THE CO-OPERATIVE GROUP
SUPPLEMENTARY WRITTEN SUBMISSION
INQUIRY INTO FREIGHT TRANSPORT IN SCOTLAND

During the Committee’s oral evidence session of 1 April 2015, the witness from The Co-operative Food, Justin Kirkhope, committed to provide additional information to the Committee.

Co-operative Food Scottish Fresh-sourcing

- For the year to date we have over 2,000 fresh Scottish lines which we have sold in Scottish stores that are either delivered direct to stores by suppliers or via our Newhouse Distribution Centre.

- All own-brand milk sold in our 400+ Scottish stores is produced, processed and bottled in Scotland – and is labelled as Scottish. This milk is produced by 34 dairy farmers spread from Aberdeen (4) to SW Scotland (22) – the rest are located in the Glasgow area.

- We have made good progress on increasing our range and sourcing of Scottish dairy products beyond milk. Currently we sell approximately 150 tonnes of Co-operative Scottish Block Butter per annum and Co-operative Scottish cream (launched in July 2014) sells approximately 400,000 litres per annum.

- The range of Scottish products in our stores is wide and varied. It includes own-brand products sold in most of our Scottish stores; this would include Co-operative Truly Irresistible Breaded Ham and Co-operative Truly Irresistible Aberdeen Angus Fresh Minced Beef. The range also includes locally sourced products sold in a handful of stores, this would include Isle of Arran Traditionally Sourced Ice Cream in 3 stores and Orkney Raven Ale in 3 stores.

Our decision on where to source fresh products from (in terms not of only of location but also of supplier) is driven by a range of factors including (but not limited to) distance to store, provenance, quality and competitiveness. Each product is different and decisions are taken on a category by category basis so it is difficult to generalise and what the determining factor will be. Minimising the distance between where a product is produced and where it is sold is certainly a consideration but how much weight is placed on it would depend on the product – hence our own-brand milk may travel hundreds of miles from our processor to stores in Northern Scotland but bakery products produced by an artisan bakery may travel less than 5 miles to a handful of stores.

The Co-operative Food currently transports goods up to the Newhouse Distribution Centre from Coventry via rail. To be clear, this tends to be slow-moving ambient lines and not fresh products – things like cleaning products and cat food, rather than fresh products.
Night Time Deliveries in London
The Committee requested additional information on the subject of night time deliveries and discussions that The Co-operative have had with local authorities in London to expand the number of hours available to us in which we can deliver to our stores. Following the relative success of evening and overnight deliveries during the London 2012 Olympics, the Co-operative Food were keen to investigate whether deliveries for certain stores in the London area could be moved away from daytime delivery on an ongoing basis and initiated a project to assess potential changes.

The project brought 66 London stores in total onto twilight/night time deliveries over 7 months between Summer 2013 and the first quarter of 2014. We worked with a number of local authorities in London to ensure that the change in approach would have a minimal impact on local communities. This positive and sustained dialogue with local authorities was key to the success of the initiative. The change in delivery times has been beneficial to us as it has:

- Helped to ensure the reliability of deliveries to these stores through delivering at less congested times;
- Helped to reduce traffic congestion by shifting some of our road movements to off-peak times;
- Enabled us to re-use our vehicle fleet during the day - leading to improved operational efficiencies; and
- Enabled us to maximise the freshness of our in-store offer, as products can be restocked and on the shelf ready for the start of store trading.

April 2015