Hepburn Food Hub Co-Design

Summary Report

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Project background

Hepburn Shire Council are part way through delivering a 3-year Artisanal Agriculture project, funded through Agriculture Victoria. This project aims to connect and actively work with producers in the Central Highlands region to navigate processes, unlock opportunities, and build the ongoing capacity and skills of the sector to collectively grow and thrive.

To guide and shape the activities of the project, Hepburn Shire Council established a Program Advisory Group who, echoing the suggestion of the Business Case for the Hub for Premium Produce, identified a need for a community food hub to support the aggregation, distribution and sale of local produce.

Hepburn Shire Council contracted the Open Food Network to coordinate and facilitate a workshop with the Program Advisory Group, and one with a broader range of stakeholders including partners, funders, producers and eaters. The objective of these workshops was to define a vision for the Hepburn Food Hub, and to determine and gather consensus on necessary infrastructure, possible locations and some clear actionable next steps to drive this project and idea forward.

The Open Food Network delivered these workshops across February and March 2022, and this report is a summary of key findings accompanied by 6 clear recommendations to the Hepburn Shire Council and the project group on how to proceed with the Hepburn Food Hub in a way that maximises the chance of success.

Project design

Background research was conducted by the Open Food Network to develop contextual understanding of the food system operating in the Central Highlands region to inform the delivery of both workshops.

The Open Food Network facilitated the Program Advisory Group meeting on Thursday 17 February where the group of 9, made up principally of 5 local producers along with Council and Agriculture Victoria representatives. This workshop enabled the Program Advisory Group to collectively identify and define what a food hub looked like to them, and to input into the key elements that needed to be incorporated into the next workshop.

Following these internal reflections, the Open Food Network facilitated a co-design workshop on Wednesday 30 March with a broader group of 25 stakeholders from across Central Highlands. The workshop shared key information on the various components that make up a food hub, along with some case studies of successful examples, to help stakeholders design their own food hub in groups. Further activities helped to identify and map community food

initiatives and partners, identify potential locations, backcast a plan to take key next steps to progress towards action, and finally to identify the vision they have for a food hub.

Following both workshops, further 1:1 conversations were had with key stakeholders who were either unable to attend, or who had further information to input into the process. These conversations were had with 5 individuals.

Outcomes from co-design workshop

The co-design workshop for the Hepburn Food Hub was the centrepiece of this piece of work, informed by our other engagements, and thus we will primarily share the key outcomes that resulted from this activity.

Engagement

Twenty-five people were in attendance at the workshop, representing a range of organisations and interests. A full list of the organisations represented are listed below.

Hepburn Shire Council; Brooklands Freerange; Two Good Acres; Morningswood Farm; Capell Farm; Jonai Farm; Yandoit Hills; The Inara Project; Trentham Food Hub; Creswick Food Hub; Daylesford Farmers Market; Hepburn Wholefoods Collective; Spade to Blade; Federation University; Health Futures Australia and Agriculture Victoria.

Every effort was made to ensure attendance from a cross section of people representing the geographic spread of the Central Highlands. It was also important that the various roles critical to the function of a food hub were represented- namely producer, funder, partner and eater. Ensuring adequate representation of eaters who might buy from the hub was of particular importance to embed their needs into the design process to ensure a product-market fit.

A network of stakeholders and the food initiatives was mapped to help identify all the existing work within the region, and to identify how this hub might add value or potentially compromise existing activities. A fruitful conversation was had which outlined potential needs and gaps which this food hub could assist with, namely:

- a secure 'place' for a hub;
- availability of local produce outside of the weekend;
- additional infrastructure needs including kitchen and processing facilities;
- capacity to deliver produce across the Central Highlands;
- greater connection between food system stakeholders including partners and producers, across the Central Highlands region.

It served the project well to explicitly surface these tensions, concerns and questions and we felt it built a shared understanding and sense of collective action in the room. It was clear from this activity that it is critical that this food hub build on, incorporate and strengthen existing initiatives which are already providing important access to local food. There is room for this hub to offer complementary and additional capacity for cascading benefits for stakeholders across the Central Highlands region.

Vision

Extensive work was done across both workshops to identify a common vision for the food hub. Key recurrent themes included:

- Fresh, local produce for local people and visitors
- Connection, a network, collaboration
- Ease of access, central
- Support for producers (particularly artisanal, local, small-scale)
- Collective benefit for people and the planet
- Sustainability

Based on the language and shared understanding created through the facilitation to date; the following wording could be used to frame the future vision of the Hepburn Food Hub:

'A place where food creates possibilities and connection between local producers, people, visitors and the environment'

'A local place to access local food'

'A place for the community to connect to build a stronger food system'.

