# How to set up a food co-op or buying group



Food co-ops and buying groups are groups of people who regularly buy food together. This could just be a few people, or much larger. By pooling their buying power they can buy good food at a more affordable price. They may buy fresh produce, such as meat or vegetables direct from a producer, or dried goods from a wholefood wholesaler.

Please note: the terms food co-op and buying group are used interchangeably as they both work in similar ways.

# Why set up a workplace food co-op or buying group?

Setting up a food co-op or buying group in your workplace is a good way to help staff eat more healthily, as they can buy good food at affordable prices. They can reduce their impact on the environment by buying local and organic food, often with less packaging.

Setting up a delivery point at an office can also be very convenient and save employees from having to go shopping after work.

It can benefit local farmers and food producers by providing them with access to a large number of potential customers, all based in the same location, saving them time and money on delivery costs. This in turn may cut the cost to the customers, helping to make it more affordable

A workplace buying group could also help your company, or organisation, support its Corporate Social Responsibility (CSR) objectives; by purchasing from local organic farms or community projects, and through getting employees involved in volunteering e.g. to manage the food co-op orders, publicity and distribution, for mutual benefit.

## How to get started

**People** – In order to set up your group you will need to get enough customers to make a delivery to your workplace worthwhile for the producer or supplier. Depending on what you buy, a minimum order could be as much as £250, but a local veg box scheme may be happy to deliver as few as 5 boxes. You'll also need people who are willing to volunteer and help with collating orders and taking payments.

Note: A food co-op or buying group will probably be most successful if employees either cycle or drive to work, or live close enough to carry their food home, but may be more difficult for people who commute.

The supplier will usually need contact details for one co-ordinator or key contact. It is a good idea to rotate this role, so that everyone gets involved, and the work doesn't fall on one person's shoulders. You may want to set a maximum number of people who can be involved,

in order to keep it manageable. If more people want to join, consider developing a system where each department appoints a co-ordinator to process orders, deal with payments and communicate with the key contact, who deals with the supplier (or suppliers) direct. The key contact will be responsible for receiving the order, supervising collection, and resolving any issues following delivery, for example, missing or extra items.

**Planning** – You need to decide how often your group wants deliveries – weekly or monthly – this will depend on what sort of food you buy. For example fruit and vegetables will be bought weekly but meat and wholefoods could be ordered less often.

**Produce** – You also need to decide what you are going to buy and where you are going to get it from. Regional advisers from Sustain and the Soil Association can help you find local and organic suppliers (see contact details). Alternatively, your local farmers' market is a good place to meet local farmers and food producers.

For dry goods, there are several large wholefood wholesalers. Each supplier is likely to set a minimum order, for example £150 to £250. So you may want to ensure you can achieve this by setting a minimum order of £25 for each member of your group.

Practical resources – In many cases you might not need any extra equipment to run a workplace buying group, as generally everything you buy will already be weighed out and packaged. However if you do buy some loose foods you may need weighing scales to help you share out the food evenly. You will also need hand-washing facilities nearby. If you are having meat or dairy produce delivered you'll need a fridge in the offices with sufficient space for people to store their food until they go home. If you are ordering in large amounts you may want a trolley to transport it. You may also want to print some leaflets and posters to promote the scheme.

**Premises** – You will need to find some space in your office to store and distribute orders when they arrive. It's a good idea to position this in a fairly public area, in order to attract interest and encourage more people to join. You'll need somewhere with good access preferably on the ground floor, somewhere to store food and also hand washing facilities i.e. a toilet and/or kitchen nearby. If you are getting veg bags or boxes delivered you may want to find somewhere cool and dark, like a cupboard, to store them before pick up, otherwise the produce may wilt.

**Procedures and pricing** – The most successful food co-ops have simple procedures for dealing with orders and payments. You can ask everyone to place their orders by a particular time every week, or to order a month in advance. Produce an order form (you can find templates in our Food Co-ops Toolkit) to make it simple to collate everyone's orders, and set order dates and deadlines in advance.

Work with your suppliers to try and ensure your delivery coincides with when most people are in the office. You also need to work out how many volunteers you will need to help with the order.

To make sure that the farmer and food producers you deal with maintain a reliable supply, you may want to produce a 'Supplier Agreement Form' containing delivery dates and deadlines, as well as contact and payment details.

Set a specific period in which members can collect their orders, and have a system in place to deal with any uncollected goods. Your work will be considerably easier if you collect payments in advance, by cheque payable to the supplier. Alternatively, if your workplace has a friendly IT specialist, they may be prepared to set up an online payment system, which will make things even simpler.

