



GOVERNMENT OFFICE
FOR LONDON



Report on Public Sector Food Procurement Initiative (PSFPI) Buyers and Suppliers Workshops



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Acronyms

Defra	Department of Food and Rural Affairs
Dfes	Department for Education and Skills
GOL	Government Office for London
NHS	National Health Service
PSFPI	Public Sector Food Procurement Initiative
OGC	Office for Government Commerce
HGV	Heavy Goods Vehicle
GDP	Gross Domestic Product
GLC	Greater London Council
LDA	London Development Agency
TED	Tenders Electronic Daily
ECS	Bradford Education Contract Services
SFP	Sustainable Food Procurement
LAA's	Local Area Agreements
AGAP	Ashlyn's Growers and Producers
PCT	Primary Care Trusts
CEO's	Chief Executive Officers
GOR's	Government Offices for the Regions
RCE	Regional Centre for Excellence
CPA	Comprehensive Performance Assessment
ALG	Association of Local Government
NHS PASA	NHS Purchasing and Supply Agency

Executive Summary

This report highlights the findings of the Government Office for London (GOL) Public Sector Food Procurement Initiative (PSFPI) events organised to consult with and train Public Sector Buyers' and small and medium sized Suppliers. The events were held in London during November 2005, they also served as a platform for the consultation on the draft London Food Strategy.

Department of Food and Rural Affairs (Defra) PSFPI is a national Defra policy initiative and each Government Region has been asked to deliver it within their region. Within England, the public sector spends £2bn on food and catering. The government aims to use this buying power to help deliver its Strategy for Sustainable Food and Farming, the aims of which are:

- Tackling increasing imports of food, fruit and vegetables
- Addressing low levels of food waste recycling (food waste which could be composted is being dumped into landfills instead of being recycled for farm manure)
- Reducing food waste (produce is rejected on site if it does not meet strict cosmetic requirements on shape and size)
- Minimising outbreaks of livestock disease and poor animal welfare
- Decreasing diet related illness and obesity
- Reducing vehicle emissions from food transportation
- Addressing the decline in farm income and reduced growth of small and medium sized suppliers

London has a unique food sector compared to that of the other English regions. Some of the challenges London faces include:

- A shortage of growing sites and the decline in knowledge about growing food.
- The need to address the negative implications of food processing and manufacturing.
- The lack of priority for food issues and therefore lack of effective support for the PSFPI.
- Lack of facilities for the preparation of food in public sector organisations.
- The need to develop stronger infrastructure for distributing food.

- Behaviour and attitudes of Londoners eating habits. A third of London's waste stream is food related. But there is a need to minimise food related waste (including that associated with packaging).
- Lack of capacity for food waste composting and recycling.

GOL held a workshop for Suppliers', Farmers, Growers and Caterers with the chance to learn about the opportunities to supply the public sector. This could be either directly or, indirectly through Primary Suppliers such as Wholesalers, Contract Caterers, and Regional Distributors. It also aimed to provide delegates with an understanding of the PSFPI, to deal with concerns about price, product quality, consistency and volumes of supply. The workshop successfully trained seven Suppliers from the dairy, catering and bakery sectors who we have since followed up with an assessment of needs required for practising the knowledge gained and delivering the PSFPI.

GOL also held a Buyers' workshops to encourage Public Sector Buyers to procure their food and catering services in a manner that promotes sustainable development and provides opportunities for Local Suppliers to compete for the business. It also introduced a Sustainable Food Procurement 'toolkit' on (CD-ROM). Twelve Buyers were successfully trained from the Metropolitan Police, Hospitals and some of the London Local Authorities. They have also since been followed up with a needs assessment exercise to assist them in implementing the knowledge gained.

This report goes on to highlight the suggestions gathered from the workshops on how some of its findings could be addressed. Suggestions include:

- Development of a joined-up approach to sustainable food procurement crosscutting key public sector bodies such as the National Health Service (NHS), Department for Education and Skills (Dfes), Department of Environment, Food and Rural Affairs (Defra), Office for Government Commerce (OGC) as well as the Local Authorities.
- Standardisation of existing assurance programmes and the development of local measures to help more sustainable food procurement in the public sector.
- Technical guidance and support for Procurement Officers from OGC on legal matters
- The need for continuation of the PSFPI to enable Public Sector organisations to build and consolidate further on the current achievements.
- GOL making links and working with key London Boroughs towards gaining knowledge in sustainable food issues and acquiring skills to face the various

challenges. These collaborations could develop key pilot schemes that would be used as future case studies that could be rolled out across other London Boroughs, used to draw on lessons learned etc. Linking producers and suppliers with London Borough Purchasers and looking at two key strands:

