



Report

Strengthening Victoria's Foodshare organisations

Bendigo Foodshare



14 January 2022

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PREPARED BY

Rebecca Cain and Ross Wyatt, Think Impact
Serenity Hill, Open Food Network

CONTACT

For further details please contact:

Think Impact
Our Community House
552 Victoria Street,
North Melbourne, VIC 3051, Australia
rebecca@thinkimpact.com.au
+61 403 229 515

ABN 15 129 607 576

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Glossary

The following terms are used in this report.

Term	Definition
Community agency	Organisations that obtain donated food, from Foodshare and other food relief agencies, to prepare and/or distribute as welfare assistance within the communities they operate in.
Food insecurity	When the availability of nutritionally adequate and safe foods or the ability to acquire acceptable food in socially acceptable ways is limited or uncertain (Radimer and Radimer, 2002).
Food relief	The provision of food to people in need (WACOSS, 2019).
Statewide agencies	Statewide agencies including Foodbank, OzHarvest, SecondBite and FareShare act as a conduit between the food production and retail sectors and the welfare sector by distributing products to charity, community groups and schools across Australia.

The following terms relate to the Social Return on Investment methodology.

Term	Definition
Investment	The monetary and non-monetary resources required to deliver the activities of the program or organisation.
Materiality	Information is material if its omission has the potential to affect the readers' or stakeholders' decisions. Materiality requires a determination of what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.
Outcome	The change or result that occurs for stakeholders from an activity.
Stakeholder	People, organisations or entities that either experience change as a result of the activity that is being analysed or contribute to the change taking place.
Social Return on Investment (SROI)	SROI is a framework for measuring and accounting for the broader concept of social value. It tells the story of how change is being created for the people and organisations that experience or contribute to it, by identifying and measuring social outcomes. Monetary values are then used to represent those outcomes.

1. Introduction

1.1 Bendigo Foodshare

Bendigo Foodshare (Foodshare) accesses food through rescued, donated and purchased sources. This food is then made available to feed local people through distribution to local charities, community groups and schools. During the 2020/21 financial year, Foodshare received, sorted and distributed approximately 828,000 kgs of food to an estimated 30,000 adults and children.

The region serviced by Bendigo Foodshare includes the City of Greater Bendigo, to Kyneton, Castlemaine, Heathcote, Rochester, Echuca, Beaufort, Boort, Girgarre and further afield (Figure 1).



Figure 1 Victorian communities serviced by Bendigo Foodshare

Foodshare is the leading voice raising awareness of local food insecurity and coordinating responses of their community. As a central collection and distribution point for food relief in the region, their operations are both supply and demand driven, collecting what they can and distributing it, whilst leveraging support to respond to shifting and increasing demand. Foodshare is also the first stop for communities in crisis events, supporting those who need food relief through disasters or health crises such as COVID-19.

Foodshare relies heavily on donations of food and services and volunteer time to package and distribute food to those in need. Food is donated from growers, manufacturers, supermarkets, retailers and hospitality businesses. Increasingly, Foodshare also purchases food, particularly staples such as pasta and long-life milk to expand the quantity and variety of food available to the community. Foodshare also relies on pro bono and discounted contributions in the form of logistics and professional services. During the 2020/2021 financial year, Foodshare attracted **over \$7.6 million** worth of donated food, volunteer time and in-kind contributions.

During the 2020/21 financial year, Foodshare distributed the majority of food relief in bulk to community agencies which then distribute it to individuals and families. These community agencies include charities, community groups, service clubs, Neighbourhood Houses, schools, early learning centres and community members. These agencies are critical Foodshare partners with the skills and presence to build trusted relationships with people and provide them with support to address the underlying causes of food insecurity.

Foodshare always considers the context of those in need of food and is continually looking for more ways to expand their reach. This includes considering the dietary and cultural needs of individuals, as well as adding in comfort food where possible to bring joy into someone's day. Over the summer holiday period, when schools and other community agencies are usually closed, Bendigo Foodshare operated a mobile food pantry to help families across their region to put food on the table over Christmas and the New Year.

To respond to changing circumstances during COVID-19, Foodshare partnered with other local organisations to introduce the Community Food Pantry to make food relief available online to people who do not have a relationship with a community agency and would be unlikely to physically present for food relief. Their planned upgrade in coming years to new facilities presents the opportunity to establish a social supermarket which provides shoppers with dignity and freedom of choice when purchasing groceries at discounted prices. Bendigo Foodshare also oversees the YouFoods program, which creates engaging initiatives for people aged 16-24 to reduce food insecurity, grow knowledge and skills, and uphold dignity.

An overview of the role of Bendigo Foodshare is provided in Figure 2 on the following page.

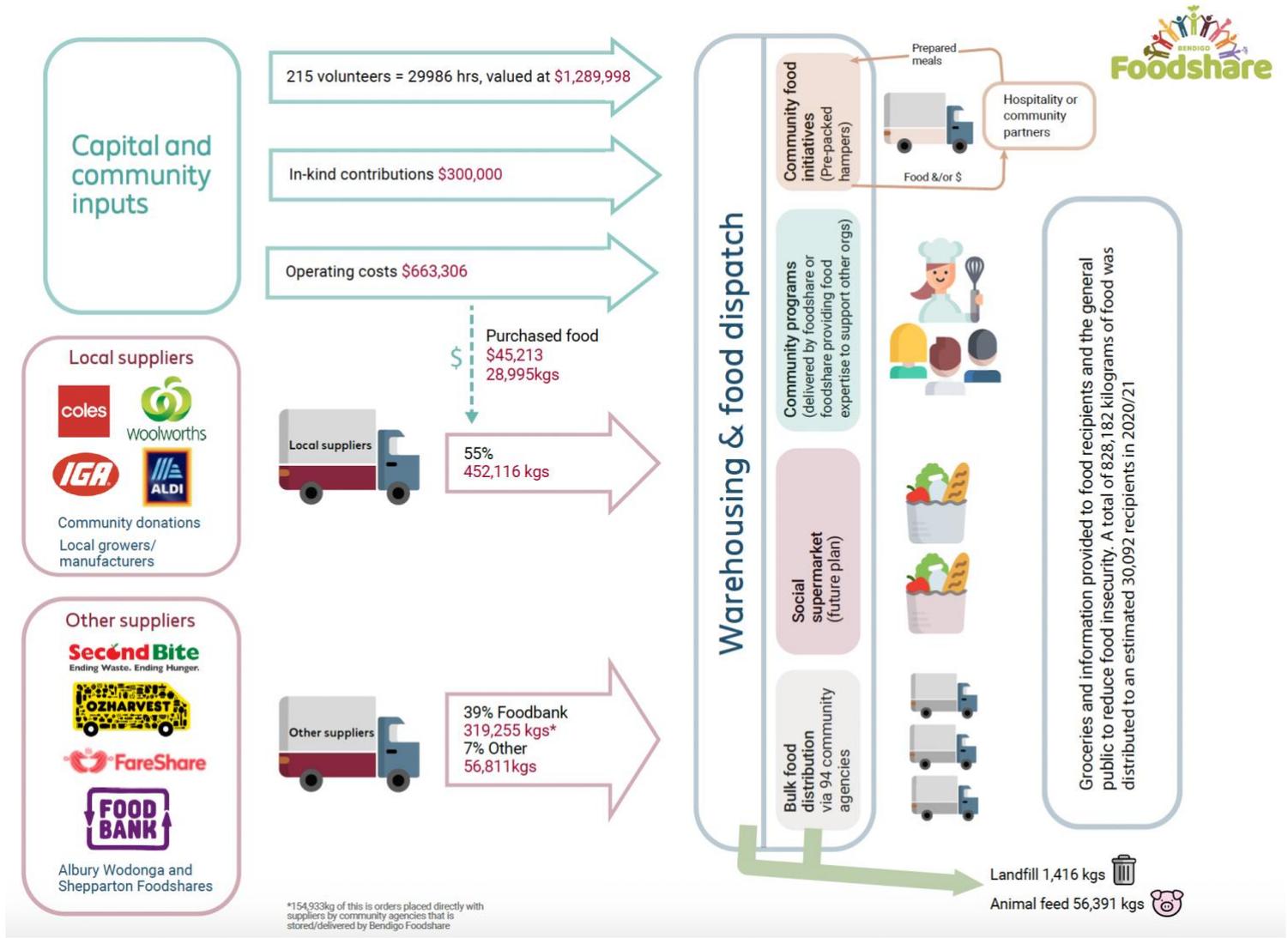


Figure 2 The role of Bendigo Foodshare

1.2 About this project

This report shares findings from work conducted in 2021 by Think Impact and Open Food Network to:

- understand the social, environmental and economic impact of Foodshare, guided by the Social Return on Investment methodology
- assess the current and future demand for food and identify and secure opportunities to enhance the supply of food
- develop Foodshare's capacity to demonstrate their value in support of a sustainable business model.

The report draws on and refers to analysis contained in Excel-based models calculating demand for and supply of food relief and the Social Return on Investment. These models should be referred to for the complete analysis.

The audience for this report is Bendigo Foodshare, to equip them with evidence and guidance to inform their future strategic directions and their ongoing efforts to attract adequate financial resources to meet the demand for food relief in their regions.

