Strengthening Victoria's Foodshare organisations

Albury Wodonga Regional Foodshare
Bendigo Foodshare
Shepparton Food Share
Warrnambool & District Food Share

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Glossary

The following terms are used in this report.

Term	Definition
Community agency	Organisations that obtain 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, FareShare, OzHarvest and SecondBite, act as a conduit between the food production and retail sectors and the welfare sector by distributing products to charities, 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   The Foodshare organisations

The number of people in Victoria experiencing food insecurity is surprisingly high. Most studies estimate up to 10% of the Victorian population experience some form of food insecurity each year. This has been steadily increasing and the impact of COVID-19 has seen yet another jump in incidence of people going without food or making hard choices just to keep food on the table.

In response, a wide range of government departments, community organisations, food retailers, food manufactures and primary producers have formed a complex ecosystem to bring food relief to many people experiencing food insecurity.

> …foodshare organisations are an essential 'cog' that makes the whole system work… by performing six vital functions

The six key functions of Foodshares

Foodshare organisations play a critical role in the effective functioning of this ecosystem. In short, this study has found that foodshare organisations are an essential 'cog' that makes the whole system work. They do this by performing six vital functions:

1.   Foodshares source locally grown and produced food for local needs. This minimises unnecessary transport out of the region and connects producer with local community and local communities with local producers.

2.   Foodshares are best placed to operate as a local hub for organisations like Foodbank, SecondBite, FareShare and Oz Harvest to power 'the last mile'. They ensure that food relief reaches the right community organisations and households in the right formats to have the maximum impact on addressing both short term need and longer term food insecurity. This re-distribution role adds substantial value to the work of major food relief organisations and obviates the need for duplicated community infrastructure for those organisations.

3.   In times of natural disasters, pandemics, industry transition (resulting in unemployment jumps) or changing community needs, Foodshares have ongoing engagement, local knowledge, local networks and community connections to rapidly mobilise food relief.

4.   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.

5.   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.

6.   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.

> these four organisations distributed over 2,500,000 kgs of food to an estimated 91,000 adults and children

This study focused closely on 4 major foodshare organisations, Albury Wodonga Regional Foodshare, Bendigo Foodshare, Shepparton Food Share and Warrnambool & District Food Share (the 'Foodshares').

Together, operating as a Regional Foodshare Alliance, these four organisations distributed over 2,500,000 kgs of food to an estimated 91,000 adults and children in 2020. Their regions compromise 42% of Victoria's regional population.

1.2   About this project

This report summarises the findings from four in-depth studies – one for each of the Foodshares listed above. These studies were 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.

A deeper analysis of each of the four Foodshares is contained in separate reports.

This 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 Relief Centre and Mildura Foodshare.

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

- In 2020, Albury Wodonga Foodshare, Bendigo, Warrnambool and Mildura Foodshares 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.

1.3   Summary of SROI results

Investment in Foodshare

Financial Investment: **$1.45m**
Leveraged input value: **$21.69m**
Leverage ratio: **14.9**
Total input value: **$23.14m**

The value created by Foodshare

Total social value generated: **$96.55m**
SROI ratio: **1:4.17**
Social Return on financial investment: **1:66.44**

2.   Demand for food relief

2.1   Estimated levels of food insecurity

> Approximately 100,000 people received food relief in 2020 via Foodshare and its network of community agencies, in just these four regions

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.

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).

Another indication of the level of food insecurity is the number of people presenting for food relief. Approximately 100,000 people received food relief via Foodshare and community agencies in these 4 regions during 2020. This represents between 10 and 20 per cent of the population of these regions! This is likely to understate actual 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*

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.

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, 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 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.

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 Albury Wodonga region also report the following groups of people presenting for food relief in recent years:

- Larger families and single mums
- Individuals from farming communities
- Individuals recently out of prison
- School children needing breakfast
- Individuals experiencing situational distress or crisis (e.g. escaping family violence, house fire, family member with terminal illness)
- Homeless people.

