Cross-Party Group on Rural Policy

Wednesday 16th November 2022 6-7.30pm Keeping Food Local

Present

MSPs Finlay Carson MSP Edward Mountain MSP Brian Whittle MSP Rachael Hamilton MSPJ

Speakers

Prof David Marshall - University of Edinburgh Business School Denise Walton - Peelham Farm, Berwickshire Sarah MacLean - Bùth Bharraigh Ltd

Non-MSP Group Members

Abigail Williams Adam Forrest Adelaide Henderson Aimee Spence Ana Vuin Angus Yarwood **Beatrice Morrice Brian Cameron** Carla Coghlan **Carol McLaren** Chloe Thompson **Clare Cooper David Cameron David Gass Dmitry Feoktistov Douglas Scott** Eric Calderwood **Fiona Fawcett** Fiona Mackenzie Fred Foxton Gill Lawrie Haoyue Wang Ian Merrell Ifeyinwa Kanu Iram Khan Jane Atterton Jayne Glass John Whitehead

Katy Ewing Kendra Stanton Keri Davies **Kieran Fowler** Lindsay Wood Lorna Dawson Lorna Pate Louise McEvoy Luisa Fernanda Riascos Caipe Mali Gravell Mary Brennan Ninian Stuart Pattanapong Tiwasing Paul Freathy Rachel Norman **Rachel Tennant** Rosalind Graham Rosie Jack Sam Parsons Sara Bradley Sarah Jones Sharon Rice-Jones Shuting Yang Soumaia Benharraf Steven Thomson Stuart Clark Theona Morrison **Toby Anstruther** Vanessa Halhead Vidhi Kumar Yunfan Yang

Apologies MSPs

Ariane Burgess MSP Emma Harper MSP Jenni Minto MSP Katy Clark MSP Rhonda Grant MSP

Non-MSP Group Members Jenny Macdonald Kerry Hammond

Agenda item 1

Welcome, introductions and apologies

Edward Mountain MSP (chair and co-convener) welcomed everyone to the meeting. He noted the MSPs in attendance and MSP apologies, including co-convener Emma Harper MSP.

He explained this meeting was originally planned for 4th October but as it had been postponed and re-arranged at short notice, it had been decided to run the meeting online only. He confirmed that the plan for the following three meetings in this 2022-23 session would be a hybrid format with people invited to attend in-person at the Scottish Parliament if they wished. Online access would still be available.

It was confirmed that all participants had been emailed the agenda and the list of attendees and that the Rural Policy Centre (RPC) as Secretariat has a note of all apologies received and would list them in the meeting minutes as usual.

It was reiterated that speakers' presentations (slides and an audio recording) would be uploaded to the CPG section of the RPC area of the SRUC website as soon as possible after the meeting along with the unapproved minutes. Group members were encouraged to send the RPC an email if amendments were required in the minutes. The minutes will be formally approved at the next meeting in January. Participants were reminded to mute their microphones unless speaking and to raise their hands to speak or to type their comments/questions into the chat function.

Agenda item 2

Approval of minutes from last meeting

Edward Mountain MSP motioned to approve the minutes of the previous meeting 'Doing More with Less', which took place on the 7th June. The Secretariat confirmed that no comments had been received on the unapproved minutes.

The minutes of the June meeting were approved.

Agenda item 3

Group AGM – reapproval of office bearers

Jane Atterton took over chairing of the meeting and motioned to reappoint Edward Mountain MSP and Emma Harper MSP as co-conveners of the Group. This was proposed by Finlay Carson MSP and seconded by Rachael Hamilton MSP. Edward Mountain MSP and Emma Harper MSP were confirmed to continue as Group coconveners. Edward Mountain MSP resumed chairing and proposed SRUC's Rural Policy Centre to continue as Secretariat. Brian Whittle MSP seconded this. The RPC will continue as Group Secretariat.

Agenda item 3

Speakers

Three speakers presented on the theme of 'Keeping Food Local'. <u>David Marshall</u>, Professor of Marketing and Consumer Behaviour, **The University of** Edinburgh Business School - Keeping Food Local: a remote challenge