Similar work was also undertaken for Albury Wodonga, Shepparton and Warrnambool Foodshares who were also involved in this project.

In addition to the report prepared for each of the four Foodshare organisations, a collective report has been prepared with recommendations for improving the sustainability of the Regional Foodshare Alliance (the Alliance). The Alliance consists of the four aforementioned Foodshare organisations as well as Geelong Food Relief Centre and the Sunraysia Mallee Ethnic Communities Council (SMEC) in Mildura.

This project was delivered alongside the following major projects involving some of the Foodshare organisations:

- In 2020, Albury Wodonga, Bendigo, Warrnambool Foodshares and SMECC were designated as Regional Food Relief Hubs, receiving funding to increase the capacity of food relief storage and distribution services in regional Victoria. It is not known why Shepparton was not designated as a Regional Food Relief Hub, they would add significant value to the network as one of the larger Foodshares and are situated in a major food producing area. Through this project, the Regional Food Relief Hubs are working collaboratively with Foodbank Victoria to pursue shared objectives and implement priority actions that will improve the operations and sustainability of the Hubs.
- A Food Relief Taskforce was established to advise to the Victorian Government on key strategies and initiatives to strengthen Victoria's food relief system. The Taskforce brings together senior representatives of the food relief sector, peak bodies and key government officers to ensure food supply and distribution is coordinated and targeted to areas most in need. The Chair of Bendigo Foodshare is the Regional Food Relief Network representative on the Taskforce.

Additional details about the project, including the methodology and limitations are outlined in Appendix A.

2. Demand for food relief

2.1 Estimated levels of food insecurity

An estimated 30,000 people receive food relief via Bendigo Foodshare and its network of community agencies each year

Food insecurity occurs 'whenever the availability of nutritionally adequate and safe foods or the ability to acquire acceptable food in socially acceptable ways is limited or uncertain' (Radimer and Radimer, 2002).

There is no universal method for determining food security, yet a range of information is available to demonstrate the scale and severity of the problem. This includes Victoria-wide surveys of food insecurity as well as the real-time knowledge of Foodshare and its partners.

In a 2017 survey of Victorians, approximately 7 per cent of people in Foodshare's region reported experiencing food insecurity (the number of people who responded Yes to the questions 'In the last 12 months, were there any times that you ran out of food and couldn't afford to buy more') (VicHealth, 2017). Using these figures, approximately 12,000 people experience food insecurity in the region in a typical year (based on 2019, refer to section 4.1 for an outline of demand for food relief during a crisis event such as COVID-19). The towns of St Arnaud and Maryborough had the highest rates of food insecurity, at 12 per cent and 9 per cent respectively. The Pyrenees Shire Council where Avoca and Beaufort are located has the lowest rates of food insecurity at 3 per cent.

The City of Greater Bendigo participated in an Active Living Census in 2019 which used the same question on food security. The results showed that on average 9.2% households across the Loddon Campaspe region were food insecure¹ and this rose to 16.2% in Central Goldfields shire and 11.5% in Loddon Shire. On average 9.6% households in Greater Bendigo were food insecure and that this was as high as 18.6% in some suburbs².

Foodbank Australia's Hunger Report provides another estimate of food insecurity across Australia. The Hunger Report 2019 found that 21 per cent of Australians had been in a situation where they ran out of food and were unable to buy more (Foodbank Australia, 2019). Using these figures, an estimated 37,000 people experience food insecurity in the region in a typical year.

Another indication of the level of food insecurity is the number of people presenting for food relief. The estimated number of people receiving food relief via Bendigo Foodshare and community agencies during 2020/21 is 30,092³. This represents 17 per cent of the population of the region serviced by Bendigo Foodshare. This is likely to understate food insecurity due to barriers such as lack of awareness and reluctance to ask for help.

'There's a lot of pride out there, they'll manage the best they can without asking. There is a stigma attached to having to get help, lining up for help' – Community agency

¹ https://www.rdv.vic.gov.au/__data/assets/pdf_file/0007/1884859/Active-Living-Census-Prelim-Selected-Findings_Loddon-Campaspe.pdf

² https://www.bendigo.vic.gov.au/sites/default/files/2020-08/ALC_Bendigo_web.pdf

³ The number of distinct food recipients is not known, primarily because Bendigo Foodshare distributes the bulk of its food via community agencies who record the number of transactions rather than distinct clients or do not provide data. It is known that some clients receive multiple transactions from a community agency in a given year and that some clients receive food relief from multiple community agency partners of Bendigo Foodshare. The approach for estimating the number of food recipients for the purposes of this report is further explained in Appendix A.

Victorian Food Stress index

The Victorian Government's Food Relief Taskforce is developing a Food Stress Index which indicates the risk of food stress in Victorian households. It will incorporate a range of variables such as food access, food affordability and household income. This will provide another perspective on the number of people at risk of food insecurity in Victoria, enabling the Victorian Government to more readily identify geographic areas with higher levels of food insecurity.

Bendigo Foodshare's new online Community Food Pantry provides real time data on requests for food relief from people newly food insecure in Greater Bendigo. The adoption of this service across the state would allow the government to access real time sampling of changes in food insecurity.

2.2 Patterns in demand for food relief

In addition to this survey data, the on-the-ground experience of Foodshare and its community agency partners provides an understanding of the patterns and issues relating to demand for food relief in the region.

Foodshare and the community agencies always distribute all the food (that is fit for human consumption) they receive. While Foodshare reports that it is generally able to provide the amount of food ordered by community agencies, the current system caps the amount of food each agency can order, so this is not a good indicator of whether demand is being met. There is agreement that any additional food could be absorbed by those in need in the community. Community agencies would order more food if it was available and would ideally have access to a greater variety of food, including staples such as tea, coffee, sugar and flour. Community agencies are aware that some of their clients source food from multiple agencies to get the amount of food they need. This is not an ideal situation for already vulnerable people.

'The amount of food we receive is getting smaller and there is not a lot of variety to choose from. We have to buy our own food to make up the difference' – Community agency

'I know that some of our clients go around to different agencies to get the food they need. There is food there, but you've got to work to find it' – Community agency

The experience of Foodshare and the community agencies is that demand for food relief is increasing – there are more people presenting and they are in greater need. In addition to this, the outreach activities of Foodshare and the agencies regularly identifies towns and demographic cohorts where food relief is not being provided in response to often alarmingly high rates of food insecurity. This is particularly common in remote areas where charities are not physically present or for demographic cohorts where specialist services are not available.

Foodshare is also uncovering unmet demand by expanding the channels and approaches for providing food relief. The Community Food Pantry introduced during the stay-at-home orders in place during the COVID-19 pandemic enabled Bendigo Foodshare to reach segments of the community that do not have relationships with community agencies and would be unlikely to physically present for food relief. Community lunches provide a proactive and non-intrusive way of providing food relief with the added benefit of social interaction.

Populations who are most at risk due to food insecurity (Bowden, 2009) are:

- Individuals experiencing material and/ or financial hardship
- Individuals living in remote areas
- Aboriginal and Torres Strait Islander peoples
- Individuals from CALD background, including refugees and people seeking asylum
- Single-parent households
- Older people

- Homeless individuals
- Children.

The community agencies in the Bendigo region also report the following groups of people presenting for food relief in recent years:

- Larger families
- Older people who cannot meet the rising cost of living on the Age Pension
- The ‘working poor’ who are getting squeezed between rising living costs and low wages growth
- People who are unable to manage their money due to low levels of financial capability or addiction
- Renters with no money left for food after paying increasingly high rental and utilities costs.

2.3 Projecting demand for food relief

It is difficult to accurately project demand for food relief when the estimates of food insecurity vary significantly and the number of distinct food recipients is not known. This section provides an estimate of demand for food relief based on available data and assumptions. This estimate could be improved in future by community agencies and Bendigo Foodshare collecting data on distinct food recipients and through the application of the Victorian Food Stress Index.

Estimated number of people in need of food relief

The estimated number of people in need of food relief through to 2025 is presented in Table 1. This is based on the projected population of the towns and regions serviced by Bendigo Foodshare and historical reported levels of food insecurity. Both a lower end estimate and an upper end estimate are provided given the significant difference in the reported levels of food insecurity (an average of 7 per cent in the 2017 Victorian Population Health Survey and 21 per cent in the Foodbank Australia’s Hunger Report 2019⁴).

During 2020, the Victorian population and economy was impacted by restrictions in place to contain the spread of COVID-19. Research conducted as part of the Victorian Population Health Survey and Foodbank Australia’s Hunger Report identified higher levels of food insecurity during 2020 (a Victorian average 17 per cent increase according to the Victorian Population Health Survey and an increase from 21 per cent to 31 per cent according to Foodbank Australia’s Hunger Report 2020). These higher levels of food insecurity extended in 2021 as the pandemic continued. The impact of an emergency situation such as COVID-19 on food relief is further discussed in Section 4.

These estimates can be compared to the estimated 30,092 food recipients serviced by Bendigo Foodshare during 2020/21 (years known to be affected by COVID-19 shown in red).

