

Rural Development Sub Committee

Inquiry into the Production and Promotion of Welsh Food

Response from The National Trust Wales.



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THE NATIONAL TRUST WALES

Rural Development Sub-Committee Inquiry into the Production and Promotion of Welsh Food
Submission from the National Trust Wales

February 2009

Summary

- There is a need for an integrated strategy for the food supply system, with coherent policies to promote and provide a sustainable Welsh diet.
- Consumers are unaware of the impacts of their diet and confused about the food options available to them. There is a need for coherent messages to improve people's ability to grow and cook their own food.
- All parts of the food system should seek to make the most efficient use of natural resources and minimise waste. This is essential for the long-term viability of the agri-food system.
- The food service sector has been neglected by Government policies and is less transparent than retail. The National Trust demonstrates the potential for sustainability to be embedded in catering operations.

1. Introduction

The National Trust welcomes the opportunity to respond to this consultation. The Trust owns 50,000 ha of land in Wales which it manages for the benefit of the nation. A majority of this land is farmed, either by the Trust or by our 200+ tenants. The Trust is also Europe's largest conservation organisation, managing natural and historic heritage for conservation and public access.

Food matters to the National Trust- we're involved at every stage of the food chain, from growing and farming produce, to cooking, eating and selling meals. The Trust's farmed land is used by us and our tenant farmers to produce everything from milk to vegetables to venison. We also care for historic kitchen gardens, growing unique heritage varieties of fruit and vegetables. We run a large catering business of tea rooms, cafes and restaurants as well as a small number of farm shops.

Increasingly we are working to promote the story of food and where it comes from to our supporters. We encourage them to eat local, seasonal food and think about how it has been produced. We also provide opportunities for people to grow their own food on our land by offering community allotments.

2. The National Trust's vision for sustainable food

The National Trust focuses on promoting seasonal and local food as the foundation of a sustainable diet. This is food which:

- **connects us with how and where food is grown**, and the people who produce our food, which in turn encourages people to support a more sustainable food system;
- **is traceable**, so we can build a relationship of trust with producers in terms of quality, health and safety, animal welfare and other issues;
- **supports rural and local communities** and their economies – including producers, suppliers and others in the food chain;
- **promotes healthy eating** of fresh produce, in tune with the seasons, which is more likely to be unprocessed and contain fewer additives;
- **celebrates the seasons**, which is important to encourage people to enjoy, understand and care for the natural environment;
- **reduces greenhouse gas emissions caused by transport of food and so helps to prevent climate change**. Growing seasonal food also requires less energy e.g. by reducing the need for heated greenhouses and chemical inputs;
- **celebrates local distinctiveness** and cultural heritage by encouraging specialities and seasonal variations;
- **is more likely to be produced on sustainably managed land**, using sustainable methods. As a conservation organisation and a major landowner, it is important to us that land is managed in ways that are good for the natural environment and for people, now and in future.

3. Challenges facing the agri-food sector (Question 1)

There are many pressures on the sector and forces driving change, but the single greatest challenge is the need to produce enough food in a way which is sustainable for the environment and society. It is essential that concern with food security does not result in resource intensive production, repeating mistakes that followed the post War rush to maximise production. Farming should seek to conserve the ability of the land and natural resources to support food production in the long term whilst providing other ecosystem services society relies on. Availability of fossil fuel derived inputs and water is limited and ever diminishing making it essential that the food system is not reliant on these resources.

According to the Food and Climate Research Network, the best possible consumer response to the level of GHG emissions associated with household food consumption would be to opt more for in-season UK produce. This cuts out the bulk of the greenhouse gas emissions associated with long-distance food transport, and avoids the need for heated greenhouses.¹

The fundamental challenge for the Government is to identify what a sustainable food system is and put in place a coherent set of policies which work together to support it.

