



Unlocking opportunities: lifting the lid on public sector food procurement

Having your cake and eating it: the benefits of sustainable food procurement

If we are what we eat, then public sector food purchasers help shape the lives of millions of people. In hospitals, schools, prisons, and canteens around the country, good food helps maintain good health, promote healing rates and improve concentration and behaviour.

But sustainable food procurement isn't just about better nutrition. It's about where the food comes from, how it's produced and transported, and where it ends up. It's about food quality, safety and choice.

Most of all, it's about defining best value in its broadest sense. Money well spent on food budgets now will make longer term savings in other budgets. It creates a better environment, and promotes healthier and more prosperous communities.

- Serving nutritious food aids patient recovery and makes hospital beds available quicker
- Increasing opportunities for local producers helps maintain employment and foster thriving communities
- Specifying organic food and other methods of production that protect the environment and safeguard animal welfare helps ensure a flourishing countryside.

The Public Sector Food Procurement Initiative: theory into practice

This all sounds great in theory, but is it possible in practice?

Since its launch in 2003, the Public Sector Food Procurement Initiative (PSFPI) has highlighted practical ways in which the public sector's £1.8 billion annual food budget can help deliver "a world-class sustainable farming and food sector that contributes to a better environment and healthier and prosperous communities".

The PSFPI is also helping to implement other Government efforts to improve food in schools and hospitals. These include the "Choosing better health - a food and health action plan" and "Healthy Living Blueprint for Schools", available at <http://www.defra.gov.uk/farm/sustain/procurement/health.htm>.

The PSFPI's objectives

The aim of the Initiative is to encourage public sector buyers to work with farmers, growers and suppliers to ensure more sustainable food is consumed in hospitals, schools, prisons and canteens.

It has the following five priority objectives:

- Raise production and process standards
- Increase tenders from small and local producers
- Increase consumption of healthy and nutritious food
- Reduce adverse environmental impacts of production and supply
- Increase capacity of small and local suppliers to meet demand.

It is overseen by the Food Procurement Implementation Group, which comprises key central and local government procurement and policy officers.

Within its five priorities, there are specific aims relating to quality, choice, waste, employment in the industry, and best practice management, for example:

- Increased demand for organic food
- Improved choice for minority ethnic communities
- Reduced waste
- Better conditions for catering staff
- Improved data collection and monitoring.

Overcoming the challenges to implementation

The PSFPI web site offers purchasers and suppliers a one-stop shop of guidance, advice and inspiration, including:

- practical projects
- model specifications and related tools
- training
- case studies
- contacts.

i Find it all at <http://www.defra.gov.uk/farm/sustain/procurement/index.htm>

Challenge 1: Procurement policy and regulation

The Government's procurement policy to achieve value for money and the EC Treaty, EC procurement directives and related UK Regulations ensure that public procurement is fair and transparent, with no discriminatory barriers to free trade.

So public sector buyers cannot restrict their purchases to specific locations or suppliers. But the framework still offers plenty of scope to pursue sustainable development when procuring food and catering services.

i Find out more about incorporating environmental issues within UK and EC procurement frameworks at: http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/procurement/ogcdefrajointstatement.pdf

i Additional PSFPI-related procurement guidance is available at: <http://www.defra.gov.uk/farm/sustain/procurement/guidance.htm>

Challenge 2: Working with small and local suppliers

Many small and local companies feel daunted by public sector procurement. Purchasers can encourage their involvement, from briefing them on how the process works, to specifying more seasonal vegetables. And suppliers can also raise their game on due diligence, legal compliance and contract management.