- Transportation logistics
 - Suppliers collaboration
-
- GOL hosting an e-forum which would serve as a facilitation route, to encourage information sharing and collaboration between Buyers and Suppliers, Suppliers and Suppliers, Buyers and Buyers alike;
 - GOL will be making links with Sustain and ensuring PSFPI tools and expertise play into in the second phase of the Hospital Food project¹, to draw on the lessons learned from the first phase of this work, with the intention of rolling out the initiative in other areas

¹http://www.sustainweb.org/hospital_index.asp

Background to Food Procurement in London

Over the past decade, implications of how London sources its food have become more apparent. The need to reduce the environmental impact of food procurement and the need for a London wide Food Strategy have generated an increasing amount of attention in the public and private sectors alike. Productivity of UK farming in the 1970s was above the EU average, but is now below the top performing EU countries in all the main farming sectors.

Approximately four-fifths of the food eaten by Londoners is imported from abroad despite its surrounding productive countryside.

- Food transport now accounts for 25% of all Heavy Goods Vehicle (HGV) kilometres in the UK, and consumers travel an average of 136 miles each year by car to shop for food. Since 1974 the quantity of food transported by HGV's has doubled.²

Farm incomes declined rapidly between 1995 and 2000 to an all time low, and as a result private financiers are no longer interested in investing in the sector. This leaves farming investment dependent on Government budgets or European grants. Compounded years of low income have led to a lack of investment. Productivity performance in the UK's food processing sector is lagging behind many of our European competitors.

The UK population is consuming high levels of fatty and sugary foods and smaller quantities of fruit and vegetables. The population is becoming more unhealthy and unfit.

- In 1995, approximately 13% of men and 16% of women were obese and it was predicted that by 2005, if the trend continued, 25% of women would be obese. (Department of Health, 1995). By 1998, 19% of adults in England were obese. More women than men were obese – 21% of women compared to 17% of men.³

Many of these people diets are influenced by cheap shelf prices, the convenience of ready prepared food and lack of cooking skills.

² <http://www.defra.gov.uk/news/latest/2005/food-0715.htm>

³ http://www.nao.org.uk/publications/nao_reports/00-01/0001220.pdf

- Diet-related ill health such as obesity, cardiac and respiratory disease cost the NHS at least £2.5 billion each year.⁴

There is a need to reconnect consumers with their local economy through the provision of locally grown food. Supplies to the city's supermarkets are imported from outside the region and hence the local economy is subject to market forces dictated by other regions.

- In 1995, the UK imported £17,776 million worth of agricultural produce and manufactured food and by 2004 imports rose by 31% to £23,447 million⁵. In 2002, as much as 80% of London's food was imported from overseas (City Limits, 2002).
- London households produced 3,301 thousand tonnes of waste in 2004-05, of this 17.5% was recycled⁶ (Capitalwastefacts, 2006). Up to 50% of households waste could be recycled (Open University, 1993).
- The nutrient content of soil is on the decline, in 2002 the Environment Agency (EA) valued the cost of soil damage due to erosion, contamination, nutrient depletion e.t.c at £264 million⁷. If food waste is composted and added to the soil, it will enhance the soil structure and improve the nutrient content.
- The UK outbreak of Foot and Mouth disease in 2001 lead to a slow down in tourism, agriculture and general economic activity in rural UK. Following this, Sir Don Curry was commissioned to review the situation and hence to make recommendations for a sustainable food and farming system.

The health and welfare of farm animals significantly influence the efficiency and profitability of livestock production. Disease outbreak has impact on public health, livestock farming and the wider economy.

⁴ <http://www.defra.gov.uk/farm/sustain/fiss/fiss-ria.pdf>

⁵ <http://www.uktradeinfo.com/freedata/IndAnn04.xls?>

⁶ <http://www.capitalwastefacts.com/LondonFacts/LondonFactFile/tabid/56/Default.aspx>

⁷ Agricultural and Natural resources: Benefits Cost and Potential Solutions, Environment Agency 2002

Public Sector Food Procurement Initiative (PSFPI)

The public sector in England spends £2 billion on food and catering services. The Government aims to capitalise on the potential of this buying power to help deliver its Strategy for Sustainable Farming and Food in England. That is, to deliver a world-class sustainable farming and food sector that contributes to a better environment and healthier and prosperous communities.

The Public Sector Food Procurement Initiative (PSFPI)⁸ was commissioned by the Prime Minister and launched by the Farming Minister Lord Whitty on 26 August 2003. It has five priority objectives:

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

The benefits of these objectives are:

- more sustainable UK rural local economies
- more competitive small and medium sized suppliers
- improved animal welfare
- healthier and better performing students and workforce
- a more sustainable environment
- savings from minimising waste
- reduced hospital stays
- greater choice for ethnic and religious groups

The objectives for the PSFPI in London reflect London's unique status and differ from those of the other English regions. These include:

- London as an urban metropolis with farming contributing only 0.25% to its GDP

⁸ <http://www.defra.gov.uk/farm/sustain/procurement/index.htm>

- Access and affordability of nutritious food in the city
- The environmental consequences of how its food is transported
- Rise in diet related illness

Wider Context to London's Food System

In 1986, the Greater London Council (GLC) was abolished, an implication of this was that London was left without strategic food policy. The Mayor of London Ken Livingstone in November 2003 set up 'London Food', a body to address food issues in London, specifically to help improve the health of Londoners and look at ways of making London's food more sustainable, its first step was to deliver a food strategy for London.