This overarching challenge has some specific components:

- a. Pressure on land use: there is a need to consider what we will need from land in future, and how to manage competing demands on land use. Food is not the only product society needs from the land and farming should also continue to provide the environmental services on which we all depend. The report of the Vision 2020 Group outlined the risk of a polarisation in land use with some areas intensifying production with conservation management restricted to marginal land². This demonstrates the need for a new approach to planning for integrated natural resource management.
- b. Pressure to intensify production: Global food markets combined with climate change impacts could well create a pressure for agricultural production in Wales to intensify.³ The risk is that environmental outputs offer less of a return so are a low priority, resulting in reversal of the conservation benefits secured through reforms to CAP.
- c. Energy and oil prices: These are expected to remain high and continue rising, with implications for the cost of operating any business. Agri-food businesses need to consider how to improve energy efficiency and shift to low carbon energy sources. Current systems rely on resource intensive, oil based practices to increase production. In the long term, reliance on chemicals and fertilisers cannot be guaranteed, and may become prohibitively expensive. It makes sense to move to alternative production systems in the short-term with the aim of maximising production in the long-term.
- d. Climate change: Transport of food is the biggest user of energy in the food system – 47% compared to 8% from agriculture⁴. The full picture of food's contribution to GHG is not clearly visible as it is divided between a number of categories in the reporting system: agriculture, energy, land use, manufacture, transport, waste. The agri-food system will need to respond to pressure to reduce GHG emissions and prepare

¹ Season's Promise, National Consumer Council

² Sustainable Farming and Environment- Action Towards 2020, Vision 2020 Group 2007, p59

³ Vision 2020 Group, 2007 p59

⁴ AEA Technology plc (2005), The Validity of Food Miles as an Indicator of Sustainable Development

for a low carbon society. Production systems also need to adapt to a future with a changed climate.

- e. Reform of agricultural subsidies: further CAP reform will mean a shift from a subsidy-driven to market-oriented agriculture. For most farmers this will not mean 'niche products' or 'marketing support' since the majority of sheep and beef farmers will continue to supply to the wholesale meat trade. In our experience there is an acknowledged lack of understanding at the farm level, of farm business planning or of the possible positive consequences of implementing radical changes in the way that farm businesses are managed. We believe that there is a paucity of incentives to move away from traditional production systems. This can and should be addressed in two ways: through the better farm advisory services and through the wider promotion and availability of targeted incentives (e.g. Tir Gofal).
- f. High proportion of farming within the LFA: these farms face particular challenges whilst being important in terms of location in areas of high landscape and environmental value e.g. at the head of catchments. The level of subsidy these farms have received through Tir Mynydd can not continue indefinitely and these businesses face a period of restructuring. Transitional support will be required to support farmers in adapting to change.
- g. Price or Value?: A sustainable food system can only be successful if consumers prepared to buy quality products and understand the different options available. Food prices do not currently reflect the true cost of a product and the drive for low prices does not favour quality produce. Our research shows that local food is perceived to be more expensive and that this is a major barrier to buying it.⁵ But if consumers understand the value of such products they are more prepared to pay. As the era of cheap plentiful food comes to an end consumers will need to accept prices which reflect the true costs of production.
- h. Supply chains: Both farms run directly by the Trust in Wales produce quality organic meat for which there is a demonstrable local demand. However, efforts to sell locally and maximise sustainability of the supply chain are limited by the lack of adequate local facilities. The lack of abattoirs local to the farm at Llanerchaeon makes it very logistically difficult for meat to be butchered, hung and cured locally. Beef and lamb from Hafod y Llan has to travel a 78 mile round trip to the abattoir. Existing abattoirs are working to capacity due to the closure of so many facilities in recent years. Slaughterhouse costs are high due to inspection charges and SRM removal, and the unit cost is higher for

⁵ Market research commissioned by *We Will if You Will* partnership, 2008

premises with a low throughput. Similarly, a lack of outlets for local produce and the market dominance of large multiples limits the ability to buy and sell locally.