- The Universities of Edinburgh and Stirling have been researching patterns of consumption, purchase behaviour and access to retail provision, particularly in relation to food, amongst Scottish island residents for a number of years.
- David noted that they'd been looking at some of the ways in which rural residents try to access food and considering the ways in which remote communities, in particular, are resilient and adaptive in the faces of what are often significant challenges.
- This presentation discussed evidence from visits to the Western Isles and work ongoing as part of a series of workshops funded by the Royal Society of Edinburgh to examine the role of the informal food economy/network in relation to food access.
- Topics covered included home production/crofting, markets, community co-ops/social enterprises like <u>Bùth Bharraigh</u>, community gardens and honesty boxes, food banks and major grocery retailers.
- David noted that a number of crofting skills were being lost or not being passed on, particularly in terms of slaughtering/butchering skills. Local markets tended to be seasonal with restricted trading hours. Home delivery and box schemes had been gaining in popularity with social media playing an important role. But in certain cases markets were geared up to tourists instead of local needs.
- Community gardens were largely focused on the wellbeing benefits of growing fruits and vegetables but David questioned the capability of these to scale up to meet any form of volume demand without investment in things like polytunnels. The provision of foodbanks was also covered as a measure to address food poverty. He noted that the need for discretion and respect in terms of foodbanks was particularly significant for island communities.
- There is support from islanders for the national grocery retailers, which most are still heavily reliant on. But there were differing views on price (some felt these were reasonable others felt they were expensive) and issues around online delivery timeslots. The availability of local food is highly variable from major retailers like Coop and Tesco and relying heavily on them also creates a degree of vulnerability due to external factors such as ferries, weather and fuel costs.
- The researchers found many examples of good local informal food networks but felt that they were complementary to existing networks, citing a decline in 'traditional localism'.

Denise Walton, Peelham Farm in Berwickshire

- Denise explained the origins of their family farm business from 30 years ago as small holders on 20 acres to today where they have 650 acres (mixed organic and Pasture for Life) with a focus on producing locally and selling locally. The business, which farms cattle, sheep and pigs, grew from selling at farmers' markets to directly to chefs/restaurants, and then in the last 5-10 years with the addition of selling to local independent retailers and online sales.
- The farm employs 11 local people full time. In 2008 they built their own farm butchery and last year expanded this to triple the capacity. They sell around 60 product lines of standard cuts and are adding value to about 75 products, which allows them to reduce waste and increase diversity for the local market.
- As well as provenance and traceability, collaboration is extremely important to Peelham Farm and they work very closely with five other organic/Pasture for Life farmers to supply consistency of ethos and quality. So, for example, if they are seasonally low then they can call on other suppliers of lamb and beef to increase supply to the butchery. The farm uses a local distribution network.
- Challenges of the future are not just about keeping food local but it also about growing local food. The biggest challenge is creating localised infrastructure (abattoirs, bottling plants, dehusking plants) if we want a local food economy.
- Denise mentioned the Good Food Nation Act and said it is critical to have support in policy and funding for localised infrastructure.
- The other challenge is competition from multiple retailers who set the pace on price. It is difficult to keep prices competitive so that is why we have to work hard at selling our localised brand as our unique selling point. Distribution, logics and costs are a very big challenge because of the price of fuel. Keeping and growing a local food economy depends on a local pool of skilled labour to work on farms and add value.
- There is an exponential increase in ethical independent retailers both in Scotland, the North of England and the rest of the UK who are looking for the kind of product being sold by local food producers and local farmers who are directly producing.
- Market differentiation is another important issue. Local branding can provide a unique selling feature with benefits to health, welfare and environment.

Sarah MacLean, Founder and Manager, <u>Bùth Bharraigh</u> on the Isle of Barra

- Sarah began with some context on the Isle of Barra, which has a population of 1,100 and receives around 17,000 visitors annually. It is around 90 miles from Oban, an hour by plane from Glasgow or almost five hours by ferry from Oban.
- Bùth Bharraigh is a social enterprise which acts as a route to market for local products and provides other goods and services to the community to give opportunities for local people and help them to become more sustainable.
- It began as a local monthly market in 2000. The community said "easy access" would entice them to buy more local food and visitors to the island were complaining that there were no local gifts they could buy.
- A summer cafe at North Bay in 2012 was the first test, allowing producers to begin making/selling goods on a more regular basis rather than for a once-a-month market. Following its success, it ran a Christmas shop for three weeks and raised £10,000.

Finally in October 2013, Bùth Bharraigh opened in its current location, the old Co-op in Castlebay.

- For every pound spent in the shop using the most local multiplier effect it generates £2.58 for the local economy (2019 figures). The shop also provides work placements, work experience and volunteering opportunities. It employs four full time staff and 12 volunteers. It doesn't have any external funding for core costs.
- It wouldn't be possible for the shop to make a profit on local produce alone and the commission for such, so it also sells other goods and services that fill the gaps locally and provides an income to pay staff and bills.
- All local producers are welcome and Bùth Bharraigh takes a percentage of their sales. Producers set their own price and everything is on a sale-or-return basis. Bùth Bharraigh helps with product presentation and labelling, as well as connecting with the local environmental health officers who are "very helpful".
- Each producer gets paid at the end of the month. Products that feature the Barra flag on their labels are made by people that live all year round on the island. The shop also supports other island producers like South Uist venison.
- The shop provides visitor information on the island, as well as a laundry.
- Plans for the future include buying the building and renovating it. Also on the business plan is to have some shared processing facilities where local producers can process their products.