Table 1 Estimated demand for food relief

	2019	2020	2021	2022	2023	2024	2025
Population serviced by Bendigo Foodshare	174,334	176,581	179,117	181,368	183,654	185,975	188,331
# people experiencing food insecurity – lower end estimate	12,110	14,309	14,509	12,590	12,747	12,906	13,067

⁴ The Victorian Population Health Survey has been conducted more recently than 2017, however the 2017 data was used as it is available by local government area. There is also a more recent Foodbank Australia Hunger Report, however the 2019 report was selected as the most recent time period unaffected by the COVID-19 pandemic.

# people experiencing food insecurity – upper end estimate	36,610	54,740	55,526	38,087	38,567	39,055	39,550
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These estimates assume that the population serviced by Foodshare remains the same as in 2021. This is unlikely to be the case given Foodshare’s proactive approach to reaching underserved communities.

Estimated quantity of food required to meet demand

Error! Reference source not found. presents the quantity of food (kgs) required to meet the demand for food relief estimated in **Error! Reference source not found.**. These estimates can be compared to the estimated 828,000 kgs distributed by Bendigo Foodshare during 2020/21.

Table 2 Estimated quantity of food (kgs) required to meet estimated demand for food relief

	2019	2020	2021	2022	2023	2024	2025
Food – lower estimate	503,787	691,989	701,678	523,759	530,265	536,872	543,580
Food – upper estimate	1,522,980	2,647,230	2,685,244	1,186,679	1,201,600	1,216,749	1,232,132

The detailed calculations of the number of people and quantity of food are provided in the Demand estimate (Excel) accompanying this report.

. The approach for calculating these estimates is based on the following inputs:

- Foodbank Australia’s Hunger Report 2019 found that 30 per cent of food insecure people go a whole day without food at least once a week, 55 per cent of food insecure people skip a meal at least once per week and 50 per cent of food insecure people cut down the size of their meals to make the food go further. We have therefore assumed that 30 per cent of food insecure people serviced by Bendigo Foodshare need 3 meals per week and the remaining 70 per cent of food insecure people need 1 meal per week.
- The quantity of food required to make a meal is estimated by the Foodshares to be .5kg.

These estimates can be compared to the estimated 828,000 kgs distributed by Bendigo Foodshare during 2020/21.

Table 2 Estimated quantity of food (kgs) required to meet estimated demand for food relief

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The detailed calculations of the number of people and quantity of food are provided in the Demand estimate (Excel) accompanying this report.

3. Supply of food relief

3.1 Sources and amounts of food

A total of 885,989 kgs of food was sourced by Bendigo Foodshare during 2020/21, with 828,182 kgs (93 per cent) fit for human consumption and distributed as food relief. 51 per cent of the total food was sourced locally, either donated/rescued or purchased. 3 per cent of the food distributed as food relief was purchased, sourced from local suppliers who often provide access to their bulk buying or cost rates.

Table 3 Amounts of food handled by Bendigo Foodshare

Channel		Kg	% of total
Distributed as food relief	Donated/rescued from local sources	423,121	48%
	Purchased from local sources	28,995	3%
	Supplied by Foodbank (free of cost)	319,995	36%
	Purchased from Foodbank	0	0%
	Donated by other Melbourne donors	56,811	6%
Unfit for food relief	Animal feed	56,391	6%
	Landfill	1,416	.2%
TOTAL		885,989	100%

Supply is coordinated through a variety of local and other sources to meet demand for volume and types of food. Supply from regular local donors is foundational and is secured through Bendigo Foodshare's investment in ongoing relationship and capacity building. Regular local donors include IGA, Woolworths and Coles supermarkets and others including Apco, Central Victoria Meats, Edwards Providor, JL King and Co, Lansell Square Shopping Centre, Nandos and the Good Loaf Sourdough Bakery and Cafe. 50 per cent of the regular predictable supply from local donors is bread and 44 per cent fresh food. Just under 4 per cent is dry staples and less than 1 per cent frozen.

Farmers provide donations that are generally less predictable but fill a crucial need in fresh food and sometimes staples, for example, lentils/chickpeas. Major farm donors include Thompsons Harcourt, Specialist Breeders Australia (eggs); Hazeldene's Chicken Farm and Harcourt Coolstores.

Local purchased food, food drive campaigns and transfers from Shepparton Foodshare and occasionally Albury Wodonga Regional Foodshare go some way to address demand for staples and shelf stable food. Melbourne food relief suppliers have filled the gaps with free fresh food sourced from Foodbank totalling 82,120 kgs and SecondBite 14,560 kgs. Melbourne donors also supplement the supply of much needed shelf stable and frozen food.

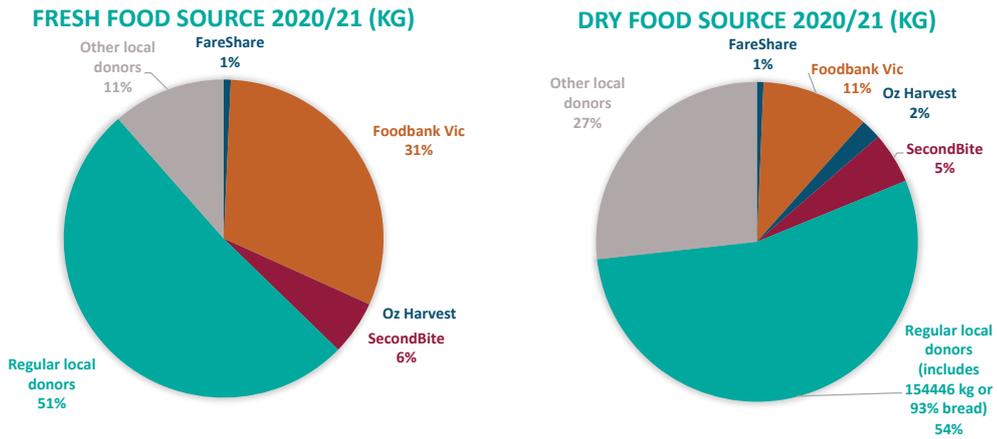


Figure 3 Source of fresh and dry food, 2020/21

The supply of food through Bendigo Foodshare, presented in Figure 4, has increased steadily since 2013 to meet demand, with a slight decline in 2020/21.

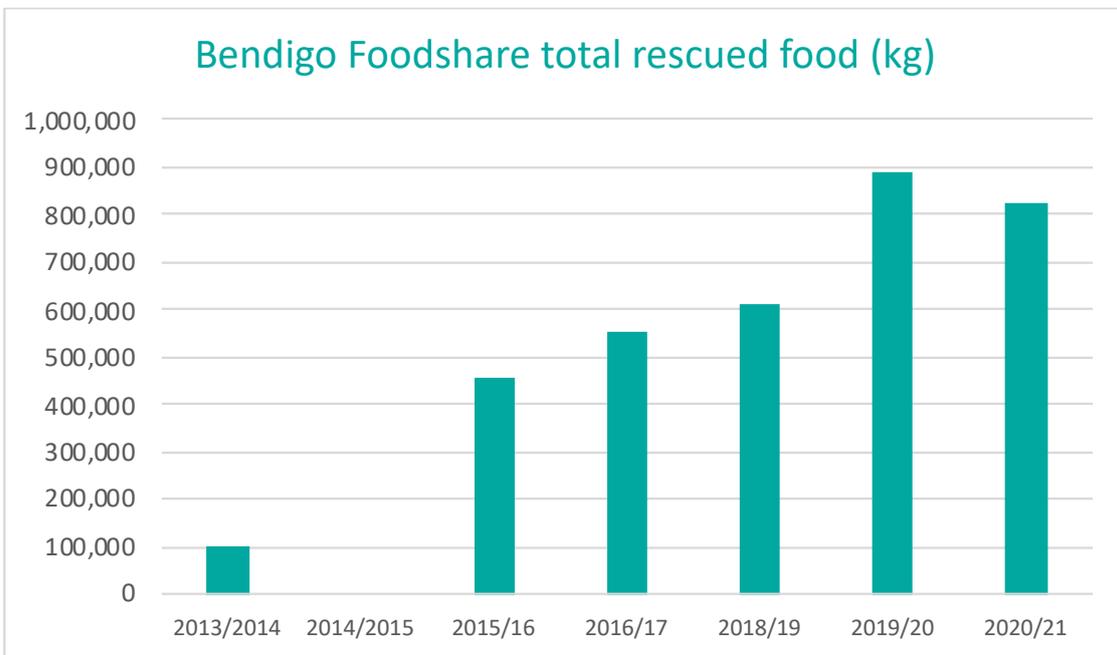


Figure 4 Total food supplied between 2013/14 and 2020/21

3.2 The food relief supply ecosystem

This Bendigo regional food relief supply ecosystem, depicted in Figure 5, mirrors the pattern of other regions.