2.3 Projecting demand for food relief

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 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 2019[1]).

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).

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[1] 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.

Years known to be affected by COVID-19 shown in red.

Table 1 Estimated demand for food relief in Albury, Bendigo, Shepparton and Warrnambool regions

	2019	2020	2021	2022	2023	2024	2025
Population serviced by Foodshare	664,000	671,000	678,000	686,000	693,000	701,000	708,000
# people experiencing food insecurity – lower end estimate	48,600	57,300	57,900	50,200	50,700	51,300	51,900
# people experiencing food insecurity – upper end estimate	139,600	208,000	210,300	144,000	145,600	147,200	148,800

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.

3. Supply of food relief

3.1 Sources of food

During 2020, these 4 organisations sourced 2.6m kg of food of which 90 per cent was fit for human consumption and distributed as food relief.

There is significant diversity in how each of the 4 regions source food. Shepparton, for example source 87% of its food from locally donated while each of the other three regions source between 50-65 per cent from local sources. This is of course reflective of Shepparton's location in a major food producing region. 20-30% of food is supplied by Foodbank and other major food relief organisations. The balance is usually purchased from local sources. Full details of supply can be found in the detailed reports for each Foodshare.

There are numerous challenges associated with sourcing food. Many of these challenges relate to competition (or lack of coordination) among food relief organisations at different layers of the food relief ecosystem. Often, local supply arrangements held or sought by Foodshares are compromised when Food Bank or other major food relief organisations also seek food from the same source. This often results in adding unnecessary food miles and removes supply from local communities. A coordinated approach will go a long way to building a more effective food rescue/relief ecosystem.

'The requests for non- perishables are increasing but also the supply of usable fresh food is decreasing since Covid' – Foodshare employee

3.2 The food relief ecosystem

The Foodshare regional food relief ecosystem, is depicted in Figure 1.

Tier 4: Wholesale national and state-wide food relief agencies

Tier 3: Intra-regional collaboration between regional Foodshares

Tier 2: Regional Foodshares

Tier 1: Community agencies and schools

Tier 0: Informal personal, family and community networks.
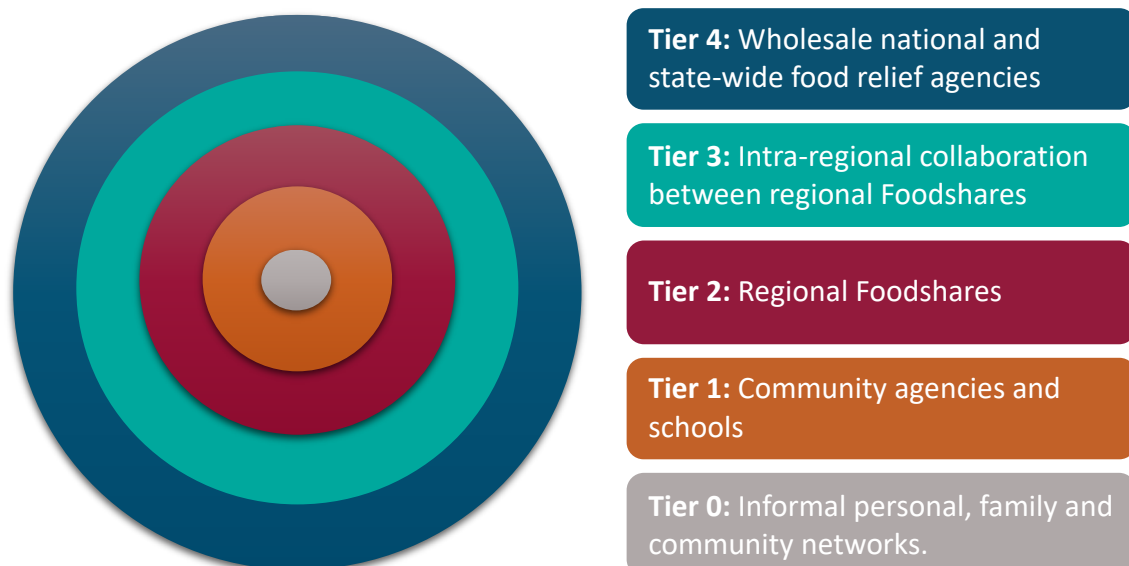
Figure 1 Food relief ecosystem (Adapted from University of Missouri)

