

# Supplying Food to the Public Sector – increasing the opportunities for local producers, suppliers and procurers

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# SSFF

- Post Food and Mouth Disease Government set up Policy Commission to look at the future of Farming and Food
- Became known as the Curry Report
- Produced 105 Recommendations
- 101 accepted by the Government
- Each Region produced its own delivery plan
- Public Sector Food Procurement Initiative (PSFPI) key element of the framework

# Why the need for change..

- Common Agricultural Policy Reforms in the EU
- Farm incomes low and on a declining trend
- Knock on implications for other rural industries, communities and care of the countryside
- Poor consumer confidence in food quality and safety
- Relationships between supplier and consumer poor – slow to respond to changing tastes and lifestyles
- Nutrition poor and causing health problems

# Public Sector Food Procurement Initiative

- Launched in 2003
- £1.8 billion per year spent on food and catering services
- Priority Objectives
- Initiative managed by Defra National Food Procurement Implementation Group (FPIG)

# FPIG

- Policy Group
- Identifying barriers and opportunities
- Commission case studies and pilot projects
- Regional Procurement Workshops
- GOR Steering Group
- National Conference – March 2005
- Production of catering services and food procurement toolkit

# Barriers to Supplying more local sustainable food into the Public Sector

## Producers

- Don't see supplying Public Sector as a market opportunity
- Perception that prices will be low
- Small producers not keen on co-operation
- Reluctance to invest in assurance schemes
- Processing and distribution barriers
- Tender process frightens them

# Barriers to Supplying more local sustainable food into the Public Sector

## Suppliers (contract holders)

- Easier to buy from wholesale market
- Little knowledge of local / regional produce available

# Barriers to Supplying more local food into the Public Sector

## Procurers

- Some not interested – focused on delivery times and quantities
- Lack of understanding how producers work
- Catering manager constrained by senior management and tender writers
- Data not available on what they actually use
- Low Budgets for food

# Opportunities

## Producers

- New Market
- Could lead to other markets – eg Private sector

## Suppliers

- Access to more traceable assured sustainable local food

## Procurers

- Opportunity to procure more traceable assured sustainable local food

# Tender Process

## EU Treaty

- Obligations such as equal treatment, non discrimination and transparency

## EU Directives

- Govern specification, advertisement, tendering above certain threshold (£156K over life of contract)
- Criteria for selection of tenderers
- Criteria for contract award: Most economically advantageous tender (MEAT) or lowest price

## UK Regulations

- EU Directives implemented into UK law

# Government Policy

Government procurement policy requires all purchases of goods and services to be based on value for money

Value for money = the optimum combination of whole life cost and quality to meet the customers requirement

Definition of local – Within 30 miles, Practically as near as you can source it

# How to promote sustainable procurement

- Has to be a partnership between all sections of the procurement chain
- Producer – processor – supplier – procurer
- Also include nutritionists and decision makers
- Set up a working group
- What is happening in the region
- Set up a pilot project
- Local funding
- Defra pilot funding
- Look at best practice
- Promote healthy food – 5 a day in school, hospitals

# Progress so far

- Yorkshire and Humber Regional Projects
- HM Prison Services – Egg Supply
- Northumberland County Council
- Organic Milk to Darlington Hospital
- Solihull Hospital in house chill-unit
- South Gloucestershire Schools
- St Aidans School, Harrogate
- Primary School, East Bridgeford
- London Hospital Food Project
- Cornwall Food Production Unit

# General observations

- Needs to be better linkages between regions, share best practice and avoid duplication
- Better co-ordination between government departments needed
- Sharing of information very important
- Logistics are a major cost issue in rural areas
- Procurers are the key players has to be demand led

# Conclusions

The Public Sector Food Procurement Initiative presents a tremendous opportunity for all parts of the food chain

# Reference List

- Defra best practice case studies :  
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