London Food is chaired by London Assembly Member, Jenny Jones and co-ordinated by the London Development Agency (LDA). It brings together leading figures from the food industry, agriculture, community groups and Government.

In the words of Ken Livingstone, 'Londoners are more aware than ever of the importance of good food and diet. However, there are still major barriers to food access for many. I have set up this body to create practical schemes to enable people on low incomes to get access to healthy and affordable food, and get better quality food into London's schools and hospitals. I'm sure that Jenny Jones and the Board of London Food will make sure the environmental aspects of food are taken very seriously.'

The body has since been looking at ways to maximise the potential of the food sector in the capital and at a number of food-related issues, such as:

- Reducing the level of pollution and waste caused by the production and distribution of food around London.
- Helping people on low incomes get access to healthy and affordable food.
- Increasing the amount of food sold in London produced from farms surrounding the capital – 80% of the food currently consumed in London is imported from overseas, even though much of it is available in season from the UK.
- Increasing the efficiency of the supply chain between regional producers and London food companies to enable them to compete more effectively.

- Developing better infrastructure to better support regional food producers to access London markets.
- Promoting regional food events, as well as the wide range of ethnic foods available.
- Helping improve quality of food in London schools, hospitals and other public sector organisations.

In an attempt to achieve the goals set for London's food sector and the inhabitants of London as a whole, London Food in collaboration with key stakeholders like the LDA, GOL and Defra have embarked on a number of reports including:

- **Local Economic Impact of Street Produce and Farmers' Markets:** Examining the contributions that street and farmer markets in London make to the economy, with a focus on their role.
- **Sustainable Food Procurement for London's schools:** Studies school food looking at childhood obesity, school diets and sustainability issues.
- **Better food for London - Draft Food Strategy:** A Sustainable Food and Farming Strategy for London, which is due to be launched in early summer 2006.
- **Sustainable Food Logistics Centre in London:** exploring the potential for a "Food distribution centre" for London to facilitate a more sustainable food supply.

They are currently working towards healthier and more sustainable food for the Olympics in 2012.

Background and workshop objectives

In line to deliver the PSFPI in London, GOL organised a Buyers' workshop on the 17th of November, a Suppliers' workshop and a Buyers' meet Suppliers' reception on the 29th of November all at Broadway House, London.

	Buyers Workshop	Suppliers workshop
Date	17 th of November 2005	29 th of November 2005
Venue	Broadway House, Tothill Street, London SW1 9NQ	Broadway House, Tothill Street, London SW1 9NQ
Target	Public Sector Procurers of food and catering services	Small/Medium suppliers in London, South East and East England
Objectives	To encourage Public Sector bodies to procure their food and catering services in a manner that promotes sustainable development and provides opportunities for more local Suppliers to compete for business	To provide an understanding of doing business with the Public Sector, especially London.
Outline	<ul style="list-style-type: none"> • Developing the business and sustainability case • Working within UK Public Procurement Policy and the Legal Framework • Key Elements of Specifications for Food Procurement • Introduction to the Catering Toolkit • Sharing Examples of Good Practice • The costs of sustainable procurement • Developing an Action Plan • London Food Strategy its role in future developments 	<ul style="list-style-type: none"> • Simplify the tender process • Public sector opportunities online on Tenders Electronic Daily • Introduction to wholesalers and contract caterers • Identifying the market, meeting requirements, initial approaches • Effective supply chains and overcoming problems of distribution • Legal requirements • Opportunities to work collaboratively • Successful case studies • Sources of information and practical help

Outcomes of the Workshops

The workshops presented the Defra catering services and food procurement Toolkit⁹, an understanding of the Public Sector Food Procurement Initiative (PSFPI) and dealt with concerns about price, product quality and consistency and volumes of supply in order to increase the participants understanding of how PSFPI can be used in the context of sustainable food procurement. The Workshops highlighted effective approaches to the tender process and contract management, as well as challenges, best practice and lessons learned. Forty-nine participants attended both the Buyers and Suppliers' workshops. They included Public Sector Procurement Policy Makers, Suppliers, and potential Suppliers of food to the Public Sector, experts from support organisations as well as Observers and other Government Office region officials. In all, 14 public sector Buyers from 12 different organisations from the Public Sector attended the Buyers' workshop and Suppliers from sectors (dairy, fair-trade, catering and organic farming) attended the Suppliers' workshop.