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). Regional Foodshare hubs are 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 each Foodshare secures through significant investment, planning and relationship building is backed up by some complementary supply from other Alliance members (Tier 3) but most significantly from Melbourne based donors/suppliers (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 with other Foodshares and larger 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 (Figure 4) within the broader regional food system depicted, and for the players at different levels of supply to work together in complementary ways to identify vulnerabilities and plan for resilience together.

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. In 2020, all Foodshares experienced an unprecedented convergence of challenges with the COVID-19 pandemic following bushfires and other challenges in early 2020.

> "2020 made life difficult. All kept working. Last year did not stop – we were worried people were going to burn out" – Foodshare employee

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 for food supply, to share information and react quickly to crisis. Foodshare's ability to respond creatively to meet challenges of COVID-19 and the bushfires 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 2.

Table 2 Levels of food insecurity before and during the COVID-19 pandemic

	2019	2020
Victorian Population Health Survey	6%	7% during first 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, and causal 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).

4.2   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).

The contribution of time from Foodshare volunteers increased dramatically in response to the increased he supply of and demand for food relief in early 2020. 4,000 hours – almost 20 per cent of total volunteer time for the calendar year – was contributed in January and February 2020 alone.

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 all four Foodshares and their supporters.

Detailed SROI analyses of each Foodshare are provided in separate reports.

5.1 Investment in Foodshare

Financial Investment: **$1.45m**
Leveraged input value: **$21.69m**
Leverage ratio: **14.9**
Total input value: **$23.14m**

The total financial investment to operate the four regional Foodshares in 2020 was $1,453,179. The Foodshares themselves leveraged that 14.9 times to attract an additional $21,688,259 of value. Most of that additional value ($18.0m) was donated food. The next highest value leveraged by Foodshares was 66,860 hrs of volunteer time valued at $2.88m.

5.2 The value created by Foodshare

Total social value generated: **$96.55m**
SROI ratio: **1:4.17**
Social Return on financial investment: **1:66.44**

For every dollar of value (including donated time and product) invested in Foodshare in 2020, **$4.25** of value is created.

Outcomes valuation = $96,545,892

Total input valuation= $23,141,438

Financial investment = $1,453,179

For every dollar of input value invested in Foodshare in 2020, **$4.17** of social, economic and environmental value is created.

For every dollar of financial investment in Foodshare in 2020, **$66.44** of social, economic and environmental value is created.

Figure 2 Foodshare social return on investment

The provision of services by Foodshare generates substantial social, economic and environmental for the following stakeholders:

- Food recipients
- Community Agencies
- Food donors
- Other donors
- Food relief system
- Volunteers
- Community
- Government
- Environment