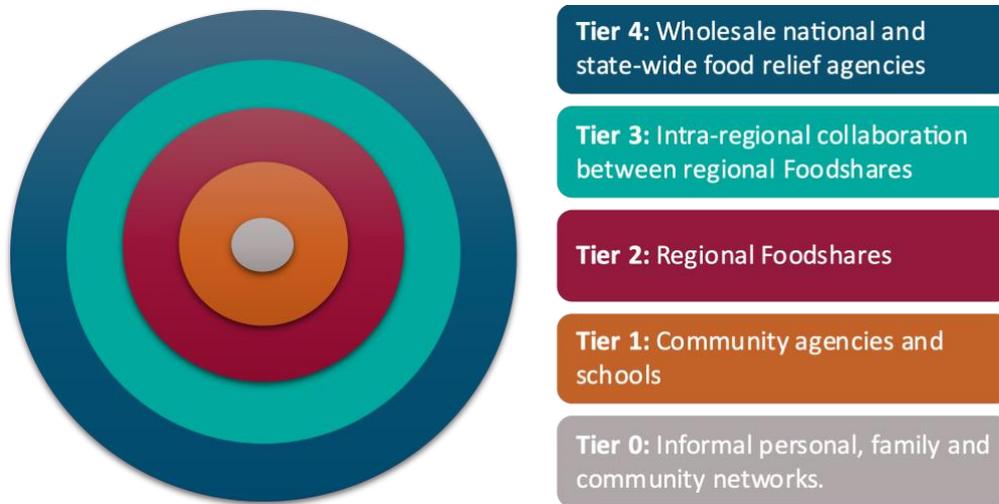


Figure 5 Food relief supply ecosystem (adapted from University of Missouri)

At the very centre (Tier 0) is an informal personal and community network without which there would be a much greater role for the formal relief sector. At the next tier community agencies play a crucial role in delivery of food relief to food recipients in responsive ways to diverse community need (Tier 1). Bendigo Foodshare is fundamental in securing local and other supply and getting this to the agencies in a cost effective and responsive way (Tier 2). The foundational local supply that they secure through significant investment in planning and relationship building is backed up by some complementary supply from Albury Wodonga and Shepparton Foodshares (Tier 3) but most significantly from Melbourne based donors (Tier 4).

If any of these tiers is removed or compromised (for example if the value they create is not recognised and paid for) this weakens the resilience of the whole ecosystem...

Without the options to draw on supply of particular types of food from donors from other regions (coordinated via other Foodshares) and via large state-wide agencies there would be a much larger gap between need and supply. If any of these tiers is removed or compromised (for example if the value they create is not recognised and paid for) this weakens the resilience of the whole ecosystem to respond to both planned and predictable demand and peak demands caused by cumulative stressors and shocks.

Critical success factors for this ecosystem to work include trust and transparency in the system to enable effective collaboration and efficiency (particularly in times of crisis and stress) and appropriate valuing of the complex and sometimes obscured parts that different organisations play.

A study by Reis et al (2021) found that key considerations for building broad-based regional food supply resilience and contingency plans are:

- Acknowledging the increasing local experiences of food insecurity
- Recognising food supply chains as critical infrastructure
- Identifying food supply chain vulnerabilities
- Accommodating the potential for compounding events
- Embedding local food production within sustainability and resilience agendas.

This highlights the need to both understand and plan for the regional food relief ecosystem within the broader regional food system depicted in Figure 5, and for the players at different levels of supply to work together in complementary ways to identify vulnerabilities and plan for resilience together.

Bendigo Foodshare and Greater Bendigo's Food Systems Strategy (City of Greater Bendigo, 2020)

Bendigo Foodshare contributes to the strategic objectives of the Greater Bendigo's Food Systems Strategy 2020 – 2030 by providing a safety net to “Enable communities to access safe, affordable, nutritious and culturally appropriate food and drinks” (Objective 1). It also significantly “reduces and diverts food waste from landfill” (Objective 4). As Bendigo Foodshare expands its network of food suppliers and community agencies, there is opportunity to increase contribution to these objectives.

Bendigo Foodshare has developed successful programs to bolster food literacy through “supporting local food growing and producing, sourcing, cooking and sharing knowledge, skills and culture” (Objective 3). There is considerable scope to support scaling of these types of programs run directly by Bendigo Foodshare and also supporting partner programs (particularly with increased capacity at the new site).

The final regional objective is to “strengthen and support a sustainable local food economy that enables the growth, production and sale of healthy food locally” (Objective 4). The capacity to contribute to this objective through housing and developing complementary social enterprises, particularly in the value adding space, is a major potential growth area for Bendigo Foodshare.

3.3 Food supply challenges and opportunities

Sourcing staples and shelf stable food

Accessing staples is an ongoing challenge. Bendigo Foodshare doesn't have the same access to the food manufacturing base that Shepparton and Albury/Wodonga Foodshares enjoy.

'Albury Wodonga has Woolies DC and Uncle Toby. Shepparton has SPC Ardmona. Core foods not available locally for us – Foodshare employee

Resolving logistics barriers and costs could increase transfer of food between the regional Foodshares and supply from manufacturers outside the region. Finding opportunities and building partnerships to access in-kind logistics can be resource intensive. There are examples where this has paid off for Bendigo Foodshare in the past but needs to be weighed up in terms of costs/benefits against other options for resources.

A longer-term solution... is making freight of food relief tax deductible

There is a strong argument for the government to expand charity freight subsidies for intra-state logistics. This would enable greater flexibility and sharing between regional Foodshare organisations. The subsidy is currently only available for Foodbank for transport of food in and out of the metropolitan area. A longer-term solution to this is making freight of food relief tax deductible. This is a key opportunity for collective advocacy efforts.

Periodic government grants have been invaluable in enabling the purchase of staples. Bendigo Foodshare has also had good results from food drives/schemes targeting staples initiated with local supermarkets and businesses. Investment in local fundraising should continue, but it would need to be accompanied by other funding sources such as government grants to ensure a secure supply of staples. Bendigo Foodshare maximises the value from funding available to purchase food through relationships and partnerships such as accessing affordable bulk purchase deals through the local IGA. This local donor relationship development is resource intensive but a crucial investment in solidifying local supply in the face of challenges.

'IGA has been supporting sourcing cheap food – e.g., a pallet of Weetbix for \$1.89 (per packet). Community, relationships, I think I can help you with that' – Foodshare employee

Other activities can also generate revenue to purchase food. For example, the proposed social supermarket could recoup some cost of providing food through the sale of vouchers to community agencies to be made available to food recipients. This is a common strategy being pursued by other Foodshares to generate revenue needed to purchase food, particularly staples. There is a significant opportunity for Foodshares to collaborate and learn together in development of this business model.

Supermarket and retail supply

Supermarkets and other retailers provide a foundational base for regular local supply of donated and rescued food, however the food available from supermarkets is experiencing a structural decline with their strategic focus on reducing waste.

'Downside that supermarkets are becoming aware of waste, so you get less food from each supermarket' – Foodshare employee

Supermarket supply also depends on good relationships and understanding among staff about the importance and process for food collection. However, this is challenging, particularly with staff turnover in larger supermarkets and competition with statewide agencies.

'We don't know what we'll get from suppliers. Sometimes staff at the supermarket throw items in the bin rather than saving it for us' – Foodshare employee

'Supermarket relationships take a lot of time to manage, and there is increased competition for the food from [others – notably farmers for animal feed or food rescue organisations]' – Foodshare employee

Another issue with supermarket supply is plastic packaging waste, which is resource intensive for Bendigo Foodshare volunteers to remove before bulk distribution and creates waste that is disposed to landfill.

'Plastic waste is giant; we've taken steps to reduce that. When rescuing from supermarkets, adds to manual handling, sorting and steps. (It) can lead to deterioration of food' – Foodshare employee

While challenging, ongoing investment in relationships with supermarkets is important to maintain local supply of fresh food in particular, as well as potentially providing opportunities within their supply chain.

Recent Australian research found that supermarket policies to reduce waste at the retail level then pushes the waste out to farmers through food rejection and cancelled contracts (Richards et al, 2021). There is an opportunity here for Bendigo Foodshare to source more waste food directly from farms, potentially in a tripartite collaboration with their supermarket clients to identify rejected food earlier in its lifecycle. This requires a concerted investment in strategy and partnership building similar to the existing relationship with the Victorian Farmers Federation. One practical way to increase this supply may be for Foodshares to source and provide volunteers to pick surplus fruit and vegetables which farmers cannot find the labour to do so.

'It wasn't our picking; it was a really good community effort with volunteers coming to our orchards and giving their time' – Farmer

A complementary and more systemic approach to this problem, in line with the Bendigo Food Systems Strategy objectives, may be for Bendigo Foodshare to explore options for a value adding social enterprise that can buy food that would otherwise be wasted from farmers to turn into value added product that can be sold (see below for further discussion).

In recent years there has been a significant increase of philanthropic and government investment in food related waste and circular economy initiatives. There may be an opportunity to diversify grant

funding sources by developing systemic and innovative responses to food waste, for example, a social enterprise that adds value to rescued food to extend its uses or life.

Facilities and systems

Sourcing, warehousing and dispatching food, particularly perishable food close to the end of its life, with limited financial resources supplemented by in-kind contributions and a volunteer workforce is a significant achievement. Supply could be increased through resolving issues with facilities and systems.

Staff reported significant constraints associated with the current facility, which will be addressed with the build of the new food relief and community food hub. Resources that have been directed to inefficiencies and relationship building and coordination with in-kind storage and logistics providers will now be able to be directed towards strategic and long-term solutions.