Your Food Hub designs

Using a co-developed game by Open Food Network and Fair Share Fare with design support from students at Deakin University, participants split into five separate break-out groups to build their own food hubs. Groups were provided with the following components and asked to identify and add ones they felt important to their design. Elements highlighted in green were seen most often; elements highlighted in yellow were seen on occasion and elements left unhighlighted were rarely or not identified by the groups at all in their designs.

Food Type and Qualities	Warehouse and Packing
Fresh produce; meat products; dairy; deli goods, drinks; *bakery; bulk dried food;* condiments; *bulk non-perishables; Local;* culturally relevant food; *organic/sustainable;* second-quality food;	*Delivery vehicles; food storage; aggregation; refrigeration;* waste-free packing options; forklift; repositioning bulk

ethical and fair; donated or wasted food; indigenous food; *know the producer/source*	
Wholesale and/or Retail *Online pre-ordering; shop;* prepared meals; market; *food boxes;* cafe/restaurant; bulk foods - self pack; supply to hospitality	**Processing and Preparation** *Certification for processing food; preparation;* community kitchen; commercial kitchen; *processing;* local micro enterprise; prepared meals
Training Pathways *Certification; enterprise incubator; youth education; youth pathways; food business training; knowledge centre-education; knowledge centre-training;* food literacy programs; *urban agriculture internship; urban agriculture training*	**Community Space** *Child friendly spaces; elder and ageing spaces;* food swapping; *alcohol free activities; women only activities and spaces; social space; room hire;* skills based workshops; *prayer room; LGBTIQ+ friendly spaces; social drinking allowances*
Community Activities *Arts; citizen science; research; childcare; fermentation library; kitchen tool library;* food system advocacy; *children's programs;* food activism; *food and health workshop*	**Food Access** Emergency food relief; *meas; community meals programs; home delivery*
Food Production *Land management; community orchards; community garden plots;* land to grow food; *peri-urban agriculture; urban farm; hydroponics; bee hive/honey production;* agroecology; *aquaponics*	**Waste, Nutrients and Energy** *Energy infrastructure; community compost; community biodigester; waste avoidance; nutrient infrastructure; waste redistribution*
Operations Community led; *for profit;* not for profit; *accessible for all;* volunteers; employees; *members; experts;* cooperative	
Outcomes Sustainable environment; *economic development; land protection; food sovereignty and justice; education and skills;* healthy food consumption; *affordability;* community resilience; address food security	

It is worth noting that there were additional values and ideas that repeatedly surfaced in the workshop but not in a regular or singular manner. This included a desire for the food hub to be environmentally conscious across many facets of its operations, and that there is a need to support access to (often prohibitively expensive) land for growers to secure incomes and food security for the region.

Examples of Food Hub Designs from the Co-Design Workshop

Minimum Viable Product

The food hub design game enabled us to then ask participants to identify one key element they deem essential to their food hub, thus bringing together a Minimum Viable Product. This approach is slightly different to using the 'most common answer' approach summarised above as it requires participants to clearly articulate a singular value proposition, creating a tighter product offering.

The essential features of this MVP included:

- locally sourced fruit, vegetables and meat;
- a retail space/shop front;
- an online store to enable pre-order;
- space to aggregate, store and pack produce (refrigerated and unrefrigerated);

There were some features that whilst deemed essential, were also noted to be expensive and more so a means of future proofing the hub. Stakeholders identified there is a need for the inclusion of a kitchen facility that enables processing, as well as a boning room for butchery and a logistics/delivery service to support and build connection with other hubs and regions of the Central Highlands.

Starting with the barest of MVPs is key to taking small and manageable steps towards implementation, however keeping the broader scope in mind is important for planning to enable future growth and activation by invested individuals.

Location

Maps were provided for the 4 main towns located in the Hepburn Shire - Creswick, Clunes, Daylesford and Trentham, and participants were asked to reflect on potential locations for a food hub. Only a small number of locations were identified, which were:

- Daylesford: Daylesford Spa Country Railway ; Daylesford Abattoir; the STIHL shop
- Trentham: Inara Farm; Trentham Community Centre
- Creswick: University of Melbourne Campus

Discussions on the day highlighted a preference for hub and spoke model - with a central hub to be preferably located in Daylesford given its larger population and concentration of resources, and with spokes or connections to hublets located in the surrounding areas of the Central Highlands.

