation, enhancing the customer offer with improved accessibility and variety, and advocating for policies to level the playing field to reduce supermarket dominance.

All 'better food' retail			
Investment	**Local policies**	**National policies**	
Customer demand generation ■	**Coordinated support for better food retail across Local Authorities**	**Support for better food retail**	**To level the playing field with the big retailers ▲**
Better understanding of our audience. Expansion of our audience. Opportunities for direct connection with local food. Marketing, campaigns, behaviour change.	Energy efficiency measures for better food retailers. Better run local markets.	Preferential tax treatment for those with a low Scope 3.	Ensuring supermarkets pay a fair price to producers. Limit the dominance of supermarkets in town centers. A tax on unsustainably produced food.

■ Strongest consensus ▲ Good consensus ● Emerging area

Inherently local		Independent retail		
Sector set-up		**Offer to independent retail**		
Business models that support growth	**A better customer offer**	**More convenient product offer**	**Better operations and logistics**	**Useful data and information**
Establishing as businesses, not charities or social enterprises. Community ownership. A Chain of Local Franchises.	More mainstream locations. Bigger, retail spaces that offer a greater range of products. Convenient and appealing product formats. Efforts on price accessibility.	Barcodes to track sales. Convenient and sellable format. Efforts to increase price accessibility. Marketing. Locally curated product offer.	Supply in the right volumes and consistency. Convenient, aggregated invoicing and payment. Reverse logistics to make better use of unsold produce. Clearer and fairer retailer - supplier contracts needed, with short term contracts available.	Data on customer demand. Sustainability impact metrics. Guidance on storage for waste avoidance.

What we heard

Customer demand generation:

“We need to create a culture within the sector where we understand that talking to your customer and understanding them is the starting point for any kind of development.

“There needs to be a national campaign going out. Where is food coming from? What impact does it have on your life? it needs to be [a] much more active conversation with the public on food.

Business models that support growth:

“A good model would be a federation of good retail, where they are economically linked in some way, but there’s enough room for people to adapt to local conditions.

“There’s a really exciting opportunity right now. Online is playing an increasingly big part in food retail. And so suddenly there’s an opportunity to compete with the bigger players that there hasn’t been previously.

A better customer offer:

“How do we create enterprises that are slightly bigger scale? I do think food hubs could do it. They’re mainly talked about in terms of aggregated logistics but could it do aggregated retail as well?

4. Public sector procurement solutions

Solutions within public sector procurement were notably geared more towards higher-level, national policy changes than the other solution areas, perhaps understandably given the Government's role in setting standards for public sector Procurement. As outlined in the Barriers section (p.26) many catering and procurement teams have cost efficiency as their key deliverable, making it difficult for producers to make the case for even domestically produced food, let alone agroecological or regenerative food systems. Most participants addressed this in their responses. The inclusion of social value in public sector procurement does appear to be making a positive contribution in Wales to increasing the market share of locally produced and organic food.

Dynamic methods of procurement were considered a possible avenue to redress the bias towards fewer larger producers that was considered typical of standard operational systems (whether software and purchasing, transport and aggregation, or human process based, meaning structures and protocols for how decisions are made by procurement teams).

National policies	Sector level		
To support higher procurement standards	**The aggregators adopt the burden**	**Market differentiation**	**Technology**
Governments set higher minimum standards so supply chains and private sector will adapt. Provide security for producers and food businesses so that they can safely adapt with low-risk.	Administrative burden shouldn't fall to producers or consumers. Those already working in supply chains, (e.g. wholesalers, distributors, etc) have the expertise to handle logistics. Food hubs and wholesalers can take on some of the logistical burden - smaller producers can feed into larger producers/hubs so that procurement teams still only have one point of contact.	Smaller catering companies going for the same clients and sourcing from the same producers - they are looking for a point of difference, which local food producers must address through the case for business.	Dynamic procurement practices and software could facilitate sourcing from SME producers.

What we heard

National policy:

We (catering and procurement teams) need to be asking for and specifying in tenders what we want - needs leadership and priorities and more budget.

Differentiation:

Smaller catering companies are going for the same clients, buying from the same producers; they're looking for a point of difference, they can differentiate themselves if we can provide them the business case for why.

"Middle-men" adopt the burden:

Council sets the boundaries, but wholesalers understand supply chains.

What next?

During 2024, the next phase of this work will build on these findings to explore the actions that can most effectively support the local food sector to grow and thrive. We are on an ambitious journey to co-create a plan to expand and grow the local, sustainable food sector over the coming years, including recommendations for policy, initiatives and investment to drive change across the local food sector.

To find out about how to get involved in the next phase of the Local Food Plan, please visit **localfoodplan.org** or contact **localfoodplan@sustainweb.org**

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Signposting to other key research

Many of the organisations and individuals working in the local food sector have contributed to this situational review. There are also many important publications which have informed this work, including:

- **The Case for Local Food**, Sustain
- **A tale of two counties: Strengthening local food cultures through mapping supply chains in East Sussex and Lancashire**, Sustain
- **Abattoir Users Survey Results**, Sustainable Food Trust and National Craft Butchers
- **Measuring the Value of Traditional Retail Markets**, New Economics Foundation
- **Courgette Pilot**, Food Sense Wales
- **Food Hubs in the UK: Where are we and what next?**, Food Research Collaboration
- **Vocal for Local**, Landworkers Alliance
- **Growing the local food economy in Scotland**, Nourish Scotland
- **From field to fork: The value of England's local food webs**, Campaign to Protect Rural England
- **Local Food Ecosystems**, Duncan Catchpole
- **A People's Food Policy**
- **Our Future in the Land**, FFCC
- **Farmer-focused Routes to Market**, New Economics Foundation for Growing Communities

Growing the Local Food Sector

A snapshot of barriers and solutions