



Procurring Food  
for the Future

# Acknowledgements

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# Executive Summary

We explore the role anchor institutions can play in creating a better food system - one that underpins local food economies and the health of the earth's ecosystems. A change to shorter supply chains, a more plant-based health-focused diet, and support for local food production can create social value and improved economic consequences for the immediate locale.

This report examines the potential for public sector and other anchor institution procurement to realise this. We highlight examples of good practice whilst also exploring the challenges and barriers to implementing better food procurement. To do this, we bring insights from interviews with procurement professionals at a number of anchor institutions in Leeds and Lancaster.

Through these interviews we ask key questions about resilience, interpretation of 'sustainability', the challenges of sustainable food procurement, and how procurement could support public health and well-being. Alongside this report, we have also examined the current regulatory landscape around public food procurement where we found that mainstreaming innovative, green, and social considerations in procurement requires, above all, policy vision and political ownership.

Given the huge impacts that the industrial food system has on our planet and society, this report lays out a number of recommendations for policy makers, organisations and communities.

# Key recommendations

## For policy makers:

- Instead of guidelines, we need procurement regulation that embeds sustainability to deliver a better food system.
- Increased transparency and accessibility of data around food supply chains and food businesses is needed to support more sustainable procurement practice.
- Provide long-term investment to support public sector food procurement.

## For institutions:

- Embed sustainability at the core of operations to empower and support procurement staff.
- Build links with other organisations to share expertise and knowledge around sustainable food procurement.
- Use holistic frameworks to guide food procurement principles and embed social, environmental and economic values into your policies.
- Share stories about what is being done to build wider institutional support and resources for responsible procurement.

## For communities:

- Convene a food procurement working group to facilitate collaboration and knowledge sharing between food procurement staff and local businesses.
- Look for opportunities to engage local sustainable food producers with local and national initiatives.
- Grow the local food economy so that a wide range of local, sustainably produced food is available for procurement.
- Take your values to work. Ask to see local and responsibly sourced food throughout your workplace.

**This report explores the role anchor institutions can play in creating a better food system - one that underpins local food economies and the health of the earth's ecosystems.**

There is growing interest at a national through to local level in using anchor institution food procurement to promote healthy diets whilst supporting local prosperity and improving sustainability and resilience. Anchor institutions refer to organisations that, alongside their main function, play a significant and recognised role in a locality by making a strategic contribution to the local economy. They are generally large bodies, rooted in one geography and tend to be non-profit. Anchor institutions, including County and City councils, hospitals and universities, can influence and shape supply markets through their large-scale spending.

MPs have recently launched a parliamentary inquiry into public procurement of food, and Sustainable Food Places partnerships across the UK are looking to embed better food procurement practices into their regions. This report aims to support and inform these positive steps towards creating a better food system by highlighting examples of good practice whilst also exploring the challenges and barriers to implementing better food procurement.

In doing so, it draws on case studies of anchor institutions within the cities of Lancaster and Leeds to explore the following questions:

- What does a sustainable food system look like from the procurement perspective?
- How can procurement in anchor institutions support health, wellbeing and care for our environment?
- How resilient is our food supply into anchor institutions, considering the impact of Brexit, the COVID-19 pandemic and existing supply chain management practices?
- What are the challenges for procurement professionals and for producers in realising a vision for more sustainable food procurement?

In this report we bring insights from five interviews with procurement professionals at a number of anchor institutions in Leeds and Lancaster. We would like to thank Leeds City Council, Leeds Teaching Hospital NHS Trust, University of Leeds, Lancaster University and Lancashire Schools Catering for sharing their perspectives and sustainable procurement journeys with us. In addition, our analysis draws on numerous policy reports and other publicly available sources of data on public food procurement. We have found stories to celebrate but also identified barriers and the opportunities and actions required to overcome these.

# Setting the scene

The current food system is treated as mostly linear. We grow food, we process and manufacture food, we move it about the world, and we eat (some of) it. We redistribute (a bit of) it, we discard (around 30-40% of) it and create (some) energy from what's discarded, but this only happens in a minority of cases. At best, we create energy from what's discarded, at worst and more often, food waste is dumped into landfill or burnt in incinerators, releasing significant greenhouse gases. Food is also treated as a commodity despite it being so much more. It's essential for life, and as such, healthy food should be considered a right.

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*Food is more than a trade commodity, it is an essential of life.”*

JOHN BOYD-ORR (FIRST DIRECTOR GENERAL OF THE UN'S FOOD AND AGRICULTURE ORGANISATION AND NOBEL LAUREATE)

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By viewing and treating the food system as linear and food as a commodity we miss some crucial bits of the puzzle. How can we reduce excess food and replenish the natural resources our food system relies on? How do we ensure fair access to healthy food in the face of the shocks and stresses predicted on our food system over the 21st century?

This is what a circular food system could look like (Fig 1). It follows a food waste hierarchy that looks at reducing overproduction, ensuring surplus food has a value, and then using it to feed humans, animals and the soil, and then finally converting it to energy.

All three levels of the food system, humans, animals and soil need to be fed and replenished to create a sustainable future.

As what was formerly seen as waste is reused, less waste pollution through landfill disposal is created and less resources are needed to produce food in the first place – because we are using almost all of it, instead of throwing it away, we don't need to produce as much. Overproduction is reined in.

Figure 1:

A circular food economy.