This activity highlighted a need to develop a Decision Matrix to frame the needs of the food hub and map these alongside the potential locations. Following further research and information gathering, this decision matrix can be used to identify the strongest site.

Backcasting

The backcasting exercise requested participants to think about the key next steps that need to occur if the MVP is going to be in place by March 2023 (when funding for this project concludes). Due to limited time, we were not able to map out the next 12 months in detail, but we did ascertain the next key steps and some milestones that need to be reached to enable the project to progress.

Action	Timeline	By who
Form a Steering Committee	Immediately	Mara/Tammi
Develop a Terms of Reference	Immediately	Steering Committee
Develop an Auspicing Arrangement	Immediately	Steering Committee/Hepburn Wholefoods Collective
Confirm the remaining project funding available	May 2022	Hepburn Shire Council
Establish assessment	May 2022	Hepburn Shire Council

criteria/process for accessing funds with PAG		
Develop project concept and define budget	May 2022	Steering Committee
Locate a site for the Hepburn Food Hub	May 2022	Steering Committee
Apply to VicHealth for Food Hubs Funding	May 2022	Steering Committee
Develop business and marketing plan	September 2022	Steering Committee
Confirm formal governance structure	Ongoing	Steering Committee

The short term actions have been highlighted in green, with some actions already having taken place following the workshop, driven forward by community members. There are only two longer-term actions, highlighted in yellow. There are obviously many more steps that need to be taken to deliver the Hepburn Food Hub over the next 12 months but there are 8 clear actions here which will help to position and strengthen the Steering Committee to take the reins of this project in the short term, so that they can deliver it in the long term.

Recommendations

1. **The community can lead and deliver a physical food hub**

   The participation and activation of a range of food systems stakeholders in the workshop suggested there is the desire, capacity and skills within this cohort (and beyond) to lead and develop a physical food hub in the Hepburn Shire.

   Offering timely support and resources will leverage and enable this energy for a community food hub and ensure that any project builds on existing activities of key community food hubs involved in the workshop, including Hepburn Wholefoods Collective, Daylesford Sunday Market, Trentham Food Hub and various Producer Hubs.

   It was identified that the Hepburn Food Hub can add value to existing activities and partners by providing:

   - a secure 'place' for a hub;
   - availability of local produce outside of the weekend;
   - infrastructure needs including kitchen and processing facilities;
   - capacity to deliver produce across the Central Highlands;

- greater connection between stakeholders including partners and producers, and across the Central Highlands region.

Further community engagement is necessary to ensure that the Hub is designed in a way that continues to meet broad community needs and demand. We recommend that a singular community consultation process occur soon, with support from the Council, with the aim of communicating how the project has evolved to date, and outlining a process for input. This might involve an online survey, a registration of interest to be involved in further discussions or an open community event (ordered in terms of perceived difficulty to implement).

We recommend also introducing a mechanism for ongoing community engagement, feedback and information sharing. This could be achieved through providing an online location for information about this project, possibly on the Council website, a partner website or on a singular website for the Hepburn Food Hub that could be established quite quickly with minimal resources.

2. Set up governance structures to enable progress

Steering Committee

It is recommended that a Hepburn Food Hub Steering Committee is first established to help drive the project forward beyond these initial activities and to inform planning and implementation of a Hepburn Food Hub. The Steering Committee should develop a Terms of Reference to define its purpose, activities and membership. It is important to note that a Steering Committee guides a project, but does not lead the implementation which is traditionally undertaken by a project team who are part of a legal entity.

It is important that the Steering Committee represent various interested stakeholder groups including local community members, partners, producers and eaters. Ideally it includes the key skill sets of governance, finance, legal, business management, human resources, community development and local food systems. Undertaking a Skills Matrix of those interested in joining/are part of any Steering Committee (such as the one included in Appendix 1) is helpful in establishing a functional Committee, and helps to identify areas of strength which can be leveraged and weakness which can be recruited for.

Ongoing membership of the Steering Committee should remain open, pending approval from existing members, to ensure that all voices in the community can input into planning this food hub. We recommend establishing a process to nominate to the

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Steering Committee, potentially as part of the next community consultation process, and setting up an online place to enable interested volunteers to register an Expression of Interest for joining the Steering Committee.