Figure 3 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 communities in which the Foodshares operate.
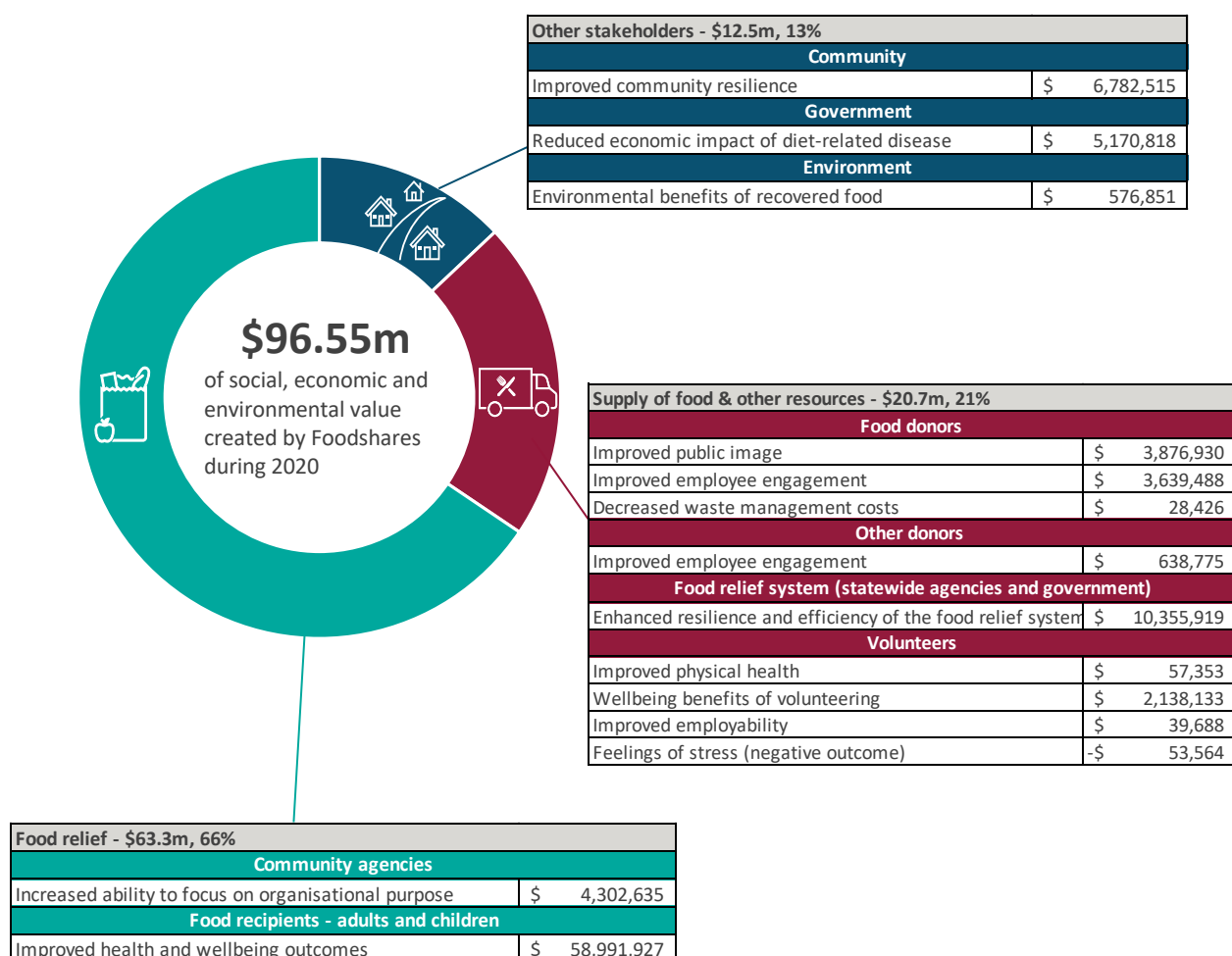
$96.55m of social, economic and environmental value created by Foodshares during 2020

Other stakeholders - $12.5m, 13%		
Community		
Improved community resilience	$	6,782,515
Government		
Reduced economic impact of diet-related disease	$	5,170,818
Environment		
Environmental benefits of recovered food	$	576,851

Supply of food & other resources - $20.7m, 21%		
Food donors		
Improved public image	$	3,876,930
Improved employee engagement	$	3,639,488
Decreased waste management costs	$	28,426
Other donors		
Improved employee engagement	$	638,775
Food relief system (statewide agencies and government)		
Enhanced resilience and efficiency of the food relief system	$	10,355,919
Volunteers		
Improved physical health	$	57,353
Wellbeing benefits of volunteering	$	2,138,133
Improved employability	$	39,688
Feelings of stress (negative outcome)	-$	53,564

Food relief - $63.3m, 66%		
Community agencies		
Increased ability to focus on organisational purpose	$	4,302,635
Food recipients - adults and children		
Improved health and wellbeing outcomes	$	58,991,927

Figure 3 The value created by Foodshare in 2020

Victoria's Foodshare organisations are at the nexus of demand and supply, operating place-based, geo graphically 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.