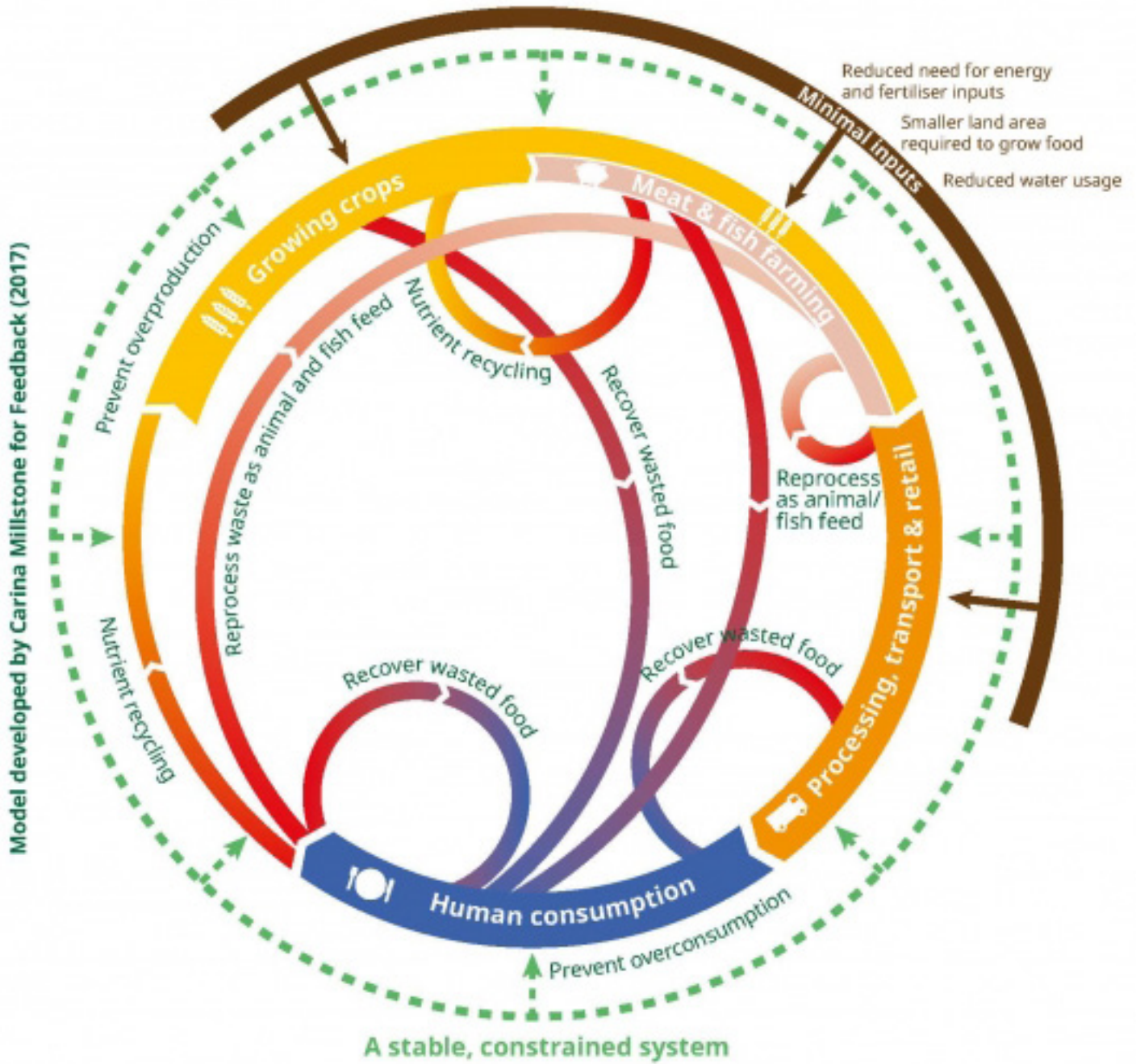


Image used with permission from Feedback Global.

# Our corporate food system

Food is big business. In the UK, four large supermarket brands control 66% of the grocery market, with independents having just a 2.5% share.<sup>1</sup> In the wholesale sector, a similar consolidation of the market into a number of big businesses has taken place. This has put pressure on suppliers to deliver high volumes of food and has reduced the competitiveness of smaller-scale producers in this market.

Our food system has evolved into a complex web that weaves around the globe, working to ensure that food reaches those who can afford to pay for it when they want it. In other words, food supply chains have become long and global in scale.

Irrespective of seasonality or the damage inflicted upon the planet, the globalisation of the food supply chain means we can eat strawberries in December, courgettes in January and smoked farmed salmon all year round.

Retailers and wholesalers have come up with incredibly sophisticated logistical models<sup>2</sup> to ensure this 'demand' can be met. Centralised food delivery models are often used, whereby products and produce are collected from their point of origin and delivered to a central point before being redistributed to points of sale, sometimes not far from where they originated in the first place. This scenario was highlighted in the BBC documentary 'The Farmer and the Food Chain', broadcast in 2015, where farmer Gareth Wyn Jones follows a potato on a trip around Britain to end up for sale 2 km down the road from where it was grown.

Food supply chains also rely heavily on the 'just-in-time' inventory management system; designed to increase efficiency and reduce costs and waste by receiving materials only as they are required. It's a model that serves well in the car industry and negates the need for stockpiling parts in factories, and it has been embraced with gusto by a very different sector – the modern, corporate food retail sector. Yet here, 'just-in-time' has proven to be a house of straw when applied to the global food system.

Enthusiasm for this 'just-in-time' model has resulted in the building of retail spaces, schools and hospitals with very little storage space. Food deliveries are made on a constant rolling basis with the aim of maximising the profit per square metre. Although this approach may be financially efficient, it leaves very little margin for error should the supply chain get disrupted or face an unexpected run of demand, such as that seen at the beginning of the UK COVID-19 lockdown. This points at a key tension between efficiency and resilience in food supply chains.

Although supermarket shelves have recovered quickly, we should not forget the lessons learnt during those first few weeks as many looked to find new ways to access

fresh and healthy food. There was a surge in buying from veg box suppliers, community-supported agriculture schemes and from suppliers to the restaurant trade.

If we want a food system which is resilient to future shocks, we need to design it with this in mind. This means increasing diversity (both in terms of who produces food and what food we produce), and reducing the number of 'weak links' (i.e. vulnerable actors) in our food supply chains which could be disrupted by issues such as trade disputes, extreme weather and labour shortages.

Our current food system's focus on efficiency to maximise profit has led to contracts and price setting that has stripped the agility and room for manoeuvre out of food supply chains.

A corporate, commodity-focused food system has also put economic efficiency ahead of environmental sustainability and human health. In a drive to produce food as cheaply and efficiently as possible (in order to increase profit margins), the market has increasingly become dominated by high-fat, high-carbohydrate processed foods. Food manufacturers procure cheap ingredients produced by intensive, monoculture chemical-based agriculture. This allows them to produce cheap food, to be sold with a relatively high profit margin, but at a high health and environmental cost which society currently picks up. A situation has evolved where the question: 'What will cost the least for the most calories?' dominates, rather than the more complex but relevant question of: 'What will provide a healthy, balanced diet whilst maintaining the sustainability and resilience of our agricultural systems?'

It is unsurprising that our food system has developed in this way when our wider economic framework treats negative impacts on health and environment as external to the system. Costs associated with negative impacts are not currently factored into decision making nor are they reflected in the cost of the products which enter the market. Whilst there is growing recognition of the social and environmental damage which has been caused by this approach, the economic system generally favours food produced under high-input, intensive, low-labour systems. Given that consumer and organisational purchasing decisions are primarily driven by cost, how can sustainable and resilient food choices become embedded in our society?

A different, healthier food system is not only possible but is starting to emerge, as evidenced by the increasing interest in more sustainable, regenerative farming practices. There is also growing recognition of the economic and social benefits of investing in local economies.

Procurement of food by public and other anchor institutions has an important role to play in supporting this emerging healthier food culture. This is crucial for supporting a shift in the current trajectory of the food system to a more sustainable and resilient one.

# What is an anchor institution and why are they important for the creation of a localised, good food system?

Anchor institutions are defined as organisations that, alongside their main function, play a significant and recognised role in a locality by making a strategic contribution to the local economy. They are generally large bodies, rooted in one geography and tend to be non-profit. An exception to the non-profit rule are large manufacturers and transport hubs e.g. steel plants, car factories, airports – which draw heavily on local employment and have the ability, through their purchase power, to significantly impact local economy if they choose to wield it for the benefit of the region.

In our interviews we primarily focused on public procurement. We defined public procurement as: the use of public money to purchase goods or services for use in state- or council-funded facilities and services (such as schools, hospitals, constabularies, prisons). In addition, in this report we include interviews with two universities. Although they are not strictly public bodies, due to their disproportionate purchasing power and influence in local areas, they have a similarity in some respects to public institutions.

If you're in any doubt regarding the amount of money we're talking about, £2.4 billion is spent annually on food by UK public institutions, which equates to 5.5% of total UK food sales.<sup>3</sup>

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“*We spend about £2.6 million on food*”

LEEDS TEACHING HOSPITALS

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“*We....spend somewhere around £11, £11.5 million on food*”

LANCASHIRE CATERING SERVICE

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“*Fruit and veg, it's our next biggest (spend), which is about £350,000 a year*”

UNIVERSITY OF LEEDS

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# How can the purchasing power of publicly funded anchor institutions be used as a force for good?

If we take the phrase 'public money for public good' the inherent premise is that the public sector should be spending the money it receives from government (and us) wisely and in a way that drives public or citizen welfare.

Anchor institutions wield economic power by virtue of their size and buying capacity. In theory, their economies of scale would suggest that this enables them to drive down cost except, as pointed out by Peter Smith,<sup>4</sup> direct costs for facilities management are less moveable – i.e. staff costs. Therefore, pushing down the cost of food purchased can have an inverse effect on quality and social welfare – people costs will make up a fixed percentage of the direct costs of producing food, thereby the only moveable elements are the wage bill and the quality of ingredients used. The resulting zero hours contracts, minimum wage and squeezing of raw material producers e.g. milk purchased at 30p a litre from the farmer cannot be described as 'good'.

By resetting procurement parameters to take account of the true cost and value of food purchased i.e. not focusing solely on the financial aspect, public procurement could contribute to a stronger economy: People are paid properly (with a Living Wage) and producers are encouraged to create better quality goods, to subscribe to sustainable and ethical means of production and to actively seek out shorter supply chains. It means letting go of the neoliberalist attitude that promotes free market capitalism at the expense of all else, and takes us back to the notion that public sector bodies should be investors in their local communities.

