RURAL ECONOMY AND CONNECTIVITY COMMITTEE

SCOTTISH GOVERNMENT’S DRAFT BUDGET 2018-19

SUBMISSION FROM THOMAS JARDINE AND CO

We traded as grocers for 20 years in Dumfries & Galloway winning both Scottish Grocer of the year awards and Wisemans UK Neighbourhood Retailer of the year. On selling the business we both completed Masters Degrees and then worked with Lancaster University, University of Cumbria and Jacqui also acted as vice chair of the National Guild of SPAR. We have maintained a link with local food producers throughout and now work with a variety of large and small local food producers.

1. What types of budget support does the sector need to grow its capabilities and build markets?

The food sector includes food entrepreneurs and transgenerational businesses who have great products but may need assistance in getting these products to market in a form that is acceptable to retailers, wholesalers and the end consumer. This includes support in ensuring the food meets the legal food standards required (i.e., having labels that identify all ingredients used, listing allergens, advice on dates, barcodes and relevant packaging required for either retail or food service supply chains).

Having suitable products is only half the journey, the second part is identifying and interacting with suitable market places. Our experience firstly as retailers in Dumfries & Galloway and more recently working with food producers from both sides of the Anglo-Scottish Border suggests that ambitious food producers in this area look south towards Manchester as well as north towards the Scottish Central Belt.

It may therefore be advantageous to support Dumfries & Galloway food producers in a drive to market themselves in the NW of England ideally in collaboration with producers in Cumbria.

There is already some evidence of a porous local food border with Pioneer Food Services in Carlisle and Cranstons Food Halls based in Penrith stocking a wide variety of local Scottish products. Last years Carlisle Food City’s Local Food Show also attracted a significant number of local Scottish food producers looking to market their products South of the Border.

Our understanding of the current Borderlands Initiative suggests that there is an opportunity for the food and drink sector in the South of Scotland and it would be ideal if some of the general support aimed at the food sector could be used in conjunction with Borderlands to support the food sector which is highly important for this region of Scotland.

The shared ambition of the Borderlands Initiative is to play a full part in the regional and wider UK economy and unlock the potential of the south of Scotland and north of...
England. The Borderlands Proposition ‘Our Offer & Our Ask’ seeks to drive truly transformative change to the region. Whilst food and drink is identified as a key sector of the economy of the area, the Borderlands Initiative is focussing on several high level themes where the potential positive impact will be felt across our key sectors and by the communities we serve.

Themes include: digital technology, innovation, low carbon and energy as well as physical infrastructure connections and transport connectivity. Proposals related to each of the themes will make movement to and within our area easier, will make the area more attractive as a place to live, work and visit and will open up the potential of trade with new markets. The food and drink sector in the South of Scotland in particular therefore seeks to benefit from proposals linked to these key themes and if matched with the national budget spend to support the food sector could prove highly beneficial to the region.

2. Is what is currently offered by the Scottish Government and Public bodies effective in terms of providing the support needed?
With limited resources it will always be difficult to match all the needs and expectations of the business community. With the concentration of the population of Scotland within the central belt there is some justification in focusing efforts on building the Scottish Food sector in this area. The low density of population and business in D&G also suggests that delivering business support to this area would be more expensive than in more densely populated areas. A solution to this may be further collaboration under the Borderlands Initiative with some budget support from the Scottish Parliaments food sector budget used as joint funding to encourage local cross border marketing aimed at the larger NW England conurbations and beyond.

3. How can tax measures be used to help the Food and Drink sector deliver on food policy objectives?
Some form of tax relief aimed at encouraging collective promotion of regional products to new markets would be beneficial. In terms of SW Scotland this could potentially be used as joint marketing activities (such as joint trade show pavilions) with Cumbrian food producers looking to market to the population centres of NW England.

4. What should be the over-riding objective(s) of support?
- Economic growth
- Health and well-being
- Improving environmental standards
- Other

Economic growth of local food producers that encourages employment within the more sparsely populated areas of Scotland could lead to more opportunities for young people in these areas as either employees or entrepreneurs. Linking food producers in SW Scotland and their Cumbrian counterparts could lead to beneficial economic growth for both groups.
The impact of secure locally based employment would of course have a beneficial socio economic impact. This would be the raising of the aspirations of the younger generation in the region who currently see their future elsewhere in the UK.

Thomas Jardine and Co
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