The Trust's food policy means that we endeavour to use local products as far as possible in our catering outlets. However, food from small local producers can be more costly. Where we have identified a local quality product to use in our restaurants, the lack of product supply chain means a great deal of effort is required to coordinate the supply. Whilst we benefit from direct links with our tenants, these producers are not necessarily located near to our major catering outlets.

Our cafes and restaurants do use a number of local products but this is only possible where a suitable supplier is nearby and able to deliver. We have tried to overcome the difficulty of sourcing products from numerous small producers by using an intermediary to collect and deliver special items together with standard orders. However, this is time consuming to coordinate and incurs surcharges.

A huge gap in the supply chain is the lack of Welsh horticultural produce. Every effort is made to use produce from Trust tenants or other local sources. However, many local suppliers use major wholesalers who also buy imported produce making it difficult to track product origins.

- i. Consumer understanding: It is currently difficult to buy food from a known origin with confidence that it has been produced sustainably and fairly. There is also confusion amongst the general public with the plethora of categorisations of food and messages about their varying – sometimes contradictory- benefits. Local producers need to identify systems to communicate the quality and value of their produce through clear labelling, relevant quality standards and membership of local or regional food projects.⁶

There is a particular challenge in the food service sector where it is not always possible to distinguish the origin or sustainability of products on offer. This sector has not been targeted by Government initiatives to the same extent as other parts of the food system.

⁶ Local Food – an Opportunity for Tourism, 2008

The challenges facing local seasonal food

Seasonality offers the best hook to promote buying British. But our awareness of what indigenous produce is in season at any one time is now very low, particularly in younger age groups.

- The area of land planted for fruit and vegetables in the UK has declined by 20% over the last 15 years.
- 90% of the fruit and 40% of the vegetables we eat are now grown overseas.
- 75% of young people (aged 18-24) do not know the seasons for classic British fruit and vegetables.
- Initiatives to raise nutritional standards in schools and hospitals risk undermining seasonal food if they lead to more standard menus, or if caterers are not given assurance on how seasonal vegetables fit with standards.

Seasons' promise
an eniovable wav to tackle climate chanae. National Consumer Council

4. Opportunities for the agri-food sector (Question 2)

- a. Sustainable Land Management: Sustainable land management seeks to maximise a range of benefits across an area of land; our research demonstrates that it is possible to produce food and public benefits such as biodiversity in the same place⁷. The Government should seek to dispel the myth that we have to choose between food production and other public goods with land valued for single functions. Instead land should be valued for all the benefits it provides. Such a multifunctional approach requires better ways of reconciling different needs. The aim should be to produce food in a manner which minimises environmental harm whilst maximising public benefits. Producers adopting this approach have the advantage of being able to market a quality, sustainable product and should be rewarded by the market and Government policy. Further CAP reform is likely to encourage agriculture which delivers environmental benefits as well as producing food.

In many regards, Welsh agriculture is well placed to produce low carbon food as the type of livestock grazing which dominates Welsh farming produces meat which is relatively resource extensive.

- b. Demand for local seasonal produce: In 2006, 65% of shoppers bought local whilst a further 9% would have liked to if it were available. This is compared with 61% buying local in 2005. Around three quarters of shoppers (74%) buy local foods or would like to buy in the future, up from 70% in 2005.⁸ There is clear evidence that local foods are

⁷ 'Green Spaces – Measuring the Benefits' University of Essex for the National Trust 2008
<http://www.nationaltrust.org.uk/main/w-green- lungs.pdf>

⁸ Retail and Foodservice Opportunities for Local Food, IGD 2006

becoming an important part of the strategies of mainstream grocery retailers, and increasingly foodservice wholesalers and operators. Shoppers are now more concerned about how food is produced -on the farm and in the factory- than they were in 2005. In 2007 only 14% of shoppers had no concerns and claimed to be happy with how the food they buy has been produced; this has decreased from 18% in 2005.⁹ These trends are also reflected in the sourcing priorities of public and private sector bodies¹⁰. Research also shows that local foods with a good reputation and national recognition –e.g. Melton Mowbray Pork Pies- can extend their sales throughout the UK by highlighting the benefits of heritage and quality.