The role of anchor institutions as investors in their locality and in a better food system has been recognised at a national level. Back in 2014, the UK Government released 'A plan for Public Procurement'<sup>5</sup> which included the development of the Balanced Scorecard for Food Procurement and toolkit to support procurement staff in considering a range of criteria from nutrition to sustainability. It incorporates the Government Buying Standards for Food (GBS) as technical specifications that must be met and award criteria that procuring authorities can use to evaluate a bid or a service against higher standards based on their

priorities. It was used for the first time in a live catering tender by the Royal Liverpool Broadgreen University Hospital Trust (RLBUHT). The most noticeable comment from the applicants for this tender was that they did not feel it was firm enough in its recommendations – they would have welcomed stronger and more prescriptive guidelines rather than the ‘suggestions’ made.

More recently Defra’s ‘Health and Harmony: the future for food, farming and the environment in a Green Brexit’<sup>6</sup> paper highlighted again the need to “build on, and widen existing traditions of co-operatives to encourage a stronger culture of cooperation, transparency and fair dealing as part of a modern, 21st century food chain” in section 12 ‘Ensuring fairness in the supply chain’. The National Food Strategy has recently published an initial set of recommendations in response to the COVID-19 pandemic.<sup>7</sup> In these, it explicitly mentions that Part 2 (to be published in 2021) will contain comprehensive recommendations on what the UK Government can do to ensure that public money spent on food is both healthy and sustainable.

Finally, the parliamentary committee for Environment, Food and Rural Affairs launched an inquiry into the Public Procurement of Food in June 2020. This looks to gather evidence to enable MPs to propose changes in procurement rules after Brexit to ensure that social and environmental objectives, like supporting local small business, are prioritised.

This national interest in the power of procurement to drive local food economies is also reflected in the activity across the UK in local authorities and with the [Sustainable Food Places](#) network. The network recognises that influencing food procurement is a valuable demand-side policy tool for building a more sustainable and resilient food economy. Food partnerships are encouraged to build collaboration and networks between procurement staff and local producers. This offers a forum for knowledge sharing and increasing awareness of what the local food economy has to offer, whilst providing support and contacts for producers trying to access anchor institution procurement.

There is clearly a convergence of interest in using procurement as a force to drive positive change in the food system. There are, however, questions as to what barriers restrict the abilities of institutions to procure food differently, with sustainability, health outcomes, and local economy in mind. This report looks to uncover some of the opportunities for, and barriers to, change in procurement approaches. Through this process we identify actions needed both nationally and locally in order to translate ambition into positive change in our food system.

# What do we mean by a sustainable food system?

Our working definition for sustainable food is that it should be produced, processed, distributed and disposed of in ways that:

- Contribute to thriving local economies and sustainable livelihoods - both in the UK and, in the case of imported products, in producer countries.
- Protect the diversity of both plants and animals and the welfare of farmed and wild species.
- Avoid damaging or wasting natural resources or contributing to climate change.
- Provide social benefits, such as good quality food, safe and healthy products, and educational opportunities.
- Follow a circular food system model to ensure maximum usage and minimum waste.

This definition was drawn from the principles outlined in FoodFutures' ['Resilient Food Checklist'](#)<sup>8</sup> and from movements working towards a more sustainable food system e.g. Landworkers' Alliance and the wider Sustainable Food Places network. This definition also reflects the scope of the five award criteria outlined in the 'UK Balanced Scorecard for Public Food Procurement'.

# Do procurement professionals agree with this definition?

Through our interviews and analysis of the policies of anchor institutions, we looked for common ground with our working definition for sustainable food.

## Lancashire Catering Services

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“*It is both local growers, producers, and suppliers. 100% of our suppliers are classed as local, in terms of food, 75% of those are within the Lancashire boundary, and a large percentage of the actual produce purchased is from Lancashire.*”

### LANCASHIRE CATERING SERVICES

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Lancashire Catering Services reference their embedded principles: around social value, local supply chains, employment opportunities, food education, quality, standards and customer satisfaction being at the core of everything the organisation does. They are also holders of a Silver Food for Life Catering Mark which means that 100% of their suppliers are classified as local; over 80% of the food is freshly prepared and cooked on site; all menus are compliant with the Government's Food Standards for Schools; they have a commitment to MSC certified fish, free range eggs and organic fresh milk, pasta, rice and flour.

## Leeds City Council

Leeds City Council published a five-year procurement strategy in 2019. This strategy included a number of areas of focus including two which had been the cornerstones of previous strategy:

- Value for money and efficiency.
- Governance – legal compliance and managing risk.

In this most recent strategy, they build on these with three more, designed to use their spending power to support city strategies for Inclusive Growth, Health & Wellbeing and climate change. These additional areas of focus are:

- Social Value and the Foundation Living Wage.
- Commercial opportunities.
- Supplier engagement and contract management.

The aims around social value were reinforced during interviews:

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“*What we always try and do is get social value into contracts, so that might be something like the fresh fruit and veg contractor. When his produce gets to a level where he can't legally sell it but it's still edible, he distributes it to the foodbanks around the city. So, we encourage that kind of approach*”

LEEDS CITY COUNCIL

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The council used the **National Procurement Strategy for Local Government in England 2018** toolkit to guide their strategy development. Whilst they have set out detailed aims around social value in terms of local economic investment and wage provision, there is little detail given around the environmental ambitions of the strategy. However, procurement is seen as an opportunity to potentially deliver parts of the council's social and environmental strategies at no additional cost through influence within the local supply chain.



*Whenever a tender's put out there, sustainability plays a big part."*

UNIVERSITY OF LEEDS

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The University of Leeds has created a document laying out their expectations and principles for managing and improving sustainable catering at the University. This is defined thus:

- Recognising the importance of our conferencing and catering provisions to our students, staff and local community, and its potential to be used as a resource for teaching, research and engagement.
- Ensuring that food provision always has a positive impact on the environment and the health and wellbeing of University staff and students and society.

They lay out guiding principles for climate mitigation, provenance, animal welfare, improving health and wellbeing, accreditation, Fairtrade and organic certification, minimising waste, knowledge and collaboration, and continual improvement.

## Lancaster University

The University has a procurement strategy which provides a framework for expenditure and, within this, it recognises that it is able to leverage its market power to make a positive impact. They are part of a national scheme 'NETpositive' from the HE sector which works with suppliers to map out their social and environmental impacts and develop action plans to reduce these. By making a 'NETpositive commitment' the university recognises that, as well as reducing negative environmental impacts, they are also looking to enhance the positive impacts of their activity – environmentally, socially and economically.

There is not a separate Sustainable Procurement Policy, instead the university seeks to embed its environmental and social aims within its existing framework. However, the catering team are currently developing a sustainable, good food policy which will be based on the foundations set out by the 'Food for Life' certification around sourcing locally, ethical supply chains and using fresh produce. The team plans to go further in terms of developing elements around healthy diets and plant-based foods. The catering department works closely with the procurement team to use their budget to support these key elements of their evolving policy.

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“*The whole university is pushing for sustainability for their own departments. The steer from individual departments is important. The catering team are very passionate about sustainability in the food chain for as long as I've been here (6 years now). There is a real drive in the catering team here around various parts of sustainability, the local agenda, the traceability of food. This means that with catering the budget holders are saying to procurement that we want sustainability to be a large factor in the tender. So, this is one of the areas where we do consider sustainability quite highly on the tenders we do.*”

LANCASTER UNIVERSITY

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# Is sustainable food procurement a Utopian pipedream? How could it look?

There is already a lot of innovation and creativity within existing systems. Procurement professionals refer to being on a 'journey' and describe the kinds of incremental changes they have or would like to make. We tend to think incremental change is maybe not very significant but through our interviews we found good examples of where incremental innovation is actually capable of shifting a system in significant ways.

## Supporting producers in overcoming barriers

Public buying organisations can take the lead here to provide the security their partners need to invest, innovate and change practices. This seems vital as we look to take the volatility and the worst excesses of competition out of the current situation.