'We have a tiny warehouse that we outgrew a long time ago. It means we have to use donated warehouse space off site – then we have to work with the owner to get access, knowing what's there. (This leads to) complexity and extra workload' – Foodshare employee

'Do a lot of sorting in car park so can have activities happening in shed. Don't have sufficient office and toilets and no tea rooms for staff and volunteers. Not enough space for everybody to sit down and do their work' – Foodshare employee

The significant strategic opportunities that arise with the new hub build are:

1. Sharing/renting space with values aligned and complementary social enterprises and community organisations. A good demonstration model is Brisbane Food Connect Shed. This enabling function contributes to Outcomes 3 and 4 of the Bendigo Food Systems Strategy: To support local food growing and producing, sourcing, cooking and sharing knowledge, skills and culture (3), and grow the local food economy (4). Through food literacy initiatives and supporting broader community initiatives, Bendigo Foodshare is helping to bolster a more systemic response to food insecurity including personal and community capacity at the centre of the regional food relief ecosystem.
2. Running or enabling social enterprises, particularly around value adding. There are Australian (for example Moving Feast's Open Sauce project) and international examples of value adding surplus products (VASPs) which could provide guidance here. Vegetable stock or vegetable powders, healthy snacks using dried fruit or vegetables, soups and fermented products are examples of VASPs. A recent study of VASPs found that 47 per cent of Australian consumers would be prepared to buy a vegetable powder, 51 per cent a healthy snack and 44 per cent a fermented VASP product (McCarthy et al 2020). The study identified two consumer categories that show promise for the targeted marketing of VASP: the 'status and convenience seeker' (76 per cent of consumers) and the 'price and environmentally conscious' consumer (24 per cent of consumers). (McCarthy et al, 2020). This opportunity requires investment in capability to start and nurture a successful social enterprise. There is a ripe opportunity to align with climate change and waste objectives of government, philanthropy and impact investors around a project like this.

'We do have a percentage that isn't able to be used, we give it to farm animals. We would like to improve that. FareShare makes things out of it, value adding. Every regional hub needs that' – Foodshare employee

'At the moment we don't have a clean sorting area. It is not even possible to cut the end off a pumpkin if it is rotten' – Foodshare employee

3. The logistics services that have been provided by Foodshare to third parties, for example, storage and distribution have been undervalued. With the new facility, there is an opportunity to expand logistics services and to charge appropriately for these services. This is in relation to other food relief agencies but potentially also other customers such as local farmers.

'Last year we looked at providing storage and cool stores for small producers who are coming into Bendigo for the market, provide them with low rent and use our capacity. We didn't proceed due to COVID' – Foodshare employee

4. Another opportunity identified for building efficiencies in the management of supply was improving the ordering system, which is becoming increasingly pressing as Bendigo Foodshare grows.

'We have no solid IT structure behind us. Order system through to distribution and recording of information and ability to report needs an overhaul. It's manual, needs to go online, we're in spreadsheets. As we've become bigger and need to be more accountable, putting pressure on us in reporting' – Foodshare employee

4. Impact of COVID-19 on food relief

The COVID-19 pandemic provided a real-time, real-world scenario to demonstrate the impact of a crisis event on demand for and supply of food relief. This will assist with preparedness for future emergency events such as bushfires, floods and future pandemics. The key lessons from this experience for future crisis events include:

- Demand is likely to increase, and the profile of people needing assistance is likely to change. Crisis events can impact on people with no previous experience of help seeking or existing relationships with community agencies. Alternative strategies may be required to reach people who may be unlikely to present for assistance due to feelings of shame or lack of knowledge.
- Support is also likely to increase, in the form of funding, donations of food and other goods and volunteers. The capacity to absorb this support will test the most resilient of systems, but local knowledge and relationships are critical to ensure that available support is deployed safely and most effectively.

As suggested by Reis (2021) we need to recognise food supply chains, including food relief, as critical infrastructure. Building the adaptive capacity of this system involves making sure it is resilient to shocks and cumulative stressors, and both unpredictable and predictable events. Critical to this generalised resilience is diverse supply sources and strong local relationships which can be drawn upon to share information and react quickly to crisis. Foodshare's ability to respond creatively to meet challenges of COVID-19 is directly related to the work over many years to build strong and diverse local relationships.

4.1 Demand for food relief

Surveys conducted for the Victorian Population Health Survey and Foodbank Australia's Hunger Report identified that levels of food insecurity rose during the COVID-19 pandemic, as presented in Table 4.

Table 4 Levels of food insecurity before and during the COVID-19 pandemic

	2019	2020
Victorian Population Health Survey	6%	7% during first lockdown/ 5% during second lockdown
Foodbank Australia Hunger Report	21%	31%

Before the pandemic, research for Foodbank Australia's Hunger Report 2019 (Foodbank Australia and McRindle, 2019) found that the people who had experienced food insecurity were families with low-income, the unemployed, single parents, the homeless and people with mental illness. COVID-19 not only resulted in an increase in the number of people who experienced food insecurity, but also a change in the profile of people experiencing food insecurity. Around 28 per cent of food insecure people were experiencing it for the first time. Casual workers and international students emerged as two new groups experiencing food insecurity at high levels (Foodbank Australia and McRindle, 2020).

'COVID changed the type of person who needs food relief. Anyone can lose their job and find themselves in need' – Foodshare employee

Food insecurity increased during COVID-19 due to low- or reduced-income. In addition to this, panic buying and stockpiling of basic foods and household items by other shoppers made it difficult for low-income earners to access food staples. Foodbank Australia's Hunger Report 2020 found that the number of people who skipped a whole day's meals increased from 33 per cent in 2019 before the pandemic to 43 per cent during 2020. In regional Victoria eight per cent of respondents were not able to purchase more food and 18 per cent were eating low-cost unhealthy food due to financial problems (VicHealth, 2020).

In order to reach the new cohort of people who had never experienced food insecurity and accessed food relief before, Bendigo Foodshare partnered with other community organisations to establish the

Bendigo Community Food Pantry. This online ordering system made it easy to order food relief which was delivered to people self-isolating or unable to collect food relief. This online platform reached 5,500 people with 1,200 orders in its first year of operation (Bendigo Foodshare, 2021).

Bendigo Foodshare's youth food survey found that local young people had experienced some form of food insecurity due to the pandemic (Youfood Insight, 2020, p5). Bendigo Foodshare's Youfoods program focused on youth's food insecurity and was able to connect to 1,173 young people with food relief during COVID-19 (Think Impact, 2021).

The community agencies reported 30 per cent increase in demand for food relief and as the demand for food relief surged during COVID-19, Bendigo Foodshare increased its quantity of food distribution by 45 per cent (Bendigo Foodshare, 2021).

Community agencies in the Bendigo region reported varying impacts on demand for food relief. Some agencies experienced an increase in demand, welcoming new clients who had never needed food relief before or who had previously sought help from other agencies that had now closed down due to lack of volunteers. Others experienced a decrease in demand, hypothesising that emergency relief was available from more sources and some clients on Centrelink payments were better able to afford food due to receiving the temporary Coronavirus Supplement.

*'We were quiet because of COVID. Anyone on benefits was fine, they could afford the cost of living. And we're seeing these people come back now that benefits have reduced. Some people were able to use the time with higher payments to get on their feet, buy a car, pay down debt. But others got used to the higher income and are struggling again' –
Community agency*

Bendigo has a culturally diverse community, and the community was largely affected by the loss of income due to the pandemic restrictions. To support its diverse community Bendigo Foodshare supplied culturally appropriate food and partnered with multicultural communities such as Bendigo Islamic Association and Bendigo Indonesian Klub to distribute food to 250 food recipients (Bendigo Foodshare, 2020).

4.2 Supply of food

COVID-19 also affected the supply of food for food relief, motivating donations of food and inspiring innovative approaches to meet the varying needs of the community.

To meet the increased demand, supermarket rescue increased in frequency to 7 days a week (40 to 96 collections). Local producers responded generously to the need they observed in the community. Some examples include 10,000 kgs of chickpeas donated by farmer Brendan Williams, frozen chickens donated by Hazeldene's Chicken Farm and eggs donated by Specialist Breeders Australia. Orchardist Cameron Bennett donated bins full of apples, picked and packed by volunteers coordinated by Bendigo Foodshare (ABC, 4 June 2020).

Food from these local donors increased to 72 per cent of total food collected. This local surge capacity activated through Bendigo Foodshare's long-term relationships shows the central role those local donations play in the resilience of the whole system.

The Cafes for COVID program began during the pandemic when hospitality businesses offered their time and skills to provide the community with food. It started with staff from the National Hotel preparing meals for a local women's refuge with food provided by Bendigo Foodshare. The program evolved and hospitality businesses were provided with funding to purchase food and pay staff to produce meals that were then distributed to food recipients by Bendigo Foodshare. During 2021, funding provided by the Victorian Government to Bendigo Foodshare to boost the provision of food relief was designated for use in this specific manner.

4.3 Other support for food relief

Emergencies often inspire the community and government to offer support.

During 2020 and 2021, the Victorian Government provided funding to boost the provision of food relief in Victoria. The funding provided to establish the Regional Food Relief Hubs was followed by further funding to deliver more food to Victorians in need, facilitate partnerships, such as Cafes for COVID, between food relief providers and local businesses affected by the coronavirus pandemic and boost the capacity of key community food relief organisations (Victorian Government).