> *'I feel like it's a worthwhile thing to do. I enjoy the physical challenges of it. The social aspects are really invaluable – people ask you how you're going' – Foodshare warehouse volunteer*

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.

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.

> *'[Because of Foodshare], we can give families a sense of community and provide basic needs they are entitled to. It makes a big difference that kids can go to school with a lunch and that parents can provide for their children' – Community agency*

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, Foodshare creates a return of $4.17 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, Foodshare produces a social return on monetary investment of *over $66 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 food relief 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 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 can bring a stronger needs-driven focus to address this.

7. Ten strategic priorities to inform future development of the Foodshare network (and recommendations to achieve them)

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.

Recommendations

- *A. Develop unified (all network members) submission for Foodbank and relevant funding departments articulating the additional value of utilising Foodshares as regional hubs. Include "best" model for distribution in each region.*
- *B. Develop Local Food Relief Demand Maps – Conduct co-design session to map local food relief demand in partnership with local distribution agencies (including volumes and desired food formats) and jointly determine how Foodshares can best support this need. This should be done in conjunction with Local Food Relief Capacity maps (see Priority 3, Recommendation F, below)*

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).

Recommendations

- *C. Appoint (or contract out) a shared grant writing resource to work for all network members*
- *D. Jointly develop a granting timetable to seek base-line funding and capacity-building funding for specific roles to build partnerships with local primary producers and food manufacturers and manage both planned and ad-hoc supply of food*
- *E. Work with SecondBite to modify their "Community Connect" model to ensure it meets the needs of Foodshares and avoids competition for Coles' food destined for waste. Work with Oz Harvest to replicate the model for Woolworths' food destined for waste.*

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'.

Recommendations

- *F. Develop Local Food Capacity Maps* – *Conduct co-design session to map local food relief facilities and capacity in partnership with local distribution agencies. Jointly determine how Foodshares can best integrate with this capacity. This should be done in conjunction with Local Food Relief Demand maps (see Priority 1, Recommendation B, above)*

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.

Recommendations

- *G. Actively participate in submission-writing and forums* *which address systemic issues affecting Foodshares' ability to operate effectively. Set an objective of being recognised experts in impactful food relief.*

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.

Recommendations

- *H. Conduct regular co-learning sessions* *(quarterly?) to ensure constant sharing of practice and resources within the network. This should include both food relief activities and food security-building activities.*
- *I. Seek appropriate funding* *for share resource development activities. This should also include both food relief activities and food security-building activities.*

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.

Recommendations

- *J. Use Local Food Capacity Maps (see Priority 3, above) to identify physical capacity and infrastructure gaps which can be filled by Foodshares.*
- *K. Build business case to proactively seek funding to fill the physical capacity and infrastructure gaps.*

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.

Recommendations

- *See Recommendations C, D, I, and K above*

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.

Recommendations

- *L. Ensure network participation on Roundtables, Task forces and similar forums (already underway)*

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.

Recommendations

- *M. Establish semi-regular collaborative forums* with local distribution agencies, food retailers, primary producers, food manufacturers and other relevant stakeholders to consistently review and modify local food relief systems

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.

Recommendations

- *N. Develop a shared measurement platform* to collect data on appropriate indicators of food insecurity and food relief impact. This may include (but is not limited to) indicators for:
  - Food insecurity (incl data on factors contributing to food insecurity.
  - Food demand (incl by type, format, timing etc).
  - Impact of food relief
  - Forecast food needs
  - Local supply forecast

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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:

7. 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.

8. 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.

9. 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 calendar (note that the analysis for the other three Foodshares is based on 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.