Most workplace buying groups sell everything at cost price. However you may want to add a small mark-up per order, to build up a reserve, in case you need to buy any equipment, or want to donate to good causes. If that is the case you will need a bank account, or your workplace finance officer may be happy to manage the money.

**Promotion** - If your workplace is quite big you may want to produce some leaflets and posters to put up around the site. It's also a good idea to promote your scheme via an internal e-mail list, intranet or Facebook

group. Send out regular e-mails to remind people when to order and collect, also perhaps when there are seasonal products available.

To make the most out of the group's connection with local farmers and food producers, it's a great idea to organise tasting sessions, cooking demonstrations, and visits to the farm; this could even develop into a team day out. Volunteering on the farm can enable members to gain an even better understanding into what is involved in producing their food.

Policies and principles - Most workplace buying groups are informal, unincorporated associations. However, it's still good to have a clear structure to deal with issues such as decision making and money handling, for example by drawing up a simple constitution. This works well where risks are minimal. If you want to ensure that individuals running the food co-op are not liable for any problems that may arise you may want to set up a more formal legal structure or to run the food co-op through the company you work for – this is something the Making Local Food Work programme can help you with (see contact details).

**Progress** - It's useful to do a survey every so often to check that people are happy with the quality and range of food they are getting. As you progress you may want to expand the varieties of produce you offer or open your scheme up to more members.

## Case study: The Government Office of Yorkshire and Humber

Members of the Lateral Organic Buying Group are made up of staff at the Government Office for Yorkshire and the Humber, Homes and Communities Agency and the National Treatment Agency. They buy chicken, lamb, beef, pork and eggs from Swillington Organic Farm. Inspired by the farm's display at Lateral's Green Day Event – the group now has 25 members. The minimum order for the group is £180 but this was easily exceeded with an initial order of £420. The produce is delivered direct to Lateral every month, reducing both food miles and the product costs.

#### Case study: Fred Shed food co-op, Leeds

Workers based at Fred Shed in Leeds, home to several community-based organisations, thought a food co-op would be a good way of getting staff in the shared office to think about, and buy, local and organic food at a good price. A couple of people carried out a survey to find out what others in the office would like. They made their first order in June 2010 and aim for the food co-op to operate as a mini shop in the kitchen of the office, with a rolling stock that people can buy as and when they want, as well as being able to put specific orders in for supplies. The food co-op will have an honesty box for payment and it will be everyone's responsibility to ensure it's kept clean and tidy, sales are recorded and feedback is given. A couple of the staff will oversee the stock and the ordering, and may set up a rota if more help is needed. They will start with wholefoods and basic vegetables, like sacks of potatoes and onions.

They plan to get more veg, as well as milk and meat as they develop.

## Case study: Food Chain North East

Food Chain North East buy produce direct from local farmers and suppliers then deliver individual bag and box selections to workplaces in the North East region. Their policy is to buy local produce where possible and they offer a choice of standard and family fruit and vegetable boxes and bags. They agree a set ordering and delivery day with the workplace each week, for instance if the delivery day is a Friday they require the order by close of play (5pm) on a Wednesday. Orders can be placed via an in house food co-op co-ordinator, e-mail, or on-line and it's also possible to pay via Paypal. Food Chain North East currently deliver to various workplaces, including several local radio stations. Wendy Murray from GMG Radio said "In the office we are always trying to eat healthily so the ready availability of fresh fruit and vegetables from The Food Chain is a boon for us... we all agree it's the best service, freshest fruit and vegetables and at a very reasonable price, we have even managed to convert a few colleagues who were phobic about healthy eating... so great results all round."



#### **Sustain**

To find out more about how to set up a food co-op you can visit our on-line food co-ops toolkit at

www.foodcoops.org

You can also contact your regional food co-op adviser who will be able to help you set up your group

www.sustainweb.org/ foodcoops/regional\_advisers

For more food co-ops news visit:

- www.facebook.com/foodcoops
- 020 7837 1228
- foodcoops@sustainweb.org

## Making Local Food Work

The Soil Association and Sustain are part of the Big Lottery funded 'Making Local Food Work' partnership. They can provide specialist support to help you set up your food co-op, buying group or other local food community enterprise.

www.makinglocalfoodwork.co.uk

#### Soil Association

To find out how we can help you set up an organic buying group in your workplace contact: Traci Lewis

- tlewis@soilassociation.org
- 07870 268654
- www.soilassociation.org/obg.aspx