The Buyer's workshop highlighted effective practices to encourage Public Sector bodies to procure their food and catering services in a manner that promotes sustainable development and provides opportunities for more Local Suppliers to compete for business. It included discussions on developing the business and sustainability case, working within UK public procurement policy and the legal framework, key elements of specifications for food procurement case studies and sharing examples of good practice and the costs of sustainable procurement. It was a practical day with real know-how, discussion of the main issues with other officials in the Public Sector in similar roles and an excellent introduction to the Sustainable Food Procurement 'toolkit' on CD-ROM. The Workshop was tailored to meet delegates' needs by asking them to complete pre-workshop questionnaires about their experience of sustainable food procurement and what they identified as the issues.

The Supplier's workshop focused on the opportunities open to producers to supply the Public Sector either directly or indirectly through Primary Suppliers such as Wholesalers, Contract Caterers, Regional Distributors and local Butchers. It provided delegates with an understanding of the PSFPI, how to do business with the Public Sector and Primary Suppliers; dealing with concerns about price, product quality and consistency and volumes of supply. It discussed simplifying the tender process how and where to make an impact, how

⁹ <http://www.defra.gov.uk/farm/sustain/procurement/toolkit.htm>

to look for public sector opportunities online on Tenders Electronic Daily (TED), tips on identifying the market, meeting requirements, initial approaches, tapping into effective supply chains and overcoming problems of distribution, legal requirements - key do's and don'ts and an opportunities to work collaboratively.

The experiences from case studies such as the **Royal Brompton Hospital** and **Bradford Education Contract Services (ECS)** were used to highlight difficulties and challenges.

The Royal Brompton Hospital¹⁰, worked with London Food Link, initially focussing on reducing waste to free up their food procurement budget, for example, reducing milk and other wastage. They now use smaller seasonal apples that are cheaper because they are not 'cosmetically desirable' and more seasonal produce, which has helped the hospital to keep within budget.

Bradford Education Contract Services (ECS)¹¹ serve 200 schools about 45,000 meals a day. As a result of shifting to more sustainable sourcing, they have made savings of £30,000 on their food-spending budget of £250,000. These were generated as a result of savings on transport costs and moving from specially processed frozen meat to fresh meat sourced locally. All savings have been put back into the food budget.

This was followed by more focused discussions in breakout sessions. In advance of the workshop, a questionnaire was sent to all delegates to collect data on their experiences and identify issues of interest or concern.

Workshop discussions

A Sustainable Food Procurement (SFP) approach that it is not only about people but also the environment and economy was discussed. It was agreed that:

- It is important to recognise and work with small growers to reduce impact on the environment.
- Produce more sustainably and dispose responsibly.

Similarly, working with small growers:

¹⁰ <http://www.defra.gov.uk/farm/sustain/procurement/nationalconference/pdf/050307-amplenary.pdf>

¹¹ <http://www.defra.gov.uk/farm/sustain/procurement/casestudies/bs-ecs.htm>

- Reduces the cost of distribution and the level of carbon emissions.

In doing this, the extra cost in one area could be passed on as a saving in another. The example of hospitals being able to save on the cost of shorter stays because of providing healthier diets was then cited.

Buyers from the Public Sector however raised the issue that there were constraints associated with working with Small/Medium Suppliers, as they often need to purchase in large quantities and Suppliers are often unable to meet demand. They pointed out that:

- Many small contracts would increase administrative workload, making the procurement process harder to manage and in some cases more expensive to administer.

In response to this an opportunity for:

- Small Suppliers to coordinated into cooperatives that are able to work together to meet bigger targets than they could have individually identified.

Most of the Buyers' and Suppliers' were unaware of any existing arrangements. One dairy Supplier stated his organisation was operating a system where they used the services of local farmers to service their regional National NHS and school contracts and were confident that the system was viable and workable.

The Defra Catering Toolkit was introduced as an evolving document and delegates were invited to put forward suggestions and comments. It was referred to as a useful guide for both Suppliers and Buyers: helping Suppliers understand expectations incorporating PSFPI into contracts and providing a scoring scheme for Buyers. None of the Buyers or Suppliers at the workshop was aware of the Toolkit. A general view of the Buyers was that it would be difficult to single handily sell the concept of the Toolkit to their organisations and that they would appreciate mechanisms to aid this cause. They also raised the fact that most of their contracts were drawn up on a long-term basis i.e. (Normally 5 years or more) which made change difficult to implement and that legislation did not support changes that were

beneficial. One of the Buyers present agreed that this was true and said their organisation was writing contracts to address the issue of SFP and working with Suppliers to negotiate changes to the existing contracts. They also pointed out that they had adapted an approach of stronger relationship management on their part as Buyers and given their Suppliers a similar opportunity. This approach to their contract management was improving business relationship and was a very strong tool for achieving beneficial changes in the absence of legislation.

