

FRC Food Policy Evidence Paper

Why Sustainable Food Hubs network: A case study of Better Food Traders



**Food Research
Collaboration**

an initiative of

**Centre for
Food Policy**

Shaping an effective food system

By Hattie Hammans

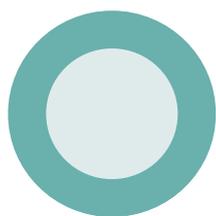
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Key Findings

1. Food Hub Operators (FHOs) network to share practical knowledge and emotional support with one another and devise logistical collaboration.
2. Collaboration also helps food hubs to develop standards within the sector and demonstrate collective impact.
3. Being part of a network can benefit food hubs by identifying best practice and making their supply chain more fair and sustainable.
4. Coordinating to create a collective identity can raise the profile of sustainable food in the UK and demonstrate the viability of business models.
5. However, FHOs have limited capacity to use online forums to network.
6. Logistical collaboration in London, the South West and East of England has been successful.
7. Outside of London, the South West and the East of England, sparsity and operational differences make logistic collaboration less feasible at present.
8. Diversity may be a strength of this sector, but networking must increase for the FHOs to take full advantage of their collective potential.

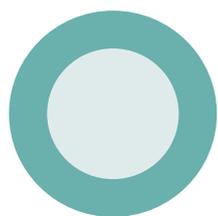
Definitions

Sustainable Food Hubs (SFH): Food enterprises that source food directly from multiple producers, aggregate the produce, and sell it on to eaters, while applying a set of standards or values that uphold sustainability principles to their sourcing and how they operate.¹

Food Hub Operator (FHO): An employee, volunteer or owner of a food hub.

Agroecological: The application of ecological and social concepts to the design and management of food and agricultural systems, optimising the interactions between plants, animals, humans and the environment while taking into consideration the social aspects that need to be addressed for a sustainable and fair food system.² (Better Food Traders also regards agroecological food production as a way for small-scale producers to demonstrate that they are not using chemical inputs, even if they don't have organic certification.)

Greenwashing: Misleading stakeholders by presenting an environmentally responsible image.



Introduction: Seeking collective solutions

Sustainable Food Hubs are immersed in their local communities. They are often local, grassroots projects. Their commitment to local community and local produce can isolate them from one another, despite their similarity. **As a result, it could easily be forgotten that they are part of a wider sector of ethical food traders delivering similar services and experiencing similar issues.**

Although food hubs are keen to distinguish themselves from mainstream options such as supermarkets,³ through the Food Research Collaboration's Sustainable Food Hubs project FHOs told us that collaboration across the sector was very important to them. In particular, they are interested in networking with similar organizations to find collective solutions to the specific, shared set of challenges they face.

'It's about finding solidarity about shared values, and it's about values in action, not just values in words'⁴

'Increasingly, I think the regional dimension is really significant in the ongoing development of what we're doing'

'It all opens out, and it's the network logic of how things are, with just how connected and interconnected we get'

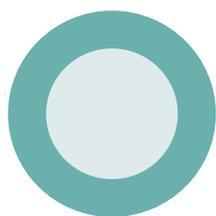
'I would love to see [food hubs] all over the country, because they certainly

feel like they're encouraging local food culture, and shorter supply chains'.

How producers, food hubs and consumers coordinate to form local food supply chains has been well researched.⁵ However, **collaboration between food hubs is less researched.** In the context of a rising interest in food hub-food hub collaboration (both regionally and nationwide), this report asks:

1. Why do food hubs network and collaborate?
2. What are the benefits of food hub networks?
3. What issues do food hubs face when networking?

We answer these questions through a detailed case study of a national network of values-led food businesses (also known as Sustainable Food Hubs) called Better Food Traders (BFT). The case study is based on interviews with BFT staff and members, and analysis of data collected by BFT in the membership application process and through annual surveys of a group of nine 'accredited' members.⁶ Accredited members agreed to participate in more in-depth business analysis from the years 2020-2021. Quotations have been anonymised. This data has been brought together for this report because the author is in the unusual position of working for both FRC and BFT.

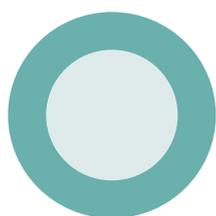


About Better Food Traders

BFT is a network of UK retailers, consisting of 63 business in total.⁷ In the membership, there are 41 box schemes, 16 shops, 15 Community Supported Agriculture projects, and 13 market stalls across England and Scotland. Some of the businesses count within two or more of these categories. To become a member, the retail hubs must demonstrate that they are providing a route to market for small-scale, organic fruit and vegetable growers. To this end, the hubs are required to have or develop a mission statement and buying policy, and track their annual spend across three categories: all fruit and vegetables; UK fruit and vegetables; and organic (or agroecological⁸) fruit and vegetables. Setting this information alongside the names of their suppliers (which the hubs are also required to provide), the central BFT team can verify that the hub is supportive of small-scale, organic farmers.