As the demand for food relief increased, 246 new volunteers came forward to help distribute food, demonstrating and testing Bendigo Foodshare's ability to activate surge capacity in its logistics and systems. To manage the volunteers, City of Greater Bendigo provided access to their online volunteer management system and donated hand sanitiser and safety vests (Bendigo Foodshare, 2021).

5. The impact of Foodshare

The following section outlines the findings from the Social Return on Investment (SROI) analysis of the impact of the food relief and community engagement activities of Foodshare and its supporters.

SROI is a framework for measuring and accounting for the broader concept of social value. It tells the story of how change is being created for the people and organisations that experience or contribute to it, by identifying and measuring social outcomes. An SROI analysis produces a ratio that indicates cost effectiveness, by comparing the investment required to deliver the activities with the value of the outcomes experienced by all beneficiary stakeholders. The analysis was guided by an internationally accepted set of principles for calculating social value. Additional details about the SROI methodology are provided in Appendix A.

This report is accompanied by an SROI model (Excel spreadsheet) which contains the data, calculations, assumptions and rationale in full.

5.1 Investment

Resources to the value of **\$8.2 million** were required to deliver the activities of Foodshare during the 2020/21 financial year. The \$8.2 million comprises both monetary (e.g. operational costs and the value of food purchased) and non-monetary (e.g. donation of time) resources (see Table 5). Donated and rescued food (valued at \$6 million) and volunteer time (valued at \$1.3 million) are the largest components of this in-kind support. This level of support is made possible by the deep and trusted relationships of Foodshare within the region, and demonstrates the value that the local community places in the work of Foodshare.

Financial contributions equal \$663,306, or 8 per cent of the investment required to create the value. For every dollar of monetary investment, Foodshare attracted **\$11.46** of non-financial contributions.

This investment calculation is based on the financial statements of Foodshare as well as information provided by Foodshare with guidance from Think Impact. Refer to the accompanying Excel spreadsheet for further detail about the investment.

Table 5 2020/21 investment in food relief activities of Foodshare

Category	Description	Value
Volunteer time	Foodshare volunteer time – 30,000 hours	\$1,289,998
Donated/rescued food	Approximately 828,000kgs	\$6,012,602
Purchased food	Approximately 30,000kgs	\$45,213
In-kind donations	Products and services provided in-kind (e.g. pro bono consulting, legal and accounting services)	\$300,000
Operating expenses	Includes wages, program costs, premises cost, utilities	\$618,093
	TOTAL	\$8,265,905

5.2 The value created by Bendigo Foodshare

For every dollar of value (including donated time and product) invested in Foodshare during the 2020/21 financial year, **\$3.72** of value is created.



Figure 6 Bendigo Foodshare social return on investment

If the SROI ratio was based solely on the financial investment required to create this value, the return increases to \$46.34 of social value for every dollar.

Figure 7 illustrates a breakdown of the value experienced by each stakeholder group. Fourteen material outcomes are experienced by ten stakeholder groups as a result of activities to coordinate supply to respond to the needs of the community. These stakeholders include food donors and suppliers of resources, food recipients and other stakeholders including the environment, government and broader Bendigo community.

Food recipients (adults and children) experience the majority of the overall value (63 per cent, \$19 million), followed by the **food relief system** (9 per cent, \$2.7 million).

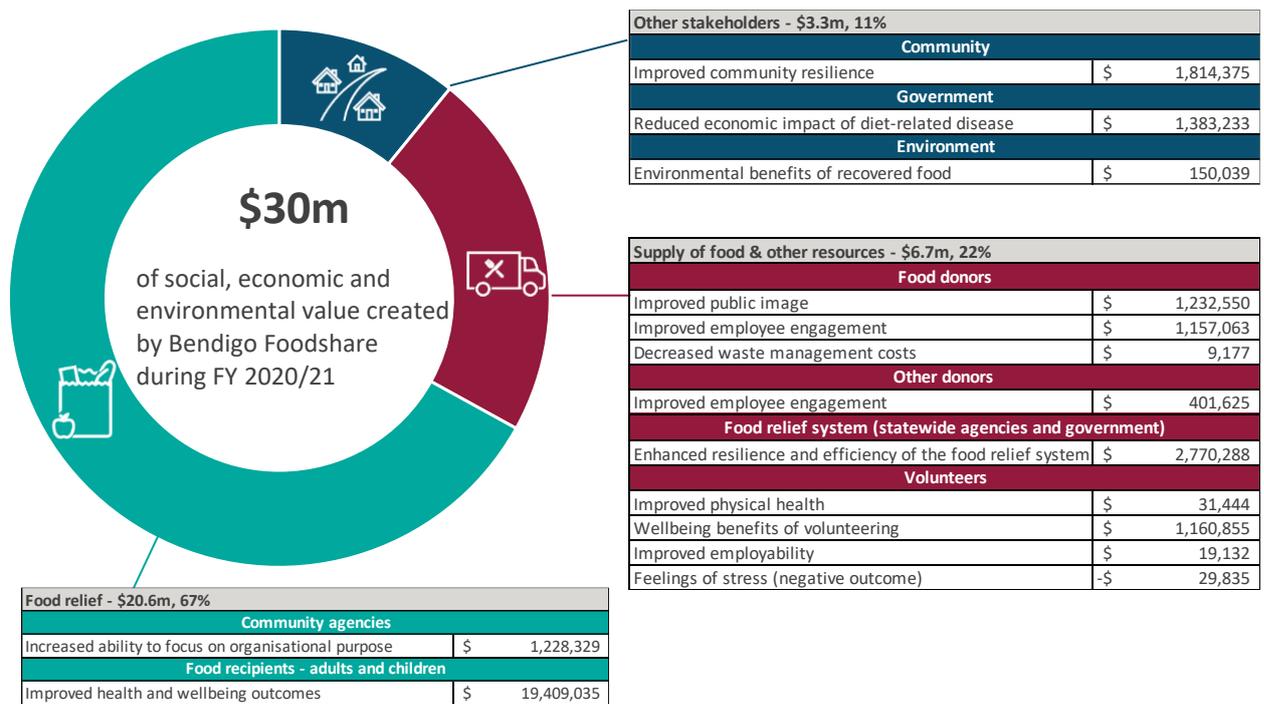


Figure 7 The value created by Bendigo Foodshare

Victoria's Foodshare organisations are at the nexus of demand and supply, operating place-based, geographically dispersed food distribution. Through donations of food and other resources as well as the dedication of volunteers, Foodshares provide critical food relief across regional Victoria.

Foodshare relies heavily on donations of food and resources such as warehouses, logistics and professional services. As a result of their contributions, **food donors** make a positive contribution to their community, improve employee engagement and their public image and some may decrease their waste management costs. Redistribution of food creates **environmental** benefits by eliminating disposal of food to landfill and avoiding production of food. Through demonstrating positive values to employees

and providing avenues for employees to be part of socially responsible activities, **donors of services** and other resources also experience value through improved employee engagement.

Once food is donated, Foodshare relies on **volunteers** to support with packaging and distribution of food. While volunteers contribute to value being created for other stakeholders, they also experience value themselves through taking part in meaningful activities that respond to a community problem and developing relationships with other volunteers and community members. Volunteers also gain hands on experience in food handling and distribution and develop an understanding about food insecurity, improving their employability. Though engaging in physically demanding tasks in the warehouse contributes to improved physical health, working in the fast-paced environment with exposure to complex social issues can contribute to feelings of stress for some volunteers.

‘Once a month, I fill up the car and away I go. I cover one part of our region. Generally I visit the same houses every month. We stand at the car and see what’s available and what they need. People can choose from what’s available’ – Volunteer who volunteers to ensure food gets to her remote community

Through cultivating deep and invested relationships with local food donors and the community as well as leveraging local resources, Foodshare enhances the resilience and efficiency of the food relief system. They provide diversity in the supply chain and knowledge and resources to respond quickly to shocks and crises at a local level creating value for **the food relief system**, consisting of government agencies and statewide food relief agencies. The ability to source food from Foodshare creates value for **community agencies** by enabling them to channel their resources toward activities that focus on their clients and organisational purpose.

‘We wouldn’t have the same volume and variety that we can now provide (without Foodshare). We could go to Bakers Delight and the supermarket. We’d have to pick things up, we’d need more volunteers’ – Community agency

Through access to food relief, **adult food recipients** benefit through improved physical and emotional health. Receiving services and support enables people to meet the basic needs of themselves or their household, contributing to feelings of self-worth an improved standard of living. Recipients who join for social activities and those who connect with others through food also experience improved social connection. **Children**, who are at a crucial point in their development, benefit through improved educational performance, emotional wellbeing and improved physical and cognitive development.

‘It’s surprising how many people are in need. People are not necessarily going without, but they don’t have enough food. And they don’t have fruit and vegies. Parents are going without so their kids can eat’ – Food recipient

As a result of adults and children getting access to food, value flows to the **government** through reduced economic impact of diet-related disease. The broader **community** also benefits from Foodshare through reduced stigma around food insecurity and improved knowledge and resources to draw on if experiencing food insecurity.

6. Strategic directions

Foodshares ... substantially amplify the impact of the investment made by Governments, philanthropy, not-for-profits and communities to get food to people who need it.