The Buyers and Suppliers agreed that in order for the PSFPI to work, it was important that everyone in the supply chain to take account of the Toolkit in their operations. Delegates raised the point that the existing Toolkit did not consider the issue of packaging within its scoring system. In response to this, it was suggested that contract conditions could be used for setting such specifications. Delegates welcomed the use of the Toolkit as a step in the right direction but emphasised that there will be a need for additional support from Defra to provide help and support using it.

Public Sector Buyers were advised that to encourage the use of locally grown foods within contracts, they should state seasonality, freshness and delivery time within contracts, as stating 'British' or 'Local' would go against EU regulation. This would mean food supplies are:

- Fresher and healthier
- Deliver benefits to the local economy
- Cost savings could be made
- Community morale increases
- Less environmental pollution

However, to do this the benefits need to be understood and communicated within the Public Sector to help Procurement Managers amend their current practice. There is a need for better research data that helps establish the real costs and benefits of 'sustainability' that can be presented in the language understood by Managers. The group unanimously agreed that Public Sector Managers might have different priorities and agendas to deliver within budgetary constraints. Therefore, to deliver SFP effectively, it would have to become a strategic priority and key policy aim for the organisation. There was concern that the aims of

PSFPI needed further support such as a legislative framework to support Procurement Officers.

A Supplier suggested that the development of a Borough level food strategy on procurement was a good first step to approaching the establishment of Borough level food procurement policy. It was suggested that contacting the Operations Director for Catering would be a starting point for this and Government Offices would be able to offer assistance. Local Area Agreements (LAA's) also offer an opportunity to encourage better quality food into hospitals and schools.

In addition, delegates reviewed what they are currently in a position to do, what difficulties they perceive and what support is needed to enable sustainable food procurement. The following key issues were highlighted.

Suggested Steps to Delegates

- Review tender specification, to specify food assurance programmes e.g. 'Red Tractor'¹²
- Ask how sustainability is specified within contracts
- Introduce food policy or review existing food policy
- Raise awareness and work with small to medium sized enterprises and local growers to help build capacity and develop an understanding of the importance of 'quality standards'
- Establish two-way communication with existing suppliers to incorporate and achieve sustainability requirements at the outset. Free up resources to review procurement and create benchmarks
- Draw up a business case for Sustainable Food procurement
- Talk to local purchasing consortiums e.g. Ashlyn's Organic Farm, this small Producer/Supplier is moving into a wholesale role. Ashlyn's Growers and Producers (AGAP) is a supply co-operative, which Ashlyn's has established to draw on products from up to 50 Producers and other Suppliers.
- Revisit specifications in order to amend and recommend initiatives

¹² <http://www.littleredtractor.org.uk/>

- Review information received on SFP and incorporate where appropriate into pending tenders
- Report back on information gained today to their organisations

Challenges

- Introducing new items to the consumer, and their ability to change will depend to some degree on their level of awareness and the choices offered
- Budget constraints
- Re-evaluating the existing system and what can be achieved
- Achieving the support of all stakeholders and resources needed
- Addressing affordability
- Raising awareness of sustainable food procurement
- Continuity of the supply chain from small and local Growers
- Gaining more political support
- Persuading more Public Sector clients to embrace sustainable food procurement where there are cost concerns
- Greater understanding of the complexities and needs of Local Authorities

Help needed

- Attracting additional funding to enable SFP
- Convincing Managers to value the Defra Catering Toolkit
- Generating more mandatory support
- Mandatory labelling for easy identification of the 'sustainability' of products
- Technical specifications on meat products
- Training in sustainable procurement
- Building political awareness
- Utilising support and advice from the Office of Government Commerce (OGC) on legal matters
- Help Supplier's identify how they can influence food packaging
- Clarification and standardisation of definitions such as 'Quality' and 'Fresh'

- More help on routes to the Public Sector market
- Suppliers and Producers collaboration through systems that ensure good communication to take the cooperation forward
- Increased support from stakeholders, including the Primary Care Trusts (PCT)
- Influencing clients view on SPF
- Future support from other organisations e.g. the Soil Association, Sustain, London Food Link
- Understanding the complexities of sustainable procurement
- Maintaining links developed with support agencies at the workshop
- Promoting the use of local contractors

Suggestions from the PSFPI workshop

1.