- c. Food culture: The renewed interest in food stimulated by community champions, celebrity chefs and experts is starting to revive the UK's food culture. But this is not yet mainstreamed, nor is the interest matched by people's ability to grow and cook their own food. There is real potential to develop skills to support a food culture and improve the connection between consumers and the sources of the produce they eat.

5. Effectiveness of WAG policies and initiatives (Question 4)

There are numerous WAG strategies, policies and initiatives relating to the food supply system. This makes it difficult to take an overview or identify a clear direction of travel. The current approach is piecemeal and fragmented, with different policies not always working together. For example, the various elements of the Rural Development Programme work in isolation and the programmes are not well integrated. The Government's work to develop a strategic approach to Quality of Food neglects the sustainability of food despite the numerous environmental impacts of food production.

The number and variety of initiatives and policies relating to the agri-food sector creates a complex picture with no coherent vision. Responsibility for different initiatives is divided between different bodies and Government departments resulting in a fragmented approach. No single group is charged with providing a coherent approach and clear vision. At best this means that initiatives don't always work in synergy or maximise the benefits delivered by each pound invested. At worst, initiatives can work against each other.

There is a need for a clear strategy for the agri-food sector which clearly identifies what a sustainable diet is and how Wales will supply the food to fuel it.

There has been limited evaluation of the effectiveness of these initiatives, and a lack of monitoring of their success. It is therefore difficult to evaluate the

⁹ 'Food Production', IGD, 2007

¹⁰ Country Land & Business Association, 2008

success of particular policies. However, our experience of particular initiatives demonstrates some success in supporting particular projects.

Axis 1 of the Rural Development Programme- Supply Chain Efficiencies

The National Trust received a grant under this programme for a feasibility study into marketing meat as part of the Pembrokeshire Heaths project. This project began as an initiative to improve management of heathland to improve habitat quality and public access through conservation grazing. The feasibility study looked at whether there would be a market for beef marketed in relation to this conservation work, and whether a sustainable business could be developed on this basis. The study identified demand for such local, quality beef with customers being more interested in these aspects than the conservation benefits.

The project is now being developed with the intention of establishing a heathland beef brand which will support continued conservation of the heaths. There is potential for this to be recognised at a European level with PDO and PGI status providing a standard and quality assurance for meat similarly produced in other parts of Wales. Linking land management to a product in this way makes it possible for sustainable land management to be financially viable in the long term.

Agrisgôp

This initiative helped bring together tenants on the Trust-owned Dolaucothi estate to look at how they could work more closely together. Facilitated discussion and a small grant helped establish a cooperative which now sells quality lamb through Dunbia (Llanybydder) to Sainsbury's. Dolaucothi lamb won the True Taste of Wales Award under the partnership category for achieving distinction in the quality of the produce. It was also the first recipient of the National Trust's Fine Farm Produce Award which is branded on the produce and is available for their marketing purposes. The lamb meets RSPCA Freedom Foods and all farms are also required to meet the Trust's Environmental Farm Standard.

The group members have found that being part of a group has given them confidence to approach major businesses and represent their interests. They have also shared their experience with tenants on the Ysbyty estate who are now working with Agrisgôp. This approach benefits from being peer led, with farmers having the flexibility to shape the process themselves and retain control.

Rural Retail

A Trust tenant on the Colby Estate, Pembrokeshire has established a thriving farm shop. An old farm building was renovated and converted for use as a shop with funding from the National Trust, Tir Gofal and the Rural Retail Programme. The shop provides an outlet for the farm's produce and other local producers as well as a village shop for the local community. The shop also attracts visitors and contributes to the local tourist economy.