Examples of this include rewriting tender bids (which tend to be complex and long) and facilitating lot-sizing of contracts to make them easier to access by smaller producers. Or, if that is not practicable (due to capacity and quantity required for the contract), supporting the creation of new co-operatives and networks that could feed into bigger contracts. Preston City Council have already started examining this with their Preston Model which is implanting the principles of Community Wealth Building within Preston and the wider Lancashire area.

Bath and East Somerset council took an innovative approach in 2015 when they included the introduction of a Dynamic Purchasing System process for school food procurement. This type of system opens up public procurement to small and medium enterprises (SMEs) allowing contracts to be fulfilled by a mixture of different (including small) suppliers. The suppliers have flexibility to move in and out of the system depending on availability, compared to conventional framework contracts which tend to limit access to SMEs due to their stringent pre-qualification requirements (e.g. proven track record and minimum production capacity) and narrow time-windows for (re)tendering. In order to streamline the consolidation and delivery of orders from multiple suppliers the local authority formed a partnership with an online food store with a local delivery hub and knowledge of local suppliers.

Our interviewees discussed how they use different sizes of contract to increase access to procurement opportunities for local SMEs.

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“Where possible we always split contracts up into smaller lots. Some bidders bid for all of them, and some win all of them. If they don’t and we go out to 6 lots, that’s up to us to manage it. We do that specifically to allow local suppliers, and to allow SMEs, but also sometimes you get niche organisations that provide a better service than a large organisation.”

**LEEDS CITY COUNCIL**

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“We have a lady who makes the most amazing vegan cakes and gluten-free cakes so we buy all our speciality cakes from her. She couldn’t cope with making all our cakes because we’ve got 17 coffee bars and then I’ve got a refectory that seats thousands. So, there’s no way she could possibly support that but what we do is use her for our speciality cakes and for me that’s a really important thing to do.”

**UNIVERSITY OF LEEDS**

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**Whilst flexibility is important in procurement contracts, procurement teams recognise that smaller suppliers may need careful management and support when applying for and taking on large contracts.**

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“ We are really careful when working with suppliers who need to invest. We don't want to give a one-year contract to an organisation that's heavily invested and then just pull the rug from under them. We would always go for an initial period and then an extension. If the contract's working and we think the pricing is good and sound, then we would stick with them for that period of time. We wouldn't give a contract to someone where it's 50% of their business. Because if we do, and they don't win the next bid, we've effectively put them out of business and that's why also that's another positive of splitting contracts up, because if they do lose it, then they've lost a little bit of our contract rather than all of it.”

**LEEDS CITY COUNCIL**

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“ We try to balance our requirements for sustainability, accreditations, etc. with not being unfair to local providers. If you are just the small local bakery in town and you're just one person, it is not fair of us to put all this administrative burden and demands (such as we want to see a strategy, or this policy) on them. We have to be mindful of the fact that some of these suppliers are one or two people, and we want to encourage that from a local, economic point of view. So, we put a huge amount of effort into the pre-market engagement. We work hard to make sure our tenders are written in such a way that these smaller companies can not only understand what you are asking but can answer them well. So, we think about why we might want a particular accreditation and break it down, in that way we can ask specific questions rather than just asking for the overarching umbrella certification which many smaller businesses won't have.”

**LANCASTER UNIVERSITY**

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# Focusing on food miles

Food miles bring up some interesting discussions. There is a need for procurement professionals to look beyond the locality of the supplier or distributor, and to the food miles associated with the products themselves. Food miles in themselves are complex and are not tied to a single issue (for example carbon emission). Shorter food miles can have benefits for ties into social, economic and environmental sustainability. With many foods, transport is just a small part of the overall emissions associated with food production and waste. However, there are strong arguments for eating local and seasonal food to reduce environmental impacts, as well as the economic and social value delivered when anchor institutions invest in their local food system. Shorter supply chains can also allow for greater transparency in terms of the social and environmental impacts of the food being bought.

Food miles were an important feature in our conversations with procurement teams, with a distinction made by some as to the importance of local produce, not just a local supplier.

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“ We want our supplier to be local and obviously capable of providing the volume that we want. Food miles are really important. We expect, and put it in our tender, that we want them to use local produce. ”

UNIVERSITY OF LEEDS

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“ We work with a lot of local suppliers, as well as the national suppliers. For example, our fruit and veg is from a supplier in Lancaster, our meat is from just outside of Lancaster, we use a local coffee supplier, some of our cheese comes from six miles down the road in Garstang, our milk is local. We have local ice cream on campus, our fish comes from a Fleetwood supplier. Although we use a national grocery and frozen supplier, Brakes ... we also use one based in Lancashire called Total Food. So, we do have quite an array of local suppliers within the buying list.”

LANCASTER UNIVERSITY

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“The lack of definitive food miles to prescribe what is and isn’t local is, I think, a difficulty but, as a service, we chose 35 miles, which gives us a circumference of Lancashire that just touches on the local authorities around Lancashire as well. It is both local growers, producers, and suppliers. So just to add a little weight to that, 100% of our suppliers are classed as local, in terms of food, 75% of those are within the Lancashire boundary, and a large percentage of the actual produce purchased is from Lancashire. Which again is quite important when we’re looking at the local economy. Lancashire is quite well blessed in terms of growers and producers, and to be able to support those organisations as we do is very important. We have a food map on our menus that shows where everything comes from on the menus, or the predominate items. For instance our lettuces come from Tarleton, our potatoes come from Scarisbrick, our cauliflowers come from Scarisbrick, our fresh meat is from Booths supermarket and Booths only use local producers for their fresh meats, our cheese is from Garstang, our milk comes from, it’s actually organic milk that’s processed in Manchester but we know that 78% is from Lancashire cows.”

**LANCASHIRE SCHOOL CATERING SERVICE**

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“ We would always encourage local subcontractors. As an example, our fruit and veg is a Leeds company. And our milk is a company, not with a Leeds postcode, but only 6 miles away in Wakefield. The meat contractor’s from Yorkshire, but South Yorkshire. So, we do try and get as much of that as you’re legally able to do”

**LEEDS CITY COUNCIL**

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“ Our key main provider, which at the moment is Tovey Valley, makes all our main courses. Now they’re a provider to the NHS in general, and there are only three main suppliers in the country anyway. So it’s sustainable for the Welsh economy if there’s Welsh lamb, here in Yorkshire we might spend £700,000 with them a year, but they spend upwards of £2 million in the Yorkshire economy because they will take our potatoes, our rhubarb, so it’s that sort of thing. So yes, we do take that into account”

**LEEDS TEACHING HOSPITALS**

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# Healthy diets

The role that institutions can play in innovating when it comes to healthy diets seems to reflect their role in society and wider national guidelines.

For instance, whilst the Leeds Teaching Hospitals aim to give people choice over what they eat, the procurement team recognised they have a responsibility in providing food that builds people up.

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“ We’ve moved into social choice. However, we’ve got to remember we’re a hospital, and as much as healthy eating is important, there’s clearly documented things about people being malnourished in hospitals, and our menus are driven by building people up. So, we’ve got higher energy products, as well as the healthy eating ones and people are pushed towards them. We have our own dieticians as part of the catering team. So, from that perspective, we’re lucky, we’ve had them for years, and we get them to design all the menus with us to get all the balance. We’re one of the first trusts in the country to publish a nutritional capacity report, against the British Dietetic Association guidelines”

## LEEDS TEACHING HOSPITALS

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Lancashire Catering Service provides meals from fresh ingredients with benefits for healthy diets and they follow the national government guidelines on school food standards. These set out a range of targets around healthy diets, including inclusion of wholegrains, restriction on sugars and emphasis on fruit and vegetable provision. The catering service highlighted that they do not see themselves as having a role in pushing certain dietary choices (such as vegan or vegetarian diets).