- It is clear that the majority of Local Suppliers and Growers need to collaborate in working through the supply chain and treat cooperatives with a degree of scepticism. The reasons for lack of collaboration
 - Lack of forums
 - Low level of awareness of the benefits of opening supply chains
 - A fear of loss of independence

We suggest there is a need for a PSFPI database consisting of PSFPI registered Buyers and Suppliers to enable access. It could also host campaigns and raise awareness including the benefits of co-operative supply arrangements, promote the formation of groups through the provision of legal and financial support from agencies. For example, by highlighting case studies like Ashlyn's Organic Farm and Medina Foodservice Ltd¹³, which provide good examples of the benefits of collaboration.

¹³ www.medinafs.co.uk

2.

- There is a clear indication that Procurement Officers are finding it difficult to promote sustainable food procurement at the top and across their organisations. There is a consensus that cost increase from SFP is a barrier.

We suggest that DEFRA help promote a crosscutting approach across the public sector that recognises the benefits of sustainable food procurement in financial terms, and that can be presented in the language familiar to Chief Executive Officers (CEO's), e.g. through breakfast meetings e.t.c. This approach is currently under trial by Government Office for Yorkshire and Humberside. We recommend that Defra makes environmental reporting mandatory instead of the current voluntary approach, which does not impel the public sector organisation to produce environmental reports. Case studies of public sector organisations that are currently producing environmental reports should be disseminated as examples of best practice. This could help address the fear that targets are unattainable and help in sharing information. The LAA's can be used as a vehicle for promoting SFP.

3.

- There is lack of a uniform and consistent specification for good SFP standard in the UK or one that is recognised Europe wide and this leads to a lack of clarity and confusion as to what Buyers and Suppliers should specify.

We suggest there is a need to link up specification standards to form one clear standard, coordinated by one body which has UK national recognition this could be proposed as an EU wide standard to help counteract existing confusion faced by both Buyers and Suppliers e.g. By Government Departments and Regulators working together towards a standardised specification.

4.

- To date we have not been able to engage with the Regional Centre for Excellence (RCE) in the delivery of the PSFPI and food procurement has not been included as an existing priority area for the Centre.

We suggest that Defra should provide additional support to the Government Offices for the Regions (GOR's) to push the PSFPI agenda on to the regions agenda as only a couple of the GOR's are receiving technical and / or financial support from their RCE's and tie any Defra funding to RCE's to delivery of the PSFPI .

5.

- Buyers from the Public Sector are constrained from working with Small/Medium Suppliers, as they often need guaranteed large quantities of goods which these Suppliers may not be able to maintain making the procurement process harder to manage and in some cases more expensive.

We suggest a feasibility study into the concept of a regional food distribution centre, which would consolidate the individual output of small Suppliers into a pool for redistribution. It could act as a collection point as well as for other food uses.

6.

- That there is currently no policy or legislation, which obliges the Public Sector to procure sustainable food.

We suggest that Defra sets Public Sector organisations a non-obligatory year on year percentage increase target for sustainable food procurement which could be managed through LAA's and Comprehensive Performance Assessment (CPA).

Suggested practical recommendations and Next steps

There are factors that will help create a conducive and flourishing environment within the Public Sector for sustainable food procurement. The various GOR's are working on these matters as effective local action makes important contributions to meeting local needs and would help meet the national target.

The following are some of the key suggested recommendations:

- The public sector bodies such as NHS, DfES, Defra, OGC as well as Local Authorities through joined up working can make important contributions to progressing sustainable food procurement. It is suggested that guidance for each of these agencies would help in setting out the opportunities and how they can help deliver the PSFPI at a national and organisational level.
- Stakeholders need to be able to measure progress towards sustainable food procurement, so as to be able to monitor and evaluate progress. This requires a system of benchmarks and indicators clearly measurable and understandable locally. Such as helping with year on year percentage increase quotas for fresh and seasonal food in public sector agencies.
- There is a need for training and support packs that help to build guidance and support for Procurement Officers.

It takes time to change buying and supplying habits. Local Authority Buyers might need to plan two years ahead of contract renewal to incorporate the principles of the PSFPI into their practice. They need appropriate ongoing support to utilise the training received through the workshops. This makes the role of GOL or another regional agent a multi-year one, rather than a shorter one.

- The behaviour of the Public Sector delivers powerful messages to the Private Sector and citizens. The Public Sector needs to raise the profile of examples of good practice of sustainable food procurement from Public Sector agencies.

Conclusion

The PSFPI workshops were welcomed by the Suppliers and Buyers who attended and served as a useful manner of gathering information on the issues surrounding the PSFPI in the region, as well as a means of training Buyers and Suppliers on sustainable food procurement.

It is however clear that amongst Public Sector Buyers and the Suppliers in London

- There is an understanding of and the need for SFP
- There is a drive and willingness to support SFP
- There are existing examples of good practice, which could be used as resources to develop SFP.

However to capitalise on these benefits key barriers need to be addressed

- The interpretation of “best value” as “lowest price”
- Public Sector Buyers and Suppliers need to work towards the same objective of SFP
supply chains need to be opened through collaboration and suppliers cooperatives
- Technical support and information on tendering need to be made readily available and accessible to both Public Sector Buyers and Suppliers.