Legal Entity

It is recommended that the Hepburn Food Hub become an incorporated association in and of itself. This is a relatively simple legal structure, which protects committee members and establishes strong governance mechanisms without excessive reporting requirements. It is also recommended that given the appetite in the workshop for the Hub to be a non-profit organisation, that this should be written into the Constitution to enable the Hub to register for charitable status with the Australian Charities and Not for Profit Commission. This has numerous benefits including further streamlined reporting and no annual fees for registration, whilst also enabling greater access to potential grants and philanthropy. It is not recommended that the Hub attempt to apply for Tax Deductible Gift Recipient Status which is onerous and unlikely to be successful.

Alternatively, it was identified in the workshop that a Steering Committee and this project could be auspiced by the Hepburn Wholefoods Collective Incorporated[1], who would then become the legal entity responsible for developing and delivering the potential project. If this was to occur, the Hepburn Wholefoods Collective and the Steering Committee would need to establish an Auspice Agreement[2].

3. **Keep focus on the defined MVP**

It is common for scope creep to occur in the development of community food hubs as diverging interests and growing inspiration can lead Steering Committees astray. We recommend the Steering Committee remain focussed on delivering the MVP, with future proofing in mind. As a minimum viable product the hub should incorporate:

- locally sourced fruit, vegetables and meat;
- a retail space/shop front;
- an online store to enable pre-order;
- space to aggregate, store and pack produce (refrigerated and unrefrigerated);

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[1] It does not appear that Hepburn Wholefoods Collective Incorporated is a registered charity and this may limit the ability of the Hepburn Food Hub to attract grant or philanthropic opportunities.
[2] This Guide to Auspicing (2014) is a very practical and useful document which could be used to inform and develop an Auspice Agreement - http://successfulcommunities.org.au/wp-content/uploads/2017/05/Auspicing_Guide.pdf

- ***capacity to establish*** *(without necessarily establishing) a community kitchen, processing facilities including a boning room and a logistics/delivery service to enable future proofing and meet specific, identified community needs.*

4. Confirm existing and leverage new funding

Discussions in the workshop identified some potential funding available through the Artisanal Agriculture project, earmarked for a possible physical and online hub. Participants were broadly supportive of the idea to invest the funding available in creating a physical hub space.

To progress this further, it would be beneficial for the Council to confirm how much funding is available. It would assist the project to progress if Council could establish a process and assessment criteria for accessing any available funding.

In the first instance, it could be helpful if funding was allocated to support the function of the Steering Committee, and to develop further governance structures such as a legal entity. Funding could also be utilised to further develop key documentation to enable the development of a shared understanding of the project, including a business plan, a project plan, risk management processes and community consultation.

Importantly, any funding allocation should consider the external environment and support planning, operations and/or infrastructure where there is a resource gap which cannot be filled by other income. Of particular note is the upcoming VicHealth funding opportunity for food hubs and local philanthropy.

A point quite separate from establishing how the funds should be allocated is that the business model that is developed needs to be done in a way that is financially sustainable to cover at least some of the costs of operations including staffing, rent and utilities. Where possible, local resources should be leveraged including volunteering, subsidised or free rent possibly of council owned facilities and the sharing of tools or machinery such as vehicles and forklifts.

5. Scope sites in Daylesford

The community consultation identified that Daylesford is the preferred location for a Central Hub due to concentration of people and producers, and sourcing a site for this is a logical and important next step. It is key to consider the full landscape of possibilities within Daylesford and match this with the requirements outlined in the Minimum Viable Product (with consideration for the future proofing components).

Utilising the Steering Committee to identify and research key locations, supported by a Site Matrix (Appendix 2) that ranks factors and collects scores will help to arrive at a preferred location. It is recommended that if possible, the Council undertakes an audit of existing facilities that could be provided for use by the Hepburn Food Hub at a subsidised rate with a secure lease. This confidence in securing a location, supported by affordable rent within the expensive town of Daylesford, will help to set the food hub for success.

6. **Establish a Central Highlands Food Hub Network**

Whilst Daylesford will serve as a location for a central hub, there was strong appetite for a Hub and Spoke model where smaller food hubs in surrounding towns in the Central Highlands could engage with the Hepburn Food Hub for purchasing food, selling food and arranging logistics. Creating a functional Hub and Spoke model requires time to build the capacity of the smaller spoke hubs, which would be well supported in the first instance to create a Central Highlands Food Hub Network to enable information sharing and build early connections so growth can occur collectively and in a complementary way. In creating this network, it is important in the first instance to support the engagement of community food hubs which share characteristics of being not-for-profit, engage community in their design and implementation, and usually rely heavily on volunteer labour. Bringing new hubs or hublets into this network when they are in the early formation stages will help to build a collaborative and complementary cohort of food hubs and ultimately, a stronger food system.