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“ In terms of plant-based and vegan diets, they are lifestyle choices. As a local authority caterer, we do not provide lifestyle choices, we provide against prescribed school food standards which are issued by the government. We will meet cultural need, for which there are specific legal requirements within the educational act, but what we won’t do is start discussing what children should or shouldn’t be eating on the requirements of individual parents, particularly where the requirements do not meet school food standards. The vast majority of our schools apply the government school food standards and it’s their responsibility to decide this.”

## LANCASHIRE CATERING SERVICES

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Within the universities there was a strong emphasis on healthy diet choices, and these were found to be popular with customers using the catered facilities. The provision of certain food is driven by demand, but the procurement and catering teams have found ways to make healthier options more attractive and flexible.

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“ We have a thing we call cutting salad. We wanted to be healthy, so we went into London and had a look around what was going on. We picked up this concept and did it our way ... and the bottom would have leaf – bought locally, then a protein, whether it be chickpeas, or lentils or rice or pasta, and then they put on whatever they like, so it’s one protein, three salads and then it gets into a bowl, they add dressing, etc. So even today that’s one of the most bought products in the refectory. We’ve got new ideas. Everyday we’ve got a counter with a vegan dish and a vegetarian dish. We try to do vegetarian dishes on other counters as well.”

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“ We are sticking with the standards that ‘Food for Life’ set out, but we also felt we wanted to go further, particularly on the nutritional side of things. So, with the call for reducing meat, there is a campaign for 20% less meat – but we feel we can do much more than that and offer lots of plant-based foods. We have a lot more vegetarian food available, 60% of menus. Particularly with our conferences. We’re going maybe 80% vegetarian and vegan with our lunch offers. And giving the customer the option to add meat. So, we’d have a base that was vegetarian/vegan and just have an add-on option for each individual customer.”

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# Accreditation can be useful

In some cases, accreditation was found to be a useful approach for guiding sustainable practice. It can provide a recognisable symbol for the values an organisation has around food and can be a tool for engaging customers (or the wider organisation) in discussions around sustainable food choices.

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“  
*What’s been a really good journey for us has been the guidelines for the Marine Stewardship Council. Trying new fish, with the students ... we’re able to share some new products and say what do you think? Can pollock be battered rather than cod or haddock and what do you think?*”

UNIVERSITY OF LEEDS

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“  
*We are the single largest local authority that’s accredited with the Food for Life ... what it does do is allow us to focus more intensively on local supply.*”

LANCASHIRE SCHOOLS CATERING

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# Talking about food and sustainability

Creating dialogue with those purchasing or eating the food was important for those interviewed although all agreed they did not have enough time to celebrate and communicate the steps they were taking to support local, sustainable food.

Sharing stories around sustainable food action is crucial for gaining public support for changes being implemented and increasing demand for a focus on sustainability in food procurement.

There is also an opportunity for the public to make connections between the food they buy and environmental and social issues. Our interviewees used different methods to share what they were doing and to help connect people with their food.

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“ One project that I am currently delivering in regard to food is a project called Planet Friendly Menus. I’m working with Leeds University; we are carbon foot printing menus in catering outlets with a view to measuring the behaviour changes arising from letting people know how far their food has travelled. So, the pilot site that’s been put forward from a city point of view is the City Museum café. The university are taking the lead on actually footprinting the items, they’ve also identified a couple of stalls within their refectory, to carbon print a couple of the menus there. Then there’s the actual practicalities around, for instance, the menus have to have food allergens put on them, so soon it’s going to be menu item, price, food allergen and now carbon footprint. So, it’s quite a bit of work. We’re trying to come up with intelligent ways to manage that.”

**LEEDS CITY COUNCIL**

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“ It’s getting that story to the customer, of what we’re doing, how we’re doing it, and this is what we believe in. We think we can create our own story to people around us as opposed to getting a Food For Life accreditation and doing it that way. We create our own story boards that we lay out at open days, we do videos, we do posters, up through social media just to let the students know what we are doing ... I think a lot of it, through the conference side, would be told through the menu that’s written, by naming places that we buy things from, and promoting the local business we work with, using their name and being proud that we’re using them”.

**LANCASTER UNIVERSITY**

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**Lancashire Catering Services uses a food map to show people where their food comes from and the University of Leeds catering department offers opportunities for students to feedback on their menu choices and design.**

# Taking a whole-system approach

We live in a connected system. Strategies and policies need to join up in order to deliver multiple benefits around sustainability, health, livelihoods, climate, and more. It also needs to be an open and collaborative process so that communities feel like they have a role to play in deciding their future. Local Authority declarations of a climate emergency offer a great opportunity to re-build the link between the role the food system plays in mitigating carbon emissions, whilst also building our food systems' resilience.<sup>9</sup>

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“*In March 2019, Leeds City Council declared a climate emergency. We are currently trying to establish what that means for the city, the council can't deal with the climate emergency on its own, so we need to bring everybody in the city along with us. We are currently out for consultation, to seek views from the public on what they think the council should be doing. They are ultimately covering a number of different strands: food, transport, energy, biodiversity and so forth. I am leading on food, though that is currently undefined as to what that actually means, so I'm currently doing a bit of a scoping exercise, I'm finding out what's going on, what's already been done, where the potential gaps are, where I can add some value”*

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“*Lancaster was one of the first Local Authorities to declare a 'climate emergency' in January 2019. We have since developed a strategy to decarbonise all of the Council's direct emissions by 2030, including our vehicles and our energy supply. We are purchasing electric refuse trucks, and building a solar farm and installing ground source heat pumps at our leisure centre. We reintroduced a food waste collection for composting for 700 households in Heysham as a trial of the County Council's new composting system, have introduced vegan menus and increased local purchasing at our cafes, and are supporting FoodFutures – North Lancashire's Sustainable Food Places initiative. We have also commissioned a People's Jury process (outcomes due in October 2020) that has prioritised food and farming.”*

**LANCASTER CITY COUNCIL**

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# Using strategic levers to drive change in their sector

Procurement staff spoke of using 'strategic levers' to get where they want to go in many areas around sustainability. This requires forward planning and a strategic steer within the institution or business.

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“ So, with 'NETpositive', the HE sector is asking suppliers to fill out essentially a questionnaire and develop their own action plan for sustainability. It gives us the ability to actually have something tangible to look at and discuss. All universities that are signed up to NETpositive can log on and see that same action plan. This means the suppliers are not having to do the same thing over and over again. It is this action plan which we would then discuss offline. We have review meetings with our key suppliers, once a term, once a quarter, depending on who the supplier is and what's happening, and this is always an agenda point to be discussed. It is also included in tenders when these go out. We're not at a point where we are having contract review meetings with all our suppliers, but I think of the suppliers where we spend over £10,000 a year, about 60% are signed up to 'NETpositive'. Our aim is to get everybody signed up eventually, its just resources are needed to be able to do this”

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“ We look to develop specific objectives over a period of time and we include levers to help us attain this; rather than just setting an objective and hoping the industry can turn up with an option for it, we kind of take them on the journey. We have the purchase power to support that, given our overall volumes. For instance, within our contract with the distributor we've got a number of levers such as a requirement to have a future percentage of electric delivery vehicles. So, whilst this won't be enacted from the start, it gives them a four-year contract to build up to this expectation during the lifetime of that contract.”

**LANCASHIRE CATERING SERVICE**

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“ One of my challenges is to encourage clients not to just say: “this contract was let four years ago, it’s worked really well, let’s just do the same thing”. Because things move and we can’t just do that. I mean the clean-air zone wasn’t really at the forefront five or six years ago like it is now. And I’ve put that in all my contracts. If suppliers are coming into the city centre, they need to know what they’re coming into. So, there’s areas like that but there’s so much that we’re trying to change. When we last did the catering disposables contract, which was about 18 months ago, very few people were talking about single-use plastic. However, ... we put a lot in because we had a vision for how we wanted things to be in four years’ time. We’ve already got a contract that allows people to buy compostable products currently. So, what you’ve got to do is look ahead”

**LEEDS CITY COUNCIL**

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**Within an institution, procurement managers tend to deal with more than just food and it is interesting to see the horizontal leverage that they often have into other areas of their organisations.**

“ We’ve been working with the Institute of Transport Studies, working with one of the lecturers to try to look at the number of parcels that are coming onto site. This is another part of my business that I can influence and understand, because my van drivers are driving around the campus everyday delivering teas and coffee and buffets and stuff. So, can we work together and see what we can do?”