Following successful pilot studies in 2004-5, the PSFPI has run a series of regional projects to develop the supply side, outlined at <http://www.defra.gov.uk/farm/sustain/procurement/projects.htm>

i Direct suppliers to advice on selling to the public sector, either directly or via primary suppliers

<http://www.defra.gov.uk/farm/sustain/procurement/sellingpublic.htm>

<http://www.defra.gov.uk/farm/sustain/procurement/sellingprimary.htm>

i Find out more about the issues from the March 2005 National Food Suppliers Conference at

<http://www.defra.gov.uk/farm/sustain/procurement/nationalconference/foodsuppliers.htm>

Challenge 3: Sharing guidance and best practice for purchasers

Public sector procurement can be complex enough, even before you tangle with social and environmental considerations and developing potential suppliers. So the PSFPI offers busy purchasing managers advice to make their food procurement more sustainable.

i Find the answers to frequently asked questions about local sourcing, organic and fair trade certification, or procurement rules at

<http://www.defra.gov.uk/farm/sustain/procurement/pdf/faqs.pdf>

i Read over 60 case studies of how other people have done it at

<http://www.defra.gov.uk/farm/sustain/procurement/casestudies/index.htm>

i Discover what government departments are doing at

<http://www.defra.gov.uk/farm/sustain/procurement/tools.htm>

i Search Sustainable Development in Government annual reports for detailed progress on Whitehall departments' sustainable procurement at

<http://www.sustainable-development.gov.uk/publications/publications.htm#2005>

i Get started on incorporating the PSFPI into your catering and food supply contracts. Download a catering toolkit at

<http://www.defra.gov.uk/farm/sustain/procurement/toolkit.htm>,

including model specification clauses at

<http://www.defra.gov.uk/farm/sustain/procurement/pdf/psfpi.pdf>

Sustainable food procurement in action

Small suppliers make good

An East Yorkshire farmer is proof that a small business can win a major government contract. With just 25 staff, he now supplies assured standard eggs to all five Prison Service distribution centres, recycling the hens' waste as fertiliser for growing future hen feed. His tender was unsuccessful in 2001, but Prison Service buyers encouraged the business to make improvements. They debriefed the company on the weaker areas of its bid, and toured the site to check progress a year later.

<http://defraweb/farm/sustain/procurement/casestudies/ps-eggs.htm>¹

Improving nutrition improves the bottom line

Keeping catering in-house has brought added benefits to Birmingham Heartlands and Solihull NHS Trust. Investing in an in-house cook-chill unit means that meals are more appetizing and nourishing, and over-cooked vegetables are a thing of the past. A halal chef ensures that every patient's needs are catered for. Catering staff are proud of their key role in health promotion initiatives such as 'Fight back with food'. Success breeds success, and Solihull Hospital now provides catering services to City and Good Hope Hospitals, serving 8,000 patient meals a day, and operating two thriving staff and visitor restaurants.

<http://defraweb/farm/sustain/procurement/casestudies/solihull-hosp.htm>

New tender approach yields new suppliers

With a food budget of £3 million every year, Northumberland County Council wanted to encourage more local suppliers to get a slice of the pie. Purchasing managers organised a seminar explaining the tender process to existing and potential suppliers, and Business Link and Northumbria Larder followed up with application advice. The tender was also split into lots by food category and county area to encourage participation. These new approaches prompted a five-fold increase in interest from local suppliers, who were awarded contracts for four of the seven food categories. The county council faces more work in managing the increased number of contracts, but it believes that the quantity and quality of the tenders make it worthwhile.

<http://defraweb/farm/sustain/procurement/casestudies/ncc.htm>.

¹ Case study gives contact and we will update if change occurs.

Going local at the local

Opting out of the LEA lunches contract, Gloucestershire's North Cerney Primary School bought in a different kind of local: the local inn. The award-winning Bathurst Arms bar and restaurant now supplies nutritionally balanced school meals - at no extra cost. Local, seasonal produce is used wherever possible. Food preparation and nutrition are now integrated into the curriculum, too, and every child prepares their own lunch in a professional kitchen at least once a term.

<http://www.northcerneyprimary.uk.org/>

PSFPI web site

- i** To make use of these electronic links, find this leaflet on the "Awareness" page of the PSFPI web site. Simply key PSFPI into your Internet search engine.

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