The farm's organic meat is processed on site in another converted building which now functions as a white room with cutting and storage facilities. A

delivery service and online ordering are also available. The meat has been awarded the Trust's Fine Farm Produce Award amongst others. The start up costs of this type of enterprise can be significant making grant funding almost essential. But once established, direct sales improve the sustainability of a farm business, whilst creating a local food outlet.

European Structural Funds

Grants from FIFG and match funding from the Welsh Assembly Government have supported the Porth Meudwy Fishery, Llŷn. The funding has provided landing facilities which make launching and grounding the boats easier in all weathers. The old fishermen's hut has been restored to provide storage for equipment and gear, and a farm building has been converted to house processing facilities. The new facilities help secure the 5 full-time and 2 part-time jobs reliant upon fishing. A co-operative of fishermen use the new facilities and were recently awarded the Trust's Fine Farm Produce Award for their dressed crab.

6. Good practice in Wales (Question 7)

The National Trust is engaged in a range of activities to develop and support a sustainable agri-food system in Wales. We are happy to share further information on any of these initiatives or arrange visits to the relevant properties and projects.

- a. National Trust Food Policy: Since 2005 The National Trust has been implementing a Food Policy which promotes use of traceable, sustainable and local food in our retail and catering outlets. This has helped develop local supply chains, and markets for quality, sustainable products. A crucial element of this work is to engage our supporters in the issues and encourage them to buy sustainable local produce.

The Trust's principles for production, catering and retail of food products are founded on seven core areas:

- environment -land management, resource use, waste minimisation
- animal welfare
- food hygiene and safety
- food quality and taste
- labour conditions
- fair trade
- traceability

We favour the most local supply of products that meet our standards when sourcing food for our own catering and retail operations. Marketing and consumption of seasonal produce will be encouraged with 'in season' ingredients favoured for our catering outlets. We have a responsibility to ensure that minimum standards are met by our suppliers and that we are confident food is produced in a safe way that avoids unnecessary pollution or environmental damage.

To help develop local food economies we aim to source local seasonal produce, which has been produced and prepared to high standards and inform our staff, tenant farmers, members, wider public and visitors of the benefits of local food. Implementation of the food sourcing policy in our restaurants to date has indicated that catering operating contribution does not suffer and indeed can be improved as a result.

Our chefs and other staff have had to develop new skills and knowledge to source and prepare food in line with our new standards. They're working with local producers and suppliers, negotiating contracts, planning seasonal menus, and talking more to customers and the media.

Our experience to date gives us confidence that a successful catering business can also be sustainable – we've managed to make big changes without losing our profits. We've found that our customers love hearing the story behind the food that they're eating and they want us to do more.

- b. Improving local supply chains: We've often found it hard to get consistent supplies to meet the needs of our catering. In many places there are weak links between local producers and suppliers, so we don't know where the food has come from. We've found that local food isn't always produced to the standards that we expect. In order to implement our food policy we've also had to work closely with some of our major suppliers so they understand our priorities and are able to provide food which meets our standards.

The Trust operates catering outlets which would seem a natural market for the 220+ tenants producing food on our land in Wales. But the connections in the supply chain are not all in place, and it is not always easy for tenants to meet the needs of our catering operations. We have been working to make it easier for tenants to sell through our outlets with some success.

During British (Wales) Food Fortnight 2008 all Trust run catering units in Wales used lamb from our farm at Hafod y Llan on their menus. Aberdaron crabmeat from the fishery mentioned above was also promoted at our outlets. There was some reluctance from catering managers due to the higher than normal costs so they were advised on reducing wastage and how to promote it on menus. We use ice cream and bottled ales from small Welsh suppliers who deliver to sites near to them. For example Plas Newydd uses pork from a farm just 4 miles away. We have also worked to support tenants to sell and process their produce locally. For example, a tenant on the Colby Estate, Pembrokeshire to convert an out-building into a white room for organic meat packaging and cutting, with a sales outlet on site.