**UNIVERSITY OF LEEDS**

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# Collaboration across a sector is invaluable

The value of the networks and collaborative working which has been established within the HE sector was clear from the interviews with the universities. Both universities are involved in 'The Universities Catering Organisation' (TUCO) and the 'Responsible Procurement Group' which provide platforms for sharing best practice and innovations, as well as increasing the collective leverage of the HE sector.

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“ UK universities work very collaboratively within procurement circles which is strange to those of us that come from a private sector background. We work very collaboratively and share best practice from across the UK institutions. There is loads of great practice across all categories, across all types of sustainability, around ethical procurement, around carbon footprint so, by being plugged into that, we have an opportunity to learn from some real leading lights in the sector. The role that TUCO plays here is massive as they are not just buying for one university, they are buying for the whole of the UK sector. In that way, universities are able to negotiate with the big suppliers as we are not just coming as Lancaster university, we are coming as the HE sector. This gives us real power and influence, for instance 'NETpositive' is really being pushed by the purchasing consortia across the university sector.”

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## What is considered sustainable or local food?

In all interviews there was an interest and passion for food sustainability across multiple aspects. Given the current public mood it is not a surprise that there was a strong focus on single-use plastic and food miles for delivery.

Holistic thinking seems really important given that particular issues often rise to prominence for relatively ad-hoc reasons. For example, every single one of these interviews mentioned single-use plastic as a key issue, reflecting the public mood). However, from a wider perspective there are more significant and deep-rooted sustainability issues with our industrial food system.

A challenge is in defining the values to guide institutional procurement strategy and translating these to inform decision making when awarding contracts. Standards for local and sustainable food can be complex. Plastic waste and food miles are perceived to be the low-hanging fruit.

Sustainability criteria currently embedded in law are not ambitious enough. Useful (but non-mandatory) guidelines around food sustainability are set out in both the UK's Balanced Scorecard for Public Food Procurement and EU Procurement Directives (and their environmental and social guidelines). These documents guide procurement managers in taking a holistic approach to food and in designing contracts to deliver benefits across five different aspects associated with food:

- 1** Production at farm level (including animal welfare, environmental sustainability and seasonality).
- 2** Health and wellbeing (including nutrition, food safety and traceability).
- 3** Resource Efficiency (including consideration of energy, water and waste).
- 4** Socio-Economic impacts (including fair/ethical trade, inclusion of SMEs and local employment and skills).
- 5** Quality of Service (including food quality and customer satisfaction).

Similarly, accreditation schemes such as The Soil Association's 'Food for Life' standard are valuable as they support the purchaser in thinking about food from multiple perspectives, including farming methods, health, animal welfare, ethics, waste and local economy. However, sometimes the cost of enrolling can be off-putting.

Lancaster University have chosen to move away from the Food for Life standard, for example, citing the following reasons:

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“ It allowed us to be more flexible within ourselves, so that we weren't stuck to the strict structure of it. A lot, around 70, 80% of it we would do on an everyday basis, we believed in those things. People don't really know what the 'Food for Life' scheme is, they know about the soil association so the picture that comes up is all about being organic, free range but it there is so much more to it. So, we are looking for an alternative, as well as developing our own policy and standards. But the Food for Life helped open our eyes about things and around what we should be doing and made you look into different channels of sustainability”.

LANCASTER UNIVERSITY

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Another challenge is matching the values and ambition of a procurement strategy to the values of the businesses procured from. For instance, greater transparency is needed around the sustainability criteria and food miles associated with large scale distributors. Accreditation schemes for producers and food suppliers allow procurement teams to clearly see the values and ethics of businesses they work with. Schemes such as the '**Better Food Traders**' have a growing network of accredited food businesses across the UK. The scheme provides a framework of principals to support a socially- and environmentally-just food system which members have to provide evidence against.

At a local level, food partnerships are developing their own principles to guide food purchasing choices. FoodFutures (North Lancashire's Food Partnership) has created a '**Resilient Food Checklist**'. It examines food across 15 categories assessing them against economic, environmental and social resilience now and into the future. The document was prepared as an evaluation tool to be used by the food partnership, organisations and individuals throughout the food supply chain to self-evaluate their own practice and to guide strategy work.

# Resilience to shocks

These interviews were carried out prior to the COVID-19 pandemic, which is likely to have created further reflection on contingency plans. The organisations interviewed were thinking ahead to Brexit and on the vulnerabilities of the current system of long supply chains and just-in-time logistics. These anchor institutions have an important role to play in encouraging suppliers to think more about resilience.

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“ We’re lucky from the point of view that we’re part of a massive NHS supply chain network ... and obviously very much will be a priority. From the point of view of sustainability business continuity, we tend to hold a certain amount of stock so we can be sustainable for about 2 ½ to 3 days. And obviously as part of any tender, they [food suppliers] have to show how sustainable they are and how they maintain supply, but obviously there are things like weather, so, last year, for the first time, they couldn’t get lorries out of Wales, at one point. So, everyone was having jacket potatoes. They managed to get one out, and it arrived very late on Sunday ready for Monday, so that’s meant they’ve changed their contingency plans. Sometimes you have to go through these things for people to realise a lot of this is theoretical based and so we look at that.”

**LEEDS TEACHING HOSPITALS**

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“Mind-blowingly, there are even things you think won’t get affected. You’ve got milk, which comes from an English cow, that lives on an English farm and eats English grass. Why should Brexit affect that? Winter food. We can’t produce enough winter food, so we buy winter food from Russia, America and Canada. So, even milk that you think is predominantly Yorkshire based isn’t because of the price of winter food. So, milk could go up, simply because of that reason. So, it doesn’t have to be a kiwi fruit, or a banana, something that you associate with outside the UK, there’s so many side variables that you have to look at. And I think at the moment, our catering team have a finite budget to get that meal on that plate, I think their idea is if some things go up, some things will come down. What we might have to do is slightly forecast, so it might be smaller meat portions and bigger veg ... so, yes we’re aware of Brexit, we are really thinking about it, we’re trying to work with some contractors to get them to think more clearly about it and tell us what the risks are for them. Catering is one of the few departments I support that actually contract manage. They are very good at contract managing. They talk to their suppliers weekly. And they encourage their suppliers to be honest with us and say look, if a product’s not come in and it’s going to have a spike, you need to tell us early so we can change menus if we’ve got to take that product off.”

**LEEDS CITY COUNCIL**

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**Currently, resilience is not covered within procurement law. With the increasing importance of this aspect of our food system, how can regulation better support social, environmental and economic resilience into the future? This report recommends that resilience is built into procurement regulations to ensure a food system that can withstand, or at least cope better with adverse world circumstances.**

# Procurement and the institutional ecosystem

Procurement professionals sit not just within the context of the supply chain but also within their own organisational and institutional contexts. For example, our interviewees talk about having to work with the requirements of colleagues from a range of different departments, including catering, finance and in some cases sustainability. There are multiple pressures on organisations, and it is important to understand where procurement managers sit within their own institutional ecosystems in order to better understand where those points of intervention and change may come. For example, procurement units in NHS Trusts often reside within Finance departments, which triggers an over-emphasis of procurement staff on cost efficiency over other goals such as sustainability.

There is value in having an institutional strategy for sustainability in that it sets out a direction of travel for the entire business or organisation. This provides long-term ambitions that all management staff should incorporate into their decision making and should be supported in doing so.

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“ We’ve been really keen to find out what else is happening at the university and explore if there are ways to link up things, for example with Faculty and departmental sustainability forums. We have been trying to push sustainability as an agenda point and build it into tenders, but you can only do so much if you don’t have the buy in and resources in the departments that we’re working with. And it not just about resources to spend on what you’re procuring, it is also about the process of engaging with suppliers. From a tendering perspective if you are wanting to include local suppliers then you have got to be given the resource to engage and support them. Because often a local butcher, for instance, won’t have the skills to complete a tender like Brakes would for example.”