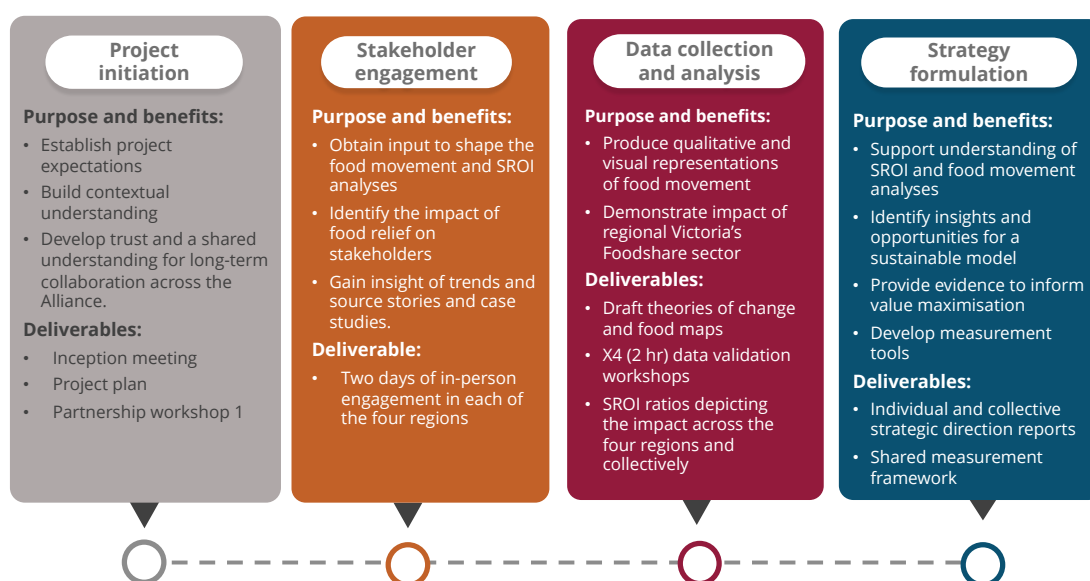An overview of the four key stages and deliverables is illustrated in Figure 4 below.

Project initiation

Purpose and benefits:
- Establish project expectations
- Build contextual understanding
- Develop trust and a shared understanding for long-term collaboration across the Alliance.

Deliverables:
- Inception meeting
- Project plan
- Partnership workshop 1

Stakeholder engagement

Purpose and benefits:
- Obtain input to shape the food movement and SROI analyses
- Identify the impact of food relief on stakeholders
- Gain insight of trends and source stories and case studies.

Deliverable:
- Two days of in-person engagement in each of the four regions

Data collection and analysis

Purpose and benefits:
- Produce qualitative and visual representations of food movement
- Demonstrate impact of regional Victoria's Foodshare sector

Deliverables:
- Draft theories of change and food maps
- X4 (2 hr) data validation workshops
- SROI ratios depicting the impact across the four regions and collectively

Strategy formulation

Purpose and benefits:
- Support understanding of SROI and food movement analyses
- Identify insights and opportunities for a sustainable model
- Provide evidence to inform value maximisation
- Develop measurement tools

Deliverables:
- Individual and collective strategic direction reports
- Shared measurement framework

Figure 4 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 5 below.

Figure 5 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: Albury Wodonga, Bendigo and Warrnambool. Engagement was undertaken while Victoria was subject to COVID-19 restrictions resulting in all Albury Wodonga 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 3 below provides an overview of the stakeholder engagement conducted including details of the stakeholder group, number engaged and the engagement approach.

Table 3 Stakeholder engagement undertaken

Stakeholder group	Number engaged	Engagement approach
Foodshare staff	2	Online 1-1 interviews
Volunteers	7	Online focus group
Distribution agencies	10	Online 1-1 interviews
Suppliers	1	Online 1-1 interview

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 Albury Wodonga Regional Foodshare was divided by 27.5 kilograms, yielding 40,086 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 customers 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.