The network was established by Hackney-based food hub Growing Communities in 2020 with three central aims: to bring food hubs in the UK together under a collective identity and shared principles; demonstrate the growth of the sector by aggregating data based on a common set of metrics; and facilitate a peer-to-peer support network for practical concerns around finance, marketing, and logistics.

As of October 2022, the network consists of 63 members, and frequently welcomes new members. Over the next three years, the network plans to devolve some of its work from a London-based central team to multiple regional networks of food hubs, so that regional differences can be better integrated and hubs can collaborate with their neighbours.



Why do food hubs network and collaborate?

Food hubs have told us that they would like to work more collaboratively. The case study research on BFT suggests that there are three main motivations:

Peer-to-peer knowledge exchange

Peer-to-peer knowledge exchange is the most common motivation behind becoming a member of the BFT network. Analysis of membership form responses shows that **82% of BFT members apply to be part of the network because they want to learn from other food hubs**. Once they are accepted as members, the hubs connect with each other to share expertise and solutions to sector-specific problems.

The network is predominantly online, and currently using the Slack platform, where FHOs can either post a message to the entire network or message one another directly. FHOs use the platform to ask specific questions around costing new produce, accounting systems or logistics solutions. FHOs also use Slack to share data and ask other hubs to share theirs. For example, one hub offered and requested a detailed breakdown of weekly staff hours across Marketing, Weighing and Packing, Deliveries, Book-keeping, and Accounting, to analyse their own efficiency.

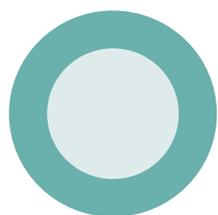
To pool logistics and share facilities

However, the BFT network does not want to confine itself to the internet. **Geographically close hubs use the network to find other hubs, rationalise logistics and share actual facilities.** For example, seven food hubs in the BFT network have worked together under the leadership of Growing Communities to establish the Better Food Shed, a fruit and vegetable wholesaler based in Greater London. This collaboration reduces the cost and

carbon impacts of produce distribution both for farmers close to London and vegetable schemes buying in London, **helping them compete with larger businesses by pooling orders and giving them greater buying power.**

Solidarity

Another important motivation for joining the network is that it can provide emotional solidarity and support for its members.



What are the benefits of food hub networks?

The case study shows that member hubs enjoyed a number of benefits as a result of networking as BFT. Some of these (such as the peer-to-peer exchanges and pooled logistics) helped individual businesses. Others worked to the benefit of the whole network, achieving impacts beyond what hubs could achieve individually. These wider benefits can be summed up as: developing ethical *standards*, demonstrating *collective impacts*; *developing benchmarking and good practice* for the agroecological retail sector, and *raising the profile* of the agroecological food sector.

Developing ethical standards for the agroecological retail sector

Participating hubs are required to provide specified information to the BFT central organisation. This data helps determine concrete standards for the values-led food retail sector. This is important because the terms ‘sustainable’ and ‘agroecological’ are not attached to any accredited food assurance schemes, meaning that retailers can apply them to any product they sell for marketing purposes. In this way, the principles food hubs stand for are vulnerable to co-option by businesses that ‘greenwash’ by inflating their sustainability credentials.

In order to establish and maintain these standards, data on a set of criteria (agreed by Growing Communities) is collected through an online form, which applicants must complete to join the BFT network. This screening process puts the membership policy into action and in effect creates a standard within the ‘agroecological’ retail sector. It also allows participating businesses to benchmark their performance against other retailers. In a sense, membership of BFT acts as a certification of food hubs which meet the specified criteria – which are intended to demonstrate that the hubs are working towards sustainable practices. This process works against ‘greenwashing’ in the sector.

The criteria are designed to show that the hubs are providing a route to market for agroecological growers and upholding sustainability principles. One requirement is that the hubs must show that at least 80% of their fruit and vegetable sales are organically produced. (The average across the network is 99%.) Other metrics relate to transport (members do not supply produce that is air freighted) and waste reduction (in a survey of nine accredited members in 2021, all of them composted uncollected spoiled vegetables, redistributed useable surplus, and worked with farmers to

reduce on-farm waste by reusing boxes and buying produce based upon on-farm availability).

To further confirm that the hubs are working with farmers who use sustainable practices, the network collects data on their relationship with suppliers. Hubs' responses show the closeness of these relationships:

'We have visited the site and have met the grower to discuss his farming practices and history, we feel that we have a close relationship with our local growers'

'We make choices based on geographical proximity, prioritising the most local growers first. We avoid produce grown in heated glasshouses apart from a few weeks of the hungry gap when this may be unavoidable'

'We prioritise British produce at all times when working with a wholesaler. We fill the bags as much as possible with produce from our direct suppliers (taking into consideration the variety of produce for customers week on week), then wholesale UK produce and finally where needed, fill the gaps with EU produce. We communicate quite closely with the wholesaler to ask any questions we have about the farms they source from'.