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The University of Leeds sets out its strategic ambition at an institutional level and provides a sustainability service which works with different teams across the university to embed sustainability into what they do. This service supports teams in the development of a bespoke 'Blueprint' which details ambitions, actions and milestones.

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“ I work with our sustainability group here, there's a big department and there's a couple of them working with our Blueprint to ensure that we're working towards our strategic aims ... we have milestones, so we've agreed what those might be. The Blueprint is a really good document. I'm also the lead for our services and the facilities directorate. So, for cleaning support services, and also sport and physical activity, and conferencing and print copy, we've all got a Blueprint and I'm managing these people to make sure that we're hitting what we've promised to achieve.”

#### UNIVERSITY OF LEEDS

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In large organisations there is value in developing a team which specialises in sustainability who can provide specialist advice and support and can keep on top of emerging ideas and approaches. In smaller organisations and businesses this can be challenging, time-consuming and it can be hard to know where to start as sustainability is complex with many different aspects to consider. Partnerships working with other organisations or with sustainability networks (such as the local Sustainable Food Places partnership) could offer alternative ways to get support and learn more about what others are doing in your locality.

# Money and cost are key drivers still

Reflecting our commodity-focused food system, cost is still a key driver on the way procurement contracts are awarded. In many cases, this is still public money and there are severe funding issues within much of the public sector.

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“ So traditionally our contracts could be 70:30, based on price, because it's quite price sensitive but within that 30%, there will be 300 marks [awarded], there might be 150 marks just on the product [quality, taste]. The other thing we're pushing for now is social value and so it's going to get to the stage where most of our quota questions are going to be around the product, the sustainability and can they add anything else around innovation or working with social groups in relation to their product.”

**LEEDS CITY COUNCIL**

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“ I think there's four key areas. We're just about to go to tender so that will help us. Clearly price, nutrition, because there are different standards for different foods. Quality, from the point of view, is it edible? And for sustainability, particularly around packaging, where has it come from, that sort of thing. Not all are more important than the others, other than clearly we can only buy what we can afford.”

**LEEDS TEACHING HOSPITALS**

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“ If we want to increase the weighting of sustainability in a tender we have to get more buy in from the different departments. When budgets are being cut sustainability can be seen as something that is adding to the cost, even though, if you look at the whole-life costing, or our social value impact, it is better for us to include sustainability and have it as a high weighting. Our hands are tied to a certain extent in terms of the influence we have, as it is a university or departmental matter to decide if we can weight sustainability as 15% rather than 2.5% or 5%. So, it's tender specific as to what the weighting sustainability is given but it is always included wherever we can.”

**LANCASTER UNIVERSITY**

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**Keeping costs down is important for ensuring access to a wide range of different economic backgrounds.**

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“ It's about cutting out the unnecessary layers of cost-to-serve and where we can gain those marginal benefits, that's what sets us apart from our competition. But it also means we can keep our prices slightly compressed by virtue of that, which protects our schools, which protects their budgets, which protects the parents from price increases on the meals.”

**LANCASHIRE CATERING SERVICE**

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**Procurement teams also use innovative methods for reducing costs which allows for greater flexibility in food purchasing.**

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“ Our key philosophy is not to have any [food waste]. We are one of the lowest food waste [producers], we're at 2-3%. Food waste has been important, not just by its very nature, but actually it's a factor driving increasing quality of our menus, if we're not throwing stuff away, we can buy stuff. It's what allowed us to move from frozen to jacket potatoes. It helped pay for some nice things, we do cakes for patients in the afternoons that a lot of places don't, and that's driven through [reductions in over purchasing].

**LEEDS TEACHING HOSPITALS**

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*“We’ve had a strategic approach to utilising the benefits of the service both in terms of adding benefit for our customers, so we have a mutually beneficial pricing policy, whereby the higher the meal uptake, the lower the meal charge.”*

**LANCASHIRE CATERING SERVICE**

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This highlights one of the clear conflicts which arises in our current food system. Food needs to be affordable, but it needs to be nutritious, produced sustainably and provide a secure livelihood to farmers and producers. Public procurement is often seen as a tool by which we can drive positive change in our food economy, but many of these institutions are faced with huge economic challenges. Beyond budgetary constraints, procurement teams in public sector organisations are constrained by sectoral policies and regulations (e.g. see the NHS procurement policy) emphasising standardisation and cost control; such regulatory requirements are, in many ways, incompatible with a sustainability agenda.

# Challenges with working with small producers

Challenges of working with small producers were acknowledged although many procurement teams were actively looking to support local SMEs. In fact, some felt that smaller, local producers could be more agile in their response to particular requests from the caterers. It is often said that one of the barriers for small-scale producers is that they struggle to meet the quantities required by large institutions. This point was highlighted by our interviewees along with the extra administrative burden and cost of working with lots of small suppliers.

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*The difficulty we have with smaller manufacturers or smaller growers is our volumes would outstrip their ability to supply”.*

**LANCASHIRE CATERING SERVICE**

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*We used a local company to supply our ice cream but the amount of individual due diligence that we have to do [is prohibitive]. We have our own Environmental Health adviser, they have to go through, do all the testing and all that sort of stuff, and sometimes for a turnover that we might buy from them of say £6-£10,000, in that situation it's that cost benefit we have to look at.”*

**LEEDS TEACHING HOSPITALS**

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Interviewees were supportive of working with co-operatives and partnerships of producers. The use of a single distributor which then works with a wide variety of local producers can often help reduce issues around administration and uncertainty of supply. It is key to ensure that this distributor works to the values associated with an institution's procurement strategy, including providing fair and ethical livelihoods to all in their supply chains.

Whilst procurement teams see themselves as having an enabling role in drawing more local SMEs into the supply chain, there was a recognition that they sit within a complex food system and might not be best placed to directly deal with the practicalities of establishing different supply chain models.

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“ We would really like to empower our suppliers to empower their supply chain behind them. They know what we want by virtue of the contracts that we advertise, and they know there is a requirement to engage within the local community because it's part of the tender scoring based on social value. We are quite prescriptive in that we expect our suppliers to be benefiting the locality, but it gets very messy if you circumnavigate the supplier and go direct to source, particularly when you're dealing with individuals who may not be that used to working in the same way as our distributor. So, we don't restrict cooperatives forming outside of contract to deliver to the contract, but we can't actually positively make that happen ourselves.”

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Sustainable food partnerships could play an important role in bringing together producers with similar ethics and values, as well as providing routes to access funding and expertise to manage the technology and logistics needed to supply keystone institutions.

At a national level, the approaches being developed by Crown Commercial Services and the Dynamic Food Procurement National Board will provide a framework and online technical platform for public sector food and drink procurement. Food from suppliers of all standards will be entered into the system but there will be a focus on local suppliers. In fact, the aim of the national board is to divert more than 33% of UK public sector food and drink spend to fresh, local produce from sustainable small and medium sized producers by 2023.

The DPS system takes away some of the logistical and administrative barriers but procurement staff still have the choice: they could order carrots from Lincolnshire or organic carrots from near Lancaster. In order to take advantage of this national approach, food partnerships and communities can take actions including:

- Ensuring suppliers aligned with the Sustainable Food Places values are listed on the service and are able to access the opportunity.
- Working with local institutions to demonstrate what the social, economic and environmental benefits are of selecting options which have higher standards.
- Working with local citizens and communities to increase pressure (and demand) on caterers to choose particular standards and types of food.

# Sustainability and the law

Interestingly there was only one reference in the interviews to where regulation might prohibit the procurement of local produce.

