

NEW SPITALFIELDS MARKET

Outline of revised City Harvest proposal to redistribute market surplus

3rd May 2019

Introduction

City Harvest is keen to make a major contribution to NSM's waste arrangements by redistributing surplus from the market to programmes across East London that feed the needy. There is considerable unsupplied demand for food across East London and in particular fresh produce. 43% of our 300 charity partners surveyed are vegetarian and 90% of all partners said they urgently need more fruit and vegetables. We believe that our flexible approach and model are unique amongst major redistribution charities in enabling the distribution of the widest range of perishable products.

This note differs from our earlier proposal dated 6th February in two key respects:

- This proposal eliminates any charge to traders to cover collection and any waste disposal costs. During our market testing we have found that in many cases traders volunteer to deliver surplus to us and we understand that it will be feasible for Countrystyle to invoice traders directly for any waste element of their donations in the usual way
- Market testing (see below) has indicated that the initial supply of surplus may be lower than our earlier projections. This has led us to reduce staffing levels at the initial stage

We have focused in this first stage on food appropriate for feeding the needy rather than food for further processing or wider objectives. These additional methods of adding value to surplus produce will be reviewed when the key first step has been successfully established.

City Harvest

We have set out the background to City Harvest and its work in London in a separate paper together with an example of our Food Donor Impact Report.

Results of Market Testing

We have now been collecting surplus from the market for around six months and over the last two months we have significantly scaled up our presence. This has enabled us to discuss our initiative with a large number of market participants and related parties.

Collection amounts have improved but are well below our initial projections and there remains an issue with the proportion of donations that is not suitable for

redistribution. We believe that there will be good support for this project and that volumes will increase over time as a consequence of having a physical site, greater regularity/ familiarity and further marketing.

Consequently, we have scaled down our initial team size with the aim of evolving it as the operation develops.

Food Availability

We expect that City Harvest, which would be the sole redistributor at NSM, will need to carry out a significant and ongoing awareness and training programme with traders.

We are assuming:

- 30-50 pallets holding an average of 1,000kg each of surplus per day are currently disposed of through Countrystyle
- Surplus will be available on the mornings of Monday to Saturday
- City Harvest will seek to pick up surplus from traders towards the end of their trading sessions
- We are assuming initial collections of around 500kg/day of surplus with at least 80% of food suitable for redistribution
- Food not suitable for redistribution will be delivered to Countrystyle which will invoice the relevant traders directly for their waste in the normal way

Support will be required from NSM to establish an effective modus operandi with traders. It is expected that from the start we will carry out trader 'recruitment' on a staged basis to reduce the likelihood of issues arising.

City Harvest Site

City Harvest would be granted a tenancy at will to use the empty site alongside the railway nearest to the site offices. A 600-800 sq ft portacabin will be erected for sorting, storage and administration and, in due course, a refrigeration acquired for storage.

We would commence with one van running two local routes a day for four days and increase as appropriate. We would also consider diverting food from our West London depot and existing and new local food donors to the site to enhance the amount and range of food redistributed.

The site would be open from 6.00AM to 12.00PM. The site has secure fencing and will be covered by the 24hr security arrangements.

City Harvest Model

City Harvest currently collects and delivers around 35 tons of high quality food per week across London, sufficient for 80,000 meals a week. The food we collect from our distribution partners is fresh, high quality and ready for distribution.

To operate at NSM, there will be an additional cost added to the City Harvest model (see Financials section below). Food sorters will be required to separate food suitable for redistribution from food waste, which is usually undertaken by our donating partner. Long term, we will seek separate funding in partnership with a local programme to ensure a sustainable pipeline of volunteers to deliver this aspect of the model.

Personnel

Employees will be allocated to the site will include:

- Site manager responsible for all site activities and marketing to and liaising with traders
- Sorters (volunteers)
- Van driver(s)

We expect to source volunteers from local organisations, to assist with sorting and site logistics.

Also, we expect staff at our West London depot to contribute around one day a week assisting with logistics, fleet management, food donor, recipient and volunteer recruitment.

Recipients

City Harvest has identified 130 programmes in East London, many of which it already supplies. Through using our local contacts we expect to increase this substantially.

We would expect initially to deliver to around ten programmes a day which would be likely to equate to around twenty programmes a week. This should be a powerful marketing tool to encourage further support from traders.

Financials

We expect our initial key costs to be (annualised, £'000):

<i>Running costs</i>	Initial
Personnel	
Depot (1)	30
Driver (1)	25
West London staff	5
Volunteers' expenses (3)	2
	62
Van running costs	10
Other costs	13
Total annual costs	85

Capital costs

Van	38
Forklift/ loader	5
Refrigerator	-
Other	5
Total	48

Approvals and timing

This proposal is subject to the approval of the Boards of New Spitalfield Market and City Harvest. Subject to getting clarity on the key open issues we would want to commence operations at the earliest opportunity once approvals are received.