Membership also requires the hubs to demonstrate fair labour practices. On pay, for example, with respect to their own employees, in the 2021 survey of nine accredited members, the hubs had an average lowest rate of £11.34 per hour and an average highest rate of £15.03 per hour (for reference, the National Living Wage at the time was £8.71). The average pay ratio across the surveyed businesses was 1:1.33, which means the highest paid employee was only paid 1.33 times more than the lowest paid employee. By comparison, Tesco, Morrisons and Ocado are amongst the top 10 FTSE 350 companies with the biggest pay gaps. Tesco has a pay ratio of 1:355.⁹

The hubs must also show that they pay a fair price to the growers, reflecting the true cost of organic production.

'We always pay the listed price for produce, we do not negotiate – so we leave the supplier to decide what their fair price is ... We do not have any punitive contracts in place with suppliers'.

Demonstrating collective impact

"...members can demonstrate that annually the network sells £13,442,378.49 of organic produce sourced from 129 small organic UK farms, or that across the network, 37,471 customers are served per week"

The other benefit of the network's capacity for data collection is the **ability to demonstrate collective impact**. As a result of BFT's work in collecting and analysing data, members can demonstrate that annually the network sells £13,442,378.49 of organic produce sourced from 129 small organic UK farms, or that across the network, 29,797 customers are served per week. These statistics can be used for campaigning, demonstrating the scale of the movement or determining the social impact of the sector as a whole.

Benchmarking and good practice for the agroecological retail sector

The network sees itself as playing a role in defining 'best practice' for the sector. The values and best practice principles which the members share demonstrate how 'agroecology' – a concept developed by and for small-scale food producers – can be realised in the supply chain itself by food hubs.

To this end, the project initially offered a mentorship programme, where new members were connected with experienced sector practitioners, to help develop 'agroecological' practices in the supply chain. The network now offers bi-annual mentoring events where members can ask 'experts' specific questions.

The network's benchmarking of good practice is also designed to have an impact on the sector as a whole. In an interview, the then-BFT Project Leader described working closely with hubs to develop their businesses. The BFT Project Leader felt that the network's expectations have helped member food hubs to become more sustainable, as a direct result of joining the network:

'Its already affected their buying policy ... It's very easy to think you're delivering something, but without tracking your actual spend, where you're buying in stuff from, you can't be sure that you're doing it. And so, that element of monitoring or data tracking has helped change people's practice, towards supporting UK agroecological growers'.

The BFT network has carried out two annual surveys to keep track of their members' ambitions and development. Their answers show how the food hubs aim to develop their supply chains to become more 'agroecological'.

For example, responding to the common view that food hubs cater for higher-income people because they have higher prices, the most popular target across the hubs was linked to social justice, specifically a desire to improve access to sustainable food for low-income groups. Comments included:

'Targeting low-income households. We want to work with community centres/ food distributors in low-income areas of Manchester to figure out the barriers that households would face in accessing our products. We would then hope to work with these partners

to overcome these barriers — be they cost (by funding or supplementing bags using money from our food poverty raffle), produce or our collection point model. Ideally we would also look to integrate Healthy Start vouchers'¹⁰

'Food access / solidarity pricing. How can we look at pricing models to increase accessibility to box scheme?'

'Provide more support for those on low incomes or in difficulty, either through partnerships with charities such as Greenwich Mutual Aid and/or by accepting Healthy Start Vouchers or the like'.

Other ambitions included creating employment and training opportunities for people moving into the sector, participating in an 'anti-oppression' training programme, reducing transport emissions, and providing community cooking education.

'We want to develop cooking classes and other educational activities to increase people's understanding of sustainable diets and how to cook more seasonal, plant-based & from scratch'.

Raising the profile of an agroecological food sector

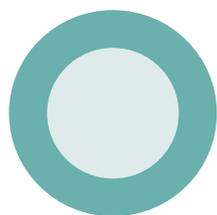
A final benefit for participating hubs is the collective identity that the BFT network provides. With this identity, the network aspires to raise the profile of sustainable food hubs as part of a sustainable food movement. While still very small relative to the mainstream sector, the collective identity provided by a network can help prove the existence of a sustainable food hub 'sector', linking and amplifying the hubs' values and increasing the sector's visibility.