- c. Growing local food: Many of the gardens on National Trust land are productive, with some of the crops destined for our catering operations. All produce from the walled kitchen garden at Llanerchaeron is sold in the farm shop on site making approximately £12K per annum. The walled garden at Stackpole is leased to Mencap who run a training programme for people with learning disabilities with garden produce sold on site. As well as providing a source of local fruit and vegetables, these gardens present an opportunity for the public to learn about food production and be inspired to grow their own food.

The walled garden at Craflwyn has been converted for us as community allotments, available for local people to grow their own food. Food waste generated by the residential centre on site is processed in a rocket composter, producing compost for the allotments. Additional community allotments are soon to be created at other Trust sites in Wales providing further opportunities for people to grow their own food. As well as being a healthy pass time and source of sustainable food, growing food at home or on an allotment promotes understanding of the food system and where food comes from.

- d. Engaging supporters: The National Trust's food policy aims to help consumers understand and appreciate the benefits of local sustainable food. We aim to inspire people to eat local and seasonal food at our properties and at home. We want consumers to both understand the benefits and to enjoy preparing and eating food that comes from a known source and is healthy, tasty and enjoyable.

The Trust is uniquely placed to tell the story of the food chain- from plot to plate. An ongoing programme of communication activities promotes the benefits of local sustainable food to the public, our members and visitors. This includes product information at catering outlets; recipes on our website and themed events at our properties. Apple Days at Erddig this autumn attracted record numbers of visitors and gave people an opportunity to discover part of their food heritage. Each year Llanerchaeron runs a series of food themed events such as cooker demonstrations using produce from the farm and garden. Events for local producers provide an opportunity for local companies to demonstrate their cheese making and brewing and promote their products. 'Learn about farming days' allow the public to see the animals, learn about food production and taste the end product.

Our ongoing activities to promote local and seasonal food will this year be complemented by efforts to encourage people to grow their own food.

- e. Fine Farm Produce Award: The Trust developed this award to support our policy to promote quality produce from responsibly managed farms. It aims to provide a marketing advantage to reward the best producers and encourage other producers to improve. The Fine Farm Produce Award is only awarded to products from National Trust holdings that

meet high standards of taste, quality and production. The National Trust Fine Farm Produce Award (FFPA) can be granted in recognition of both the quality of farm produce, as well as the method of production. Set criteria have been developed to ensure that the reputation of the Award is upheld. The identity of the Award has been developed to differentiate products and hopefully provide a marketing advantage to high quality producers.

The Award has four components:

- meeting taste standards
- meeting animal welfare standards and crop production standards
- meeting food safety standards
- meeting environmental standards.

The taste and quality of food and drink is an essential component of the award. A tasting panel follow a set procedure for taste assessment against benchmark products. Awards will only be made where a product meets or exceeds the taste panel criteria.

The animal welfare, crop production, and food safety standards are all assessed externally by the RSPCA - Freedom Foods or organic certification. Food safety standards are checked by trading standards and environmental health officers respectively.

Dolaucothi lamb was the first recipient of the Fine Farm Produce Award. This year Trehill Farm early potatoes and Gower salt marsh lamb achieved the award.¹¹

The environmental standards are defined internally, under our Environmental Standards for Farms checklist. These environmental standards cover the key areas of farm practice, including legal compliance and best practice. The standards compliment existing farm advice and planning systems. The award is intended to link production standards to marketing and offer consumers assurance that they are purchasing a quality product of fully traceable origin. The award therefore combines the objectives of environmental sustainability and food quality, integrating them in a way which the Trust sees as essential for the future of the food supply chain in Wales.

The National Trust Wales
February 2009

¹¹ For details of other winners go to http://www.nationaltrust.org.uk/main/w-ch/w-countryside_environment/w-food_farming/w-food_farming-fine_farm_produce-award.htm