

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER MEETING, HEALTH AND COMMUNITIES

01 September 2015

Report of the Director of Public Health

REDUCING FOOD POVERTY: GRANT FOR MOBILE FOOD SHOP

1. Purpose of the Report:

To seek approval to provide a grant for a mobile food shop and kitchen as part of the sustainable solutions to food poverty in Derbyshire.

2. Information and Analysis:

On 28 July 2015 Cabinet approved a programme of interventions that are designed to prevent food poverty in Derbyshire. The interventions include the following:

1. A distribution hub for donated food in Holmewood, managed by the charity Fareshare
2. Subscriptions for Derbyshire food banks to join Fareshare for one year
3. Provision of free breakfast clubs in 24 existing schools plus an additional 12 new schools in areas with a high prevalence of free school meals
4. Community-based cooking and eating projects known as Super Kitchens in all eight districts/boroughs in the County
5. A social supermarket/community shop
6. An affordable food box scheme
7. Mapping of community food outlets
8. Subscriptions to a church-based charity which provides pallets of goods such as non-perishable food and toiletries, to be distributed via food banks.

The report acknowledged that further work was required to develop and cost more precisely some of these options. This report focuses on the development of the social supermarket/community shop element of the programme.

Community shops

The community shop concept was developed by a private enterprise called Company shop. Community Shop is the social arm of Company shop. It has a targeted membership of between 500 and 750 households and individual membership is for around six months only. Membership is typically restricted to those on a means tested benefit, directed to residents living within agreed geographical areas. Access to

shops is controlled by Photo ID/Loyalty Card which limits the number of same type items that can be purchased at any one time to ensure no abuse of the membership is undertaken. The estimated cost to set up a community shop is £125,000. While this model has worked for some urban communities, it has limited impact in a rural county such as Derbyshire.

Mobile community shop

A more appropriate solution for Derbyshire is a mobile facility. The Charitable Incorporated Company Eudaimonia, based in Worksop, has developed a mobile unit from which Super Kitchen groups can be run across the County, including a teaching facility to develop catering skills. The mobile facility can also operate as a mobile community shop by receiving food from the Fareshare hub and distributing it at very low cost (via suggested donations) to deprived communities in Derbyshire. This model also allows the affordable food box scheme to be incorporated. For example, very recently a member of the public has offered to work in partnership with the Council as he is establishing a community garden and is looking to donate produce to local people in need. The mobile shop could facilitate this and many other opportunities to engage local communities and reduce food poverty in the County. The nutritional quality of food provided will reflect the Heart of Derbyshire principles and the mobile shop and community groups will be encouraged to apply for the Heart of Derbyshire Award.

To generate income, the proposal is for the mobile facility to be used for social good for five days a week and commercially for two days a week, eg at local events such as Bakewell Show. For the latter, food is purchased as opposed to donated, and a commercial price is charged. The income generated from the commercial activity supplements the social activity and contributes towards the long-term sustainability of the enterprise. There may be opportunities to make links with our Made in Derbyshire brand and associated activities.

Eudaimonia has produced a business plan which stands up to scrutiny and it comes within the budget allocated for this project: £130,000 over three years. The budget is profiled differently to the estimate in the report of 28 July as the purchase of the vehicle necessitates a larger investment in year one but the overall spend is the same.

Eudaimonia's business plan forecasts a surplus in year three and sustainability from year four. A contingency of £11,000 in year three has been negotiated with the supplier, which may not be required. This solution to the community shop initiative saves the Council between £11,000 - £22,000 in year three.

3. Financial considerations:

The report of 28 July profiled the community shop budget as follows:

Year 1 = £52,000

Year 2 = £52,000

Year 3 = £26,000

The revised budget is as follows:

Year 1 = £78,000

Year 2 = £30,000

Year 3 = £11,000 (as a contingency; may not be required)

The increased costs in year 1 will be offset by cost reductions in some of the remaining interventions listed in the Cabinet report of 28 July. The business plan budget prepared by the supplier projects a surplus in year 3 which reduces the cost to the Council by at least £11,000. It is proposed that the cost of this grant will be met from the food poverty element of the Public Health budget.

4. Legal Considerations:

The grant can only be used for the social element of the mobile community shop and kitchen and not subsidise the proposed commercial trading activity. The Director of Legal Services will ensure that the grant agreement restricts the use of the grant to the social activities of Eudaimonia.

5. Background Papers:

1. Cabinet Report of 28 July 2015
2. Feasibility and business plan for the mobile food shop by Eudaimonia August 2015

6. Other considerations:

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

7. Key Decision:

No

8. Call-in:

Is it required that call-in be waived in respect of the decisions proposed in the report? No

9. Officer's Recommendation:

That grant funding of £119,000 be provided to Eudaimonia from October 2015 to September 2018 as follows:

Year 1 = £78,000

Year 2 = £30,000

Year 3 = £11,000 (as a contingency; may not be required)

Elaine Michel
Director of Public Health