To address a challenge of the scale and complexity of food insecurity requires a comprehensive ecosystem of food rescue and food relief. No single organisation can hope to address food insecurity. It requires large scale sourcing and aggregation of procured and rescued food, efficient logistics to move appropriate food to the regions where it's needed, and importantly, a localised network to ensure it reaches those who need it in the form where it will have the most impact in mitigating food insecurity.

This "localisation" – sometimes referred to as "the last mile" – is where Foodshare organisations play such a vital role and can play a greater role in the future. Foodshares, through their knowledge and connections in the region and their partnerships with local agencies, substantially amplify the impact of the investment made by Governments, philanthropy, not-for-profits and communities to get food to people who need it. In fact, Bendigo Foodshare creates a return of \$3.72 per dollar on all the monetary and non-monetary (pro bono and volunteer time) investment made. Excluding the pro bono and volunteer input they leverage, Bendigo Foodshare produces a social return on monetary investment of over \$46 per dollar invested (See section 5 above).

6.1 Why Foodshares are essential – The six key functions they perform

Foodshares as *sourcers*

Foodshares, especially those in regional areas also operate as sourcers of locally grown and produced food which is either donated or rescued. As much as 40 per cent of food waste in Australia occurs in primary production. This is partly due to retailers' and consumers' expectations that over-emphasise appearance. It also occurs when market prices make it unviable for primary producers to harvest. A further 25 per cent occurs in manufacturing processes and 4 per cent in retail. (Australian Government National Environmental Science Program, 2019). Foodshares play a vital role in rescuing some of this food when it occurs in the local area. This is sometimes done in partnership with national organisations such as SecondBite's *Community Connect* program.

Foodshares as *redistributors*

As well as sourcing local food, Foodshares operate as a regional hub to receive and aggregate food from major food suppliers like Foodbank, FareShare, SecondBite and OzHarvest. They then redistribute this food in manageable quantities and appropriate formats to local agencies who then integrate the food into their support for local communities. This "hub and spoke" model adds substantial efficiency into the food relief system, reduces waste, and ensures more food reaches more people in formats that best meet their needs.

Foodshares as *first responders and rapid mobilisers*

In times of natural disasters, pandemics, industry transition (such as closing of a major employer), or changing community needs there is often a need for rapid mobilisation of community assets and capabilities to mitigate negative impacts. Foodshares have demonstrated that their ongoing engagement, local knowledge, networks and community connections enable them to quickly mobilise a community response to these rapid onset situations. This includes mobilising food and other essential goods, volunteers, vehicles, packing boxes, warehouse storage, personal protective equipment and cash to name a few examples.

FoodShares as local experts

As local organisations, Foodshares gather a great deal of knowledge, intelligence and understanding of local need and local food-handling capacity to increase the adaptive capacity of the regional food relief system. This often-under-estimated role places them in an excellent position to work alongside statewide agencies to ensure that food coming into their region is appropriate to the community need and is distributed in a way which has the greatest positive impact on food insecurity in the region.

FoodShares as a local voice to the sector

Because Foodshares are local experts, they are well-placed to represent local conditions and needs into the sector more broadly. This can include advising on local food needs (both volume and types of food) and advocating for systemic change to ensure the sector is operating in the interests of communities' needs.

Foodshares as local resilience builders

Foodshares provide more than food relief; they play a vital role in the ability of communities to respond to and recover from challenges such as food insecurity and disasters.

Foodshares frequently provide or enable food literacy and other support services and programs alongside food relief. With appropriate facilities Foodshares have capacity to expand this role, facilitating innovation and collaboration among local food system stakeholders. There is a potential leadership role in examining systemic causes of food insecurity and food waste in the region, continually seeking opportunities to innovate the food relief model in response to delivery impact and dignity. By building food literacy within communities Foodshares can build community resilience, mitigate food insecurity and even moderate the need to food relief.

Foodshares also contribute their networks and local knowledge to support community resilience in the event of disasters, quickly mobilising financial and in-kind resources and volunteers to increase the speed and magnitude of the disaster response.

6.2 From supply driven to demand driven

A strong and effective Foodshare network will do a great deal to bring a demand or needs-driven focus to the whole food relief sector. At present, a simple characterisation of the way much of the food relief system operates in Australia might be – *Rescue and procure as much food as we can and push it out to as many people as we can.*

While this approach is not inherently wrong or bad, it does little to understand how food relief is helping struggling communities to be transformed, to be empowered or to be more resilient in the longer term. Nor is the system as a whole shaping itself around what communities actually need to be more food secure. It does little to identify unmet need or generate responses which communities have a say in designing. In short, our food system struggles to foster independence or eliminate the indignities sometimes associated with charity. A strong and effective Foodshare network will bring a stronger needs-driven focus to address this.

6.3 Ten strategic priorities to inform future development of the Foodshare network

1 – Ensure more food enters communities through Foodshare hubs

Every kilogram of food which comes to communities for food relief has a greater potential to have more impact on addressing food insecurity if it comes through a strong and effective Foodshare organisation. Foodshares act as a vital 'hub' to ensure food gets to families through community agencies 'spokes'. Foodshares, working in close partnership with local agencies, can ensure that food not only gets to

where it will have the most impact, but will get there in the best condition and format and can be integrated into other services, especially for those with more complex needs.

2 – Support regional Foodshares to actively source more food from local sources

Building partnerships with local primary producers and food manufacturers requires special capabilities and a creative and flexible approach to respond to often unpredictable weather and market conditions which see food become destined for waste early in the supply chain. Being able to harness multiple stakeholders (local volunteer capacity, local logistics) to rescue this food reduces the ‘food miles’ on this rescued food and ensures it does not end as waste. In addition, Foodshares can actively develop more planned participation in local production through regular predictable donations of food products or planned production of food for food relief (for example, ‘Grow a row’ programs).

3 – Recognise the importance of local food systems intelligence and data

Each community has a unique set of facilities and capabilities which can be utilised to procure, store, sort and distribute food. Knowing, and being able to access these facilities and capabilities is essential to building a local food system. Foodshares are best placed to map and engage with this system and should be appropriately resourced to do so. This is one of the keys to ensuring the vast investment further up the supply chain is effectively amplified through the ‘last mile’.

4 – Include Foodshares in forums and conversations which shape policy, legislation and public opinion

Local food systems can be effectively enhanced through the removal of barriers and/or creation of incentives for producers, manufacturers, logistics firms and others to contribute to the sector. The current conversation about tax deductibility for food relief logistics is a contemporary example. Raising awareness and reducing the stigma of food insecurity are also vital to building community, family and individual resilience. Local voices representing diverse communities across Victoria are essential. Foodshares are well placed to provide that voice.

5 – Build Foodshares capacity to conduct activities which build community resilience and dignity

As a functioning network, there is a great opportunity to develop shared resources to support the delivery of non-food relief activities. This capacity to build food literacy and related activities can be shared across all Foodshares. This should be appropriately recognised and supported as the longer-term payback is substantial.

6 – Ensure Foodshare facilities are suitable for large scale food handling and other local food system building activities

For too long Foodshare activities have been conducted ‘on a shoestring’ with inadequate resources. The recent rounds of funding to build local capacity have begun a process of improvement but far more investment is needed to ensure safe, dignified, and fit-for-purpose facilities are in place in all communities where it is needed.

7 – Provide appropriate funding for Foodshares in line with their ability to amplify sector effectiveness

Foodshares make the system work and the food security and resilience of their communities depends on their ongoing existence. The SROI analysis contained herein provides an insight into how an investment in this sector has a substantial social, environmental and economic multiplier effect. Access to food is a human right and systems to enable that access are essential infrastructure. Any investment in the food relief ecosystem should be appropriately weighted to the vital role Foodshares play in localising and amplifying the impact of the whole system. Investment by donors such as government can

be complemented by revenue generating activities of the Foodshares such as social supermarkets and value adding social enterprises.

8 – Enhance and formalise alliances with statewide and national food relief organisations

No single organisation or small set of organisations can hope to effectively address food insecurity in any region. As several major organisations compete for share-of-heart and share-of-wallet, the risk is that this competition results in a less effective system. The system, comprising food relief organisations, producers, manufacturers, logistics and storage, local community agencies, funders, policy makers and many others must work in unison to be effective. Conversations about the complementary roles and appropriate and equitable resourcing of each organisation are underway and need to be continued.

9 – Engage community in design of local food systems

Increasingly we are witnessing around the world how food relief can, in some instances, act to entrench disadvantage and indignity. Foodshares can play a significant role, if they are appropriately resourced to do so, in engaging their communities to design food systems which will be even more effective in addressing challenges associated with food insecurity.

10 – Set up ongoing shared measurement of local food resilience

Measurement of community food resilience is a significant challenge for the sector. While the direct outcomes associated with current food relief practice are understood, we can only begin to imagine the transformative benefits of truly food resilient communities where people are able to participate in society and the economy without facing the barriers associated with food insecurity. The beginnings of a shared measurement framework will be provided to accompany this work, which the sector can use as a basis for further development.