GOL has a part to play, by building support to help with the practicalities of meeting Buyers needs through building Suppliers capacity to meet these needs. The information gathered by GOL through the workshops provides a greater understanding of both Public Sector Buyers and Suppliers needs in the region and would provide guidance for the PSFPI next steps.

Stepwise Programme for Roll-out of PSFPI in London

- I. We are carrying out a 'Needs Assessment' to identify resources, strength, weakness and gaps, which would affect the further delivery of the PSFPI in London. A panel of 12 people consisting of Suppliers, Producers, Buyers and intermediary organisations, supporting sustainable procurement were interviewed during the collation of data for the report.
- II. We aim to work towards a buy-in to the PSFPI by local authorities (LA's) through the support and collaboration of key partners e.g. Association of Local Government (ALG).
- III. We are working to identify LA's that are in a position to work in collaboration with GOL and it's keystone holders and partners e.g. Defra, NHS PASA, Sustain towards becoming pilot scheme, which would be used as model for rolling out the PSFPI across the public sector in London.
- IV. We are in the process of testing an E-Forum which will enable Buyers, Suppliers and relevant key stakeholders share and exchange information.
- V. We aim to provide on ongoing basis workshops, training and technical assistance in collaboration with other key stakeholder as the need arises. These events will be dependent on funding provided by Defra.

Annex I: Wider Picture of London Food Strategy

In the world today, London being no exception, food procurement is competing with health, education and regeneration etc for resources. The London Food Strategy proposes practical action that matches these constraints in an attempt to reconcile and provide a joined up solution for London. In order to achieve the vision of London as a world-class sustainable city, in line with the London Plan by 2026.

The London Food Strategy has identified six priority areas:

- Supporting a strong economy
- Involving consumers and helping them to improve their diets
- Improving food purchasing in the public and private sectors
- Developing stronger links between regional and UK producers and London market
- Creating healthy schools
- Reducing waste

These six priority areas incorporate the Mayor of London's cross cutting responsibilities of health, sustainable development and equality. The Public Consultation on the draft of London Food Strategy ended on the 7th of December 2005 and a final strategy will be published early summer 2006. Its findings will produce a summary of the food issues and how they pertain to London and its inhabitants while taking into consideration the needs of the various black and minority ethnic groups in London consulted during the process leading to the implementation stage of the strategy.

The consultation mapped out what was happening on the ground in order to offer a range of solutions on all the issues identified and these are tabulated below.

CONCERNS / ISSUES	COMMENTS
Primary production	There were concerns raised in relation to the issue of individuals and growing food. These included a shortage of sites and space and lack of knowledge about growing. Raising the need for more allotments and growing space, and more support

	for allotments.
Processing and manufacturing	The lack of focus on the food processing and food manufacturing sectors poses the need for the strategy to take action to address negative health and environmental implications of processed food, such as high salt and sugar content as well as a need to endorse a standardized UK production standard.
Transport, storage and distribution	A major issue arising on this area is the need to develop a stronger infrastructure for distributing food outside the supermarket systems. This links in with proposals put forward by ‘London Food’ for the idea of a food distribution hub, which is currently under review.
Food retail	The strategy would have to aim to address lobbying power of the fast food industry, and related advertising and the lack of capability of Small and Medium Suppliers to compete against the dominance of the larger market player. Food access also arose as an issue and the London Food Board are currently looking at measures to access the actual extent of the issue.
Purchasing food	On the issue of food procurement, the London Food Strategy joins up with Defra’s PSFPI to address the existing lack of funding, absence of food priority issue, lack of effective support for public sector procurement, and the drive for lowest cost tenders.
Food preparation, storage and cooking	A key task for the London Food Strategy is improving school food, which is predominantly a result of the lack of facilities and kitchens for preparing food in schools and a general lack and steady loss of cooking amongst Londoners. The sector is also highly affected by low pay, a problem of low status being assigned to catering

	staff, and a challenge of providing training for these staff.
Eating and consumption	The London Food Strategy aims to drive changes in people's behaviour and consumption in a manner, which is not perceived as that of a nanny state. Through addressing the potential lack of education, knowledge, awareness and understanding by consumers about healthy eating while taking in to consideration the difficulties in changing habits and perceptions, and winning people over to new ways of eating.
Disposal	The London Food Strategy aims to address the existing lack of capacity to recycle and compost food waste. It also looks at the problem of packaging with a view of engaging producers and consumers changing consumer behaviour through education and information. Supported by organisations such as Envirowise.

Annex II: Results from the consultation on the draft London Food Strategy

Delegates at both the Buyers and Suppliers workshops were consulted on the London Food Strategy, and the following points were raised and fed into the formal public consultation process.