A brief scoping of local community food hubs that could be included in the CHFHN includes, but is not limited to:

Hub Name	Location
Hepburn Wholefoods Collective	Daylesford
Ballarat Wholefoods Collective	Ballarat
Daylesford Sunday Market	Daylesford
Trentham Food Hub	Trentham
Creswick Food Hub	Creswick
Ballan Farmers Market	Ballan
Gordon Farmgate	Gordon

Institute of Gastronomy	Daylesford
SHIFT	Daylesford

This Network could meet quarterly for information sharing, capacity building and skills development led by the Hepburn Shire. Supporting this with an online space or mechanism for the network to collaborate and share would also be of value.

How can the Council continue to add value to this project?

The Council has a key role to play in the evolution of this project, particularly in regard to unlocking of funding, potentially from within the Artisanal Agriculture project budget or any additional funding opportunities.

The Council could also play a key role in continuing to facilitate connections in the sector between stakeholders and with local producers, including through the establishment and coordination of the recommended Central Highlands Food Hub Network. The Council could use its internal resources to assist with community consultation processes and telling the story of the food hub. The Artisanal Agriculture project team could also provide administrative support to the Steering Committee until project end.

How can Open Food Network continue to add value to this project?

Open Food Network is excited to see the engagement of the local community in this project and wants to see them continue to drive it. We are happy to continue to provide expertise on governance, business planning and food hub operations including logistics, at the request of the Steering Committee and the Council.

Appendices

Appendix 1: Skills Matrix

Appendix 2: Site Matrix

Skills Matrix

Name	Qualifications	Skills																		
Please fill in name (and quals if you'd like). Under each area type High; Medium or Low. Please add additional columns if there is a skill not yet identified or add it into Other		Strategy	Bus Mgt	Finance	Accounts	Risk Mgt	Legal	Governance	Comms	Marketing	IT	HR	Govt	Non-profit Fundraising	Vol. Mgt	Research and evaluation	Advocacy	Partnerships	Grant writing	Other

Hepburn Food and Produce Hub: Site Matrix

Background:
This matrix can be used to help determine the viability of sites identified by the Steering Committee for the Hepburn Food and Produce Hub.
The Minimum Viable Product that has been established includes a retail shopfront, with pre-ordering; food storage included refrigeration and room for aggregation. For future proofing, it also requires a commercial kitchen that facilitates processing/deboning (including of meat) and future capacity for vehicle access to enable deliveries
Factors have been determined in consultation with stakeholders however are not necessarily a complete list to consider.
The Steering Committee and community still need to identify additional potential sites beyond what has been found through the initial scoping.

Instructions:
If you need more rows or columns, copy and paste a new one.
A score will appear above each option. The option with the highest score should be considered as the most desirable choice.
Rank of Factors: 0 = somewhat important, 1= pretty important, 2 = very important, 3 = most important / must have
Score: 0 = doesn't meet need, 1 = could meet need with work, 2 = meets need, 3 = exceeds needs

Decision to evaluate:	Where to locate the Hepburn Food and Produce Hub?							
Score (auto-calculated):	0	0	0	0	0	0	0	
Sites:	Former Country Cuisine site (4/4400 Midland Highway Daylesford)	Daylesford Material Recovery Facility (Ajax Road Daylesford)	Daylesford Spa Country Railway (16-18 Raglan Street Daylesford)	63 Central Springs Road	Daylesford Abbatoir (Leitches Creek Road Daylesford)	Dharma School	Lot next to Dharma School (22 acres)	Local Farm
Person:								

Factors	Need	Rank of Factors (0-3)	Notes:	Score (0-3):	Notes:	Score (0-3):	Notes:	Score (0-3):	Notes:	Score (0-3):	Notes:	Score (0-3):	Notes:	Score (0-3):	Notes:	Score (0-3):
Location	Central Daylesford location/driving distance	2														
Accessibility	All abilities access; for customers and producers; wifi	3														
Cost	Free/cheap/subsidised/sustainable = >$Xk PA	3														
Retail space	Shopfront + 50m2 minimum	3														
Food storage space	Refrigeration/room for cold store; aggregation; packing	3														
Vehicle access	Parking + space for vans to pick up/drop off	2														
Community kitchen	Facilities to enable food processing	2														
Boning room	Facilities to enable butchery	2														
Office space/meeting rooms	Facilities to support staff/volunteers/community workshops	1														
Toilet access	Facilities with toilets	2														
Comfortability	Location and facilities with thermal control	1														

	0
Lot next to Dharma School (22 acres)	

Notes:	Score (0-3):