Key issues raised in the discussion included:

Need for local facilities, primarily abattoirs: David Marshall mentioned the costs involved to ship animals to the mainland for slaughter and said there had been some abattoirs in parts of the Western Isles but they'd gone out of business. The other issue he raised was around lack of skills for, say, home slaughters. Denise Walton said they can't afford to slaughter locally and instead take their animals to an abattoir in County Durham – sharing a RPCA Freedom Food licensed lorry with another local producer. She said losing abattoirs is having a huge impact not just on the local food economy but on our farming industry. Denise added that abattoirs are very difficult to make money from and rely on vets, she believed most were European and had returned home following Brexit. She said that without public funding it's difficult to make abattoirs work - in the past they were a public service funded by local councils. Edward Mountain MSP commented that there had been conversations in Parliament about mobile abattoirs and trying to get them to crofts and locations like Skye so that animals can be killed and sold locally. Theona Morrison added that transporting animals to slaughter is also not good for livestock from a health perspective. Sarah Maclean said having shared local processing facilities and equipment would encourage more people to become local producers who might lack space at home. Edward Mountain MSP mentioned a comment in the chat that a lack of local abattoirs was a key issue raised across the Highlands and Islands in the 1990s and much has changed since then. Finlay Carson MSP mentioned a group of local farmers that tried to open an abattoir in Dalbeattie but couldn't get the sums to add up to make it work. Adam Forrest added that we have approximately 24 abattoirs in Scotland but only 8 currently accept 'private' kills from smaller local producers and this number is dwindling each year as costs rise and labour becomes more challenging. Without high volumes, abattoirs make little to no profit: smaller abattoirs need support. If we want local meat with a story in Scotland, we need to think about alternative ways of funding this infrastructure, he suggested co-ops/social enterprises as one way to do this. Ninian Stuart agreed that the need for government support or local infrastructure

had also been identified by a number of farmers in Fife. Steven Thomson questioned whether there is an opportunity for returning to more home slaughter now that we are out of EU regulatory scope? He also suggested Shetland abattoir as a model to consider, commenting on the need for some Orkney producers to send animals to Shetland for slaughter.

- Support for local producers: Finlay Carson MSP commented that it was a disappointing outcome of the Good Food Nation Bill that local and national plans are potentially not going to be developed or consulted on until the end of 2023/into 2024. He asked what needed to be done in the short term to make it easier for small producers to get through the minefield of environmental health regulations and labelling. He cited some of his constituents in Galloway who had found the process difficult. Sarah MacLean said Environmental Health advisors on Barra were very approachable and good relationships had been built up. Denise also said the officers that they've used were very supportive but wondered why this wasn't standard across different regions. She suggested that it would be useful to have some sort of local food office within each local authority who could advise more broadly. One member asked why there weren't any grants to support local producers. David Marshall talked about a producer on Uist who is successful because the also sell off the island and spoke about the variabilities in coping with the tourist market - so support in accessing markets beyond would also be helpful. Angus Yarwood asked Sarah MacLean about challenges of setting up a community shop and she said that it had been a challenge to get the Community Asset Transfer for their building – they were turned down twice and won on appeal. She suggested that local authorities could be more helpful in allowing community groups to access buildings. She also said they had funding from First Port, which helped them to develop a little faster. Fiona Morrison suggested we take the lead from what authorities in Greenland did in response to the pandemic by enabling premises to be as approved as food hygiene safe, which allowed farmers to do what we would refer to as home kill but in 'approved premises' allowing the products to then be sold on as such. Steven Thomson added that it is an interesting discussion point to agree where funding needs to come from - the enterprise or agricultural budget. He said SRDP was seen as the go to source but for this type of opportunity, but we really need to rethink support and ensure that all business support is accessible by crofts / farms / communities looking to deliver on local food and the Good Food Nation.
- Local food challenges during the cost of living crisis: Dmitry Feoktistov asked about local food provision in the context of a challenging macro environment, stating that while it seems local food can provide a safety net but at the same time local food businesses are typically smaller, have less predictable cash flows and are less well-capitalised. As incomes are increasingly squeezed, will these market participants become stronger or will many of them fail? Sarah MacLean explained her perception that people are making really considered purchases now. They might buy one thing of higher value rather than a number of smaller items of lower value. She said they used to sell eggs but it was too tricky due to differing demands because of the volume of tourists visiting in the summer and the cost of feed escalating so rapidly.

Action points

Theona Morrison of Scottish Rural Action will share information on the Greenland initiative, and Edward Mountain MSP commented that the Secretariat would then share this information with participants via email.

AOB

Edward Mountain MSP concluded the meeting by thanking the speakers and the audience for their contributions to the discussion.

Next Meeting: Tuesday 6th December 2022 (hybrid) Shifting the Narrative: Stories of Rural Resilience in a Post-Covid Scotland - more information to follow

Please note: Since this meeting the date for the next CPG has been changed to Tuesday 31st January 2023. The theme for this meeting will be 'Shifting the Narrative – Stories of Rural Resilience in a Post-Covid Scotland'

Please also save the dates in your diaries for the following two CPG meetings -

- Tuesday 7th March 2023
- Tuesday 6th June 2023

More information on the topics we will cover will be available shortly. We anticipate that these meetings will be hybrid.