Barriers to buying local, organic and fair-trade food

The most commonly reported barrier was cost, followed by problems with availability, e.g. consistency of supply, amounts of food available and difficulties with maintaining regular deliveries. Some of the other barriers reported were:

- Not knowing how and where to find local Suppliers
- Lack of time to identify supplies/Suppliers
- Confusion and lack of clarity surrounding terms used to define quality e.g. organic, freshness
- The inability to directly influence what is bought because of organisational policy of buying through a central unit

Barriers to supplying the Public sector

Suppliers reported that a lack of an understanding of the tendering process used by Public Sector organisations and time implications associated with it was a barrier. Other barriers included

- Capacity as small businesses and the challenge it posed in reaching public sector Buyers

It was a general notion that small Suppliers did not have access to the Buyer in the public sector and that there was insufficient information provided on how small Suppliers could collaborate to access Public Sector contracts.

Barriers to supplying and buying sustainable food

Public Sector Buyers raised the point that there was a general perception that sustainable food was expensive and did not have the necessary budgetary support from their management as there could be a conflict with the £21.5bn Gershon efficiency target. On the other hand, Suppliers were of the opinion that the Public Sector was not willing to pay the real cost of sustainably sourced food and hence invested their resources in, market which they believed, would be willing to pay for the goods.

Summary of evidence from the consultation on the draft London food Strategy

The Buyers and Suppliers identified the following key barriers to buying and selling sustainable food:

- The main barrier expressed was cost and the general perception of the cost of sustainable food in terms of public sector budgetary constraints.
- Another major issue was that Buyers lack information on the route to markets and lacked the necessary support due to their limited capacity and time constraints.
- Small and Medium Suppliers raised the lack of fair competition in the market place, which hindered their ability to sell to the public sector.
- Both Buyers and Suppliers raised the issue that there was generally a lack of adequate facilities to establish trading links and contacts.

Annex III: Delegates at Suppliers Workshop

First Name	Surname	Organisation
Anthony	Davison	Bigbarn
Charlotte	Jarman	AgroFair UK
Gary	Stoke	Ashlyns Organic Farm
Jason	Gathorne-Hardy	Alde Valley Foods
Jeff	Gilbert	The Celtic Bakers
Jenny	Usher	Jenny Usher Organics
Patricia	Obichukwu	Nkem Enterprise Ltd
Paul	Spencer	Chegworth Valley Juices
Paul	Wiggett	Dairy Crest
Toks	Mumis	Jolloffe Afro Caribbean Restaurant
SPEAKERS AND SPECIALIST		
First Name	Surname	Organisation
Alice	Elliott	Sustain/London Food Link
Emma	Hockeridge	Sustain/London Food Link
Fay	Blair	Global 2 Local
Helmut	Lusser	Global 2 Local
Michael	Holmes	Farmline.com
Roger	Sheard	Bradford Education Catering Services
Roger	Petty	Department for Environment Food and Rural Affairs (Defra)
Stuart	Thomson	English Farming and Food Partnership
GOVERNMENT OFFICE		
First Name	Surname	Organisation
Nick	Carr	Government Office East England
Penny	Bramwell	Government Office for London
Stephen	Taiwo	Government Office for London
OBSERVER		
First Name	Surname	Organisation
Maureen	Murray	Scribe

Annex IV: Delegates at Buyers Workshop

First Name	Surname	Organisation
Shirley	Martin	Metropolitan Police
Sharon	Jarvis	LB Enfield
Derek	Pestell	LB Westminster
Brian	Carter	LB Westminster
Pauline	Fothergill	LB Hounslow
John	Greenhalgh	St George's Hospital
Yogini	Patel	LB Brent
Gerrish	Marion	SW London NHS
Shena	Aitkenhead	LB Haringey
Amanda	de Swarte	LB Haringey
Ian	Milner	Metropolitan Police
Maurice	Campbell	Metropolitan Police
Ian	Jones	Westminster PCT
SPEAKERS AND SPECIALIST		
First Name	Surname	Organisation
Fay	Blair	Global 2 Local
Roger	Petty	Department for Environment Food and Rural Affairs (Defra)
Joy	Carey	Soil Association
Mike	Duckett	Royal Brompton Hospital
Katherine	Adams	London Borough of Camden
Ben	Reynolds	Sustain/London Food Link
Kate	Bowie	Sustain/London Food Link
Charlotte	Spencer	Office of Government Commerce
GOVERNMENT OFFICE		
First Name	Surname	Organisation
Sally	Stephens	Government Office South-East England
Kiran	Grover-Hesselgren	Government Office for London
Penny	Bramwell	Government Office for London
Stephen	Taiwo	Government Office for London
OBSERVER		
First Name	Surname	Organisation
Maureen	Murray	Scribe