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“ Obviously, we work under Public Regulations 2015, so I can't say I want a grocery supplier from Yorkshire please. I can encourage it and if it is part of the contract, I can say we want a response within an hour, now that might push out certain organisations but it doesn't stop an organisation from the south or the north or wherever to relocate here. But we would always encourage local subcontractors. So, we do try and get as much of that as you're legally able to do. It's a non-commercial consideration, which means you can't award it on geographical location. What we have to do is find creative things to with that within the rules”

LEEDS CITY COUNCIL

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This reflects findings from [our recent assessment of regulations](#)<sup>10</sup> around public food procurement contracts. This study showed that neither UK nor EU procurement law actively mandates sustainability, but innovative approaches to sustainability are not necessarily restricted. Both UK and EU public procurement regulations allow certain flexibilities for the inclusion of sustainability criteria (e.g. environmental and labour standards, special treatment for SMEs) but this must be balanced with the regulatory requirements of equality of opportunity for suppliers, transparency of the process and relative value for money. Moreover, the regulation at UK level allows procurement teams additional flexibility in setting out a number of award criteria which are related to social and environmental sustainability. Supporting documentation includes guidelines and case studies that demonstrate different approaches to incorporating sustainability and social value criteria into contracts.

However, as ambitious sustainability criteria are not mandatory by law, uptake of this approach will predominantly be by organisations that hold – and act on – values around sustainability. It also requires procurement expertise with procurement staff needing time and skills to design bespoke contracts which promote sustainability whilst still meeting the other mandatory regulations. As the UK leaves the EU we call on parliament to enshrine principles of sustainability (environmental, social and economic) and resilience into public procurement law.

# What next?

## How do we realise the ambition for sustainable, resilient food procurement? And what role do we all play in making this happen?

We stand at a critical moment. COVID-19 has laid bare the fragility of our current approach to food supply chains, both in terms of distribution models but also in terms of access to food. Climate change threatens far greater disruption, and the food system has a huge role to play in both mitigating carbon emissions and adapting to become resilient to future shocks.

The UK has left the EU and will be re-examining laws around our national and international food system, as well as public procurement regulations and procedures. The UK government has commissioned a National Food Strategy,<sup>11</sup> which promised to take a holistic approach to food, but at the same time they are looking to pass an Agricultural Bill through the House of Commons which does not provide protection to UK producers. It currently does not set out ambitions for UK agriculture to produce healthy, sustainable food.

Although procurement teams are working to deliver on multiple objectives around cost, health, sustainability, the economics of the food system and the lack of regulatory steer on sustainability means that small-scale, sustainable food producers struggle to compete with the economies of scale.

A regenerative, nourishing food system demands bold action from policymakers to support smaller, locally rooted initiatives for food economies. In order to realise this vision, it is crucial that we have:

- Local food policies grounded in the principles of circularity, access and value as set out in our vision.
- Land-use planning that takes account of local preferences, environmental and nutritional needs.
- Action, backed by regulation, that supports procurement staff in using public money for public good which includes the provision of training and independent data around what sustainable, resilient food actually is.
- regional policy makers who embrace food as an essential stratum of creating zero-carbon, high-quality futures for their citizens.

Devolution is already underway in the UK, and trends suggest that we may continue to devolve power both to regions and to city authorities (such as elected mayors and wider district councils). This trend may need to be accompanied by new forms of regional government, such as regional food boards sitting above local food groups, staffed by food councillors for each neighbourhood. Food is still not given its own seat at the table when it comes to local government, responsibility for food matters often falls between health, economics, social care and tourism.

Policy making will need to become more sensitive and joined up. Food policy should be a partnership of healthy, environmental and economic priorities, rather than something siloed into different departments and, as result, ineffectually tackled. Regional institutions should play a far greater role with universities, hospitals and businesses using their buying power as a positive investment in their locality.

Simultaneously businesses, individuals and communities need improved access to resources that could be used to grow local food enterprises or projects so as to be able to meet increased demand for local sustainably produced food. This is why it is so necessary to approach the problems of our current food system through the creation of a cross-sector food vision for the future in which we all have a part to play.

## National Government

### **Design procurement regulation to deliver a better food system:**

Under current EU and UK regulation, environmental and social sustainability criteria are not mandatory and there is no requirement to consider resilience of the food being procured. As the UK leaves the EU we call upon the Government to enshrine principles of sustainability and resilience into public procurement law in ways which protect and enhance the environmental, social and economic value of our food system.

### **Increased transparency and accessibility of data around food supply chains and food businesses is needed to support more sustainable procurement practice.**

Whilst accreditation schemes are useful for recognising good practice, data about supply chain sustainability and ethics (positive and negative) for all food businesses supplying the public sector is essential to enable procurement teams to make informed choices that align with their social, environmental and economic values. This needs to be implemented in a way that supports small businesses in complying and does not restrict their access to the public procurement sector.

### **Provide long-term investment to support public sector food procurement:**

Public procurement is often seen as a tool by which we can drive positive change in our food economy, but many public sector institutions are faced with huge economic challenges. Investment in food procurement can bring long-term benefits in terms of supporting a more resilient local food economy. The government should invest in our public institutions, providing them with the funding needed to procure good food at a fair price.

# Anchor institutions and organisations

## **Embed sustainability at the core of operations to empower and support procurement staff.**

Where organisational leadership sets out strong ambitions on environmental and social sustainability, procurement staff are able to dedicate time to ensure tenders and contracts contribute towards these ambitions. In large organisations, there is value in having a sustainability team who can provide specialist advice and support and can keep on top of emerging ideas and approaches. More generally, there is a need to recognise the strategic role that the procurement function can play in bringing about positive change towards a more sustainable food supply system. In other words, procurement must be seen a lot more than an administrative function supporting cost-cutting exercises.

## **Build links with other organisations to share expertise and knowledge around sustainable food procurement.**

Decisions around sustainable food procurement are complex with many strands and ethics to consider. In addition, linking into the local food economy requires a good understanding of the local food business landscape. Look to collaborate with other institutions, organisations and procurement professionals to consolidate collective knowledge around local, sustainable food. The local Sustainable Food Places network may already convene a food procurement group which can be a place for sharing innovative ideas around procurement and a repository of knowledge around local, sustainable food businesses.

## **Use frameworks to guide food procurement principles.**

Useful guidelines around food sustainability are set out in both the UK's Balanced Scorecard for Public Food Procurement and EU Procurement Directives (and their environmental and social guidelines). These documents guide procurers in taking a holistic approach to food and in designing contracts to deliver benefits across multiple aspects of food. Accreditation schemes for caterers (such as the Soil Association's 'Food for Life') and accreditation schemes for producers (such as the 'Better Food Traders', Soil Association Organic, Linking Environment and Farming (LEAF) or Pasture for Life (PfLA) to name a few) can help to shape the values of your procurement strategy and identify producers who share these values.

Share stories about actions taken. Share and celebrate the steps taken to support local, sustainable food. This can both inspire change in other institutions in the area, and in the local community and the customers who access these food services. Food partnerships and the Sustainable Food Places network can be really valuable here in raising the profile of organisations who are taking innovative approaches to food procurement.

# Local Food Partnerships

**Convene a food procurement working group to facilitate collaboration and knowledge sharing between food procurement staff and local businesses.**

This can also be a route for sharing and celebrating examples of good practice in the local area.

**Look for opportunities to engage local sustainable food producers with local and national initiatives.**

There is activity happening at both local and national levels to support small-scale producers in accessing larger public sector contracts. A growing number of local authorities have community wealth building agendas and nationally Crown Commercial Services is trialling a procurement system which could remove some of the logistical and administrative barriers for SMEs. In order to maximise the opportunities for sustainable food businesses to benefit from these initiatives, food partnerships can:

- Ensure suppliers aligned with Sustainable Food Places values are listed on any centralised public procurement service.
- Work with local institutions to demonstrate what the social, economic and environmental benefits are of working with value-led producers with higher standards.
- Work with local communities to increase demand on caterers to choose food produced by local, sustainable food businesses.

**Grow the local food economy so that a wide range of local, sustainably produced food is available for procurement.**

Work with local authorities and enterprise services to develop support for new sustainable food entrepreneurs via vocational training and business planning, finance, development advice, support and/or grants.

**Take your values to work.**

Ask to see local and responsibly sourced food throughout your workplace and places of education.

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