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Appendix A About the project

Project contributors

Work was delivered in 2021 by Think Impact and Open Food Network as a subconsultant. A Project Control Group (PCG) was responsible for overseeing the project. Membership of the PCG comprised:

- City of Greater Bendigo, which auspiced the funds
- Regional Foodshare Alliance Board Chairs & Executive Officers
- Victorian Government Department of Families, Fairness and Housing
- Regional Development Victoria.

The members of the Regional Foodshare Alliance (the Alliance) play a critical role in provision of food relief across regional Victoria. The Alliance consists of the following organisations:

- Bendigo Foodshare
- Albury/Wodonga Foodshare
- Shepparton Foodshare
- Warrnambool Foodshare
- Geelong Relief Centre
- Mildura Foodshare.

Project background

In June 2020 the Victorian Government Department of Jobs, Precincts and Regions (DJPR) provided a Living Regions Living Suburb grant for the project “Strengthening Victoria’s Foodshare Operations”.

The COVID-19 pandemic highlighted a range of challenges faced by regional communities including high underlying levels of food insecurity and the challenges to financial sustainability and support for regional Foodshare organisations. These funds, facilitated by Regional Development Victoria, part of DJPR, aim to understand these challenges, identify opportunities for improvement and commence implementation.

The purpose of this project was to work with four regional Victorian Foodshare organisations (Albury Wodonga, Bendigo, Shepparton, and Warrnambool) to develop a sustainable model for their future.

The objectives of the project were to:

5. Understand the social, environmental and economic impact of regional Foodshare organisations individually and collectively, through a review of the inputs, outputs, outcomes and impacts of the services.
6. Identify and secure opportunities to enhance the supply of food and undertake an assessment of the current and future demand for food by regional Foodshare organisations.
7. Develop sustainability capacity in the Regional Foodshare Alliance to:
 - demonstrate the value of place-based, geographically dispersed food shares and establish the Alliance members’ critical role in provision of food relief across regional Victoria.
 - enable honest and equitable relationships across the sector, resulting in improved food relief services/food security for rural/regional Victorians.
 - achieve a respectful understanding of each other and other stakeholders in the sector and openly acknowledge the individual and sectoral challenges to support each other and find solutions.
 - add value to individual partners and the collective by identifying opportunities to reduce duplication, facilitate sharing and increase impact, effectiveness and efficiency through sharing resources, knowledge, practices and activities.

The following four Victorian Foodshare organisations were involved in the research components of the project described in objectives 1 and 2 above:

- Albury/Wodonga
- Shepparton
- Albury Wodonga
- Warrnambool.

The intention was that Geelong Food Relief, Mildura Foodshare and other members of the PCG would participate in workshops focused on building relationships and using the results of this research to identify collective activities. However, it eventuated that the relationship building objective of this project was not a significant need or focus for the Foodshares because of other priorities, such as the COVID-19 response, and other forums, such as the Regional Food Relief Network. One partnership workshop was held in the early stages of the project with attendance by three of the Foodshares and the City of Greater Bendigo. The second partnership workshop scheduled for the latter stages of the project was not held at the request of the Foodshares. Geelong Food Relief Centre and Mildura Foodshare were not able to participate in any aspects of this project.

Methodology

The analysis is based on data for the 2020/21 financial year.

The following methodology was adopted to concurrently deliver this work for Albury Wodonga, Bendigo, Warrnambool, and Shepparton Foodshares.

The project involved three key components:

- **Social Return on Investment analyses** to demonstrate the social, environmental and economic impact of regional Foodshares, guided by the Social Return on Investment methodology.
- **Investigation of food relief demand and supply** to assess the current and future demand for food and identify and secure opportunities to enhance the supply of food.
- **Strategy formulation** to develop Foodshare’s capacity to demonstrate their value in support of a sustainable business model.

An overview of the four key stages and deliverables is illustrated in Figure 8 below.

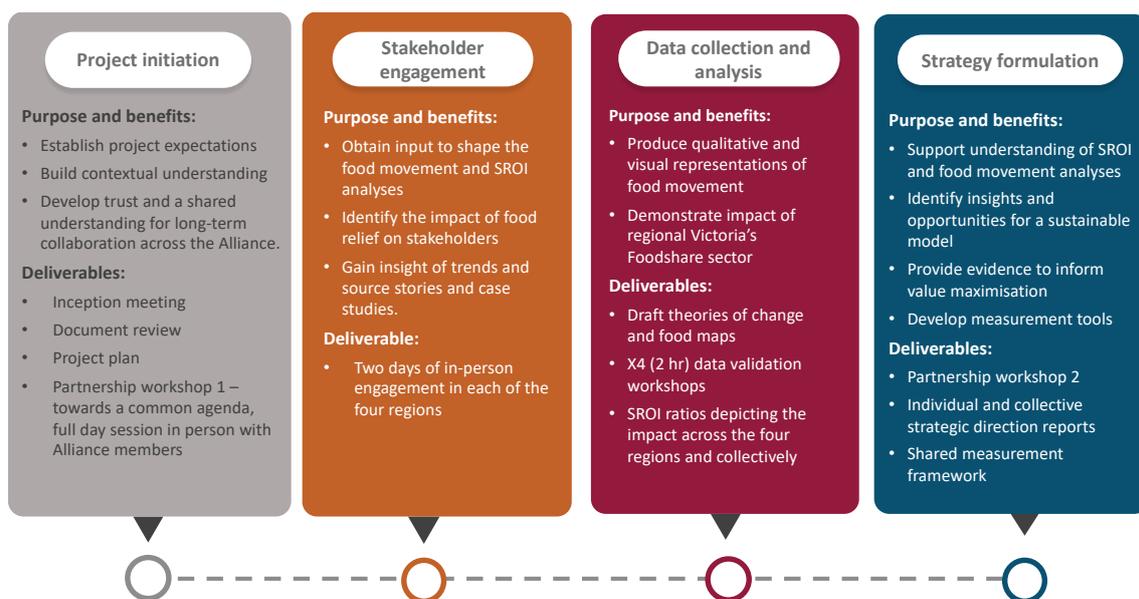


Figure 8 Overview of methodology and key project stages

About SROI

SROI is an internationally recognised framework for measuring and accounting for the broader concept of social value. It tells the story of how change is being created for the people and organisations that experience or contribute to that change. Financial proxies are used to place a value on non-financial change that occur for stakeholders so the story of change can also be told in monetary terms.

SROI draws on well-established methodologies in economics, accounting and social research. It is underpinned by eight principles that set a consistent and quality standard for how SROIs should be conducted. The principles are illustrated in Figure 9 below.



Figure 9 SROI principles

An SROI analysis produces a ratio that indicates the total return for the dollars invested. For example, for every \$1 invested, \$4.35 of total value is created. This ratio provides an indication of cost effectiveness, by comparing the investment required to deliver the activities with the value of the outcomes experienced by all beneficiary stakeholders.

Value that would have happened anyway (deadweight), that is attributable to other actors (attribution) or that has displaced other outcomes (displacement) is factored into the calculation, leading to an understanding of the 'additional value' that occurs as a result of the activities.

An SROI typically involves qualitative research to develop a theory of change followed by quantitative research to measure and value the outcomes identified in the theory of change. To produce four SROI models efficiently and leverage existing evidence about the value of food relief, we modified the SROI methodology. We collected qualitative data to identify the areas of value, then used secondary research to quantify and value the outcomes. All assumptions made as part of this process have been transparently outlined and findings were validated with each Foodshare.

Stakeholder engagement

Stakeholder engagement was undertaken in three regions: Bendigo, Albury and Warrnambool. Engagement was undertaken while Victoria was subject to COVID-19 restrictions resulting in all Bendigo interviews being conducted remotely. To address any limitations occurring for a region, such as interviews that were unable to be conducted, findings from other regions were used to fill gaps in understanding.

Table 6 below provides an overview of the stakeholder engagement conducted including details of the stakeholder group, number engaged and the engagement approach.

Table 6 Stakeholder engagement undertaken

Stakeholder group	Number engaged	Engagement approach
Foodshare staff	2	1-1 online interviews
Food suppliers	2	
Food recipient/volunteer	1	
Food relief organisation	5	
Local government	1	
Local business	1	

Estimating the number of food recipients

The number of food recipients referred to in this report is an estimate developed by Think Impact for the purposes of calculating the SROI. An estimate was required because Foodshares do not have an accurate estimate as they don't distribute food directly to recipients and have not established data systems to collect data from community agencies.

To estimate the number of food recipients, the project team was guided by the ratio of kilograms of food to food recipients as reported in the 2014 SROI of Foodbank Australia's services (27.5 kilograms of food distributed per recipient). The known kilograms of food distributed by Shepparton Foodshare was divided by 27.5 kilograms, yielding 30,092 food recipients.

The usefulness of this estimate was tested against more detailed data recorded by Warrnambool Foodshare on the number of adults and children who receive food hampers. Though Warrnambool does not know how many hamper recipients are repeat recipients and therefore the number of unique food recipients, it was possible to estimate unique food recipients by making an informed assumption about the frequency of receiving food relief. This calculation produced a number within a similar range to the Foodbank estimate.

Full details of the food recipient estimate for each Foodshare is provided in the accompanying SROI model.

If a more accurate estimate of unique food recipients is required, it is recommended that the Foodshares explore a shared measurement system for consistent and cost effective data collection.

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