For example, the network runs a targeted marketing campaign twice a year around the 'BFT map', which is an interactive online tool to help customers find their nearest seller of sustainably-grown produce.¹¹

On behalf of its members, the network also

collaborates with academic researchers and Civil Society Organisations to raise the profile of this emerging sustainable food sector.¹² By defining itself as a coherent sector based upon shared values and similar operational practices, the

network can work to attract sector-specific policy support. The network is currently working with the Land Worker's Alliance and Sustain, among others, to campaign for policy support.



What barriers do food hubs face in collaborating?

The case study brought to light some of the challenges food hubs face in realising their desires to work more collaboratively with other hubs. These obviously vary from hub to hub, but three main issues stood out.

Lack of time can limit peer-to-peer exchange

Despite the members' dedication to transparency and initial motivation to learn from others, **peer-to-peer exchange** in the Slack workspace has had only mixed success. In spring 2020, as the hubs faced new challenges due to COVID-19, the Slack workspace was very popular. However, as much as they may want to, it is clearly difficult for the FHOs to consistently find time to interact online. **Ultimately, the hubs are willing to share solutions and data but lack time and resources to dedicate to networking with other hubs.**

The larger businesses have more capacity for networking with other hubs. Even when time for sharing is limited, though, **all members reap the benefit of the online platform** as they can use it

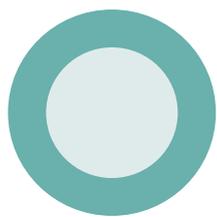
as a resource where they can search for and read previous discussions between other hubs.

Geographical sparsity hinders logistical collaboration

So far, the Better Food Shed has been unique: no other collaborative logistical projects have developed through BFT. **Why have the members not been able to capitalise on the new connections to rationalise logistics? It might be due to the size and diversity of the membership.** There are too few members, particularly in the Midlands, Scotland, and North East, where membership is geographically sparse.

Diverse business models can also make logistical collaboration difficult

Another factor may be that members are operating very differently, from market stalls and shops to box schemes. **Even small distinctions in supply chains can render logistics rationalisation impossible.**



Conclusion: Building a sector

The case study shows that through networking, participating food hubs so far have:

- Created online and in-person spaces of knowledge exchange;
- Found solutions to common problems;
- Coordinated to improve their logistics;
- Established standards and ‘best practice’ within a young sector;
- Developed their businesses to be more coherent with their values;
- Organised under a collective identity to raise the profile of their businesses and the sector as a whole.

These are valuable achievements, and can boost participating hubs’ viability by cutting costs and improving services.

However, this research has also found that food hubs face three main barriers to networking:

1. The capacity of staff and volunteers to take time away from essential daily and weekly operations and dedicate time to networking;
2. Geographical distance between the hubs;
3. Operational differences.

BFT’s membership consists of many different types of food business. While trying to create a ‘sector’ or ‘movement’ out of diverse projects with similar goals, at its current size it does not have enough members to do this in every area.

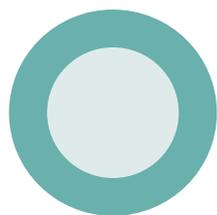
However, in the future, the diversity of BFT members may be a strength as the network

can foster relationships between businesses of different scales and types. The potential for logistic collaborations developing through BFT connections will become more apparent as the membership grows in scale.

Overall, the case study suggests that despite the noted strain on resources and capacity at present, the future of food hub collaboration looks positive. The promise of the various benefits described in this report still draws new businesses to apply to become members, and motivates FHOs to mobilise in their regions to encourage other businesses to get involved. While it may take some time before it can be realised, there is also untapped potential in working together for research goals, campaigning for policy support or applying for institutional funding.

There is also scope for further regional networking and logistics rationalisation, in a similar vein to London’s Better Food Shed, and the South West Good Food Network. Each of these projects has succeeded in areas with high food hub density, which suggests that the growth of the movement will only improve the scope for food hub collaboration.

This case study has provided insights into why food hubs network. Collaborating regionally or nationally is not always easy, but not only brings benefits for the individual hubs but for the agroecological sector as a whole. The FRC has argued that more sustainable food growing must be matched with agroecological *supply chains* that are suited to its scales and values. The proliferation of sustainable food hubs and their effective networking are crucial to food system transformation.



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We are grateful to BFT for sharing data for this report.

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6 The case study is based on interviews with the Project Leader of Better Food Traders and a group of member hubs. It also makes use, with permission, of data collected through membership forms, accreditation forms and annual member surveys carried out by the Network Manager.

7 The number is growing month by month. This figure was accurate as of 19th October 2022.

8 See Definitions Section.

9 Living Wage Foundation, 2021. Low Pay in the Supermarket Sector. LWF Briefing.

10 These survey responses have been anonymised to protect the interests of participating food hubs at the authors decision.

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The [Food Research Collaboration](#) is an initiative of the [Centre for Food Policy](#), facilitating joint working between academics and civil society organisations to improve the UK food system, and making academic knowledge available wherever it may be useful.

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