



What would a transformational
approach to **Food Public
Procurement**

look like?



Food public procurement as a lever for food systems transformation

This report presents a case study on food public procurement (FPP), examined through the lens of food system transformation. It was produced as part of a project to explore policy levers for food systems transformation commissioned by the UKRI Transforming the UK Food System programme, by Kelly Parsons and David Barling from the University of Hertfordshire Food Systems and Policy Research Group. The main report from that project: *Food Systems Transformation: What's in the Policy Toolbox* is available at: www.foodsecurity.ac.uk/research/foodsystems-spf/outputs/

The case study was developed by applying a 'food systems approach' to the policy lever of FPP to explore its potential role in food system transformation. The report describes:

What the lever FPP is, and its relation to policy

Who makes FPP policy, using the example of England

Which food system activities FPP could transform

Which food system outcomes FPP could transform

Food system synergies and trade-offs related to FPP

Examples of FPP innovation from around the world

How this lever is connected to other policy levers

It draws together these findings to propose an ideal-type model for food public procurement in a healthy and sustainable food system, where FPP is supported by a package of complimentary policy measures to maximise its transformative potential.



What is this food system lever?

The term public procurement refers to the goods and services bought by governments with public money. This includes the purchase of food for provision in organisations such as schools, hospitals and care homes, prisons, and government offices. The term 'anchor institutions' is increasingly used to describe these organisations, extending the definition to encompass universities and similar organisations which are not directly public sector but serve significant levels of food and make a strategic contribution to the local economy.

Public sector procurement represents a considerable cost to governments: for example, for all goods and services it represents 13 to 20 per cent of gross domestic product in OECD countries³; and on food procurement specifically, £2.4 billion is spent annually in the UK equating to 5.5 per cent of total food sales⁴. As such, most, if not all, governments have a policy on procurement and many will have a policy on food procurement specifically. These policies may involve a range of measures including framework policies, regulations, finance, and skills/knowledge training.



Who makes food public procurement policy? A UK case study

Policy on food procurement can cross multiple departmental remits (such as nutrition, sustainability and production) and levels of government (such as national and local). In the UK, for example, at national level overall policy responsibility rests with the Department for Environment Food and Rural Affairs (DEFRA), while the Department of Health and Social Care has responsibility for the nutrition standards, taking into account advice from its agency the Office for Health Improvement and Disparities, plus is responsible for hospital food. There are links to the Department for Education because of schools, the Ministry of Justice because of Prisons, the Ministry of Defence because of army procurement, and the Food Standards Agency in relation to safety, among others. It has been argued that better links and more coherence between relevant government departments would improve procurement policy because, for example, the Department of Health rarely supports sustainable public procurement, while DEFRA does not adequately exploit the links between sustainability and nutrition⁵.

There are various parts to the national-level policy, 'A Plan for Public Procurement', which includes a Balanced Scorecard for Food Procurement and toolkit to support procurement staff in considering a range of criteria from nutrition to sustainability. It also incorporates the Government Buying Standards for Food, technical specifications that must be met (compulsory for central government and advisory beyond this) and award criteria that procuring authorities can use to evaluate a bid or a service against higher standards based on their priorities. Alongside these sit specific national-level standards in place for food served in schools. At local government level, individual local authorities can put in place their own framework policies for procurement, for example London's Greater London Authority (GLA) has a healthy and sustainable food policy for catering provided to London's police, transport workers, fire brigade and GLA staff. And individual institutions or groups of institutions, such as the National Health Service trusts which are responsible for hospitals, can include requirements in their procurement contracts. Post-Brexit, the government is consulting on the reform of procurement laws, which were previously within a framework of EU-based regulations⁶.



Which food system activities could food public procurement transform?

The term 'activities' is used to refer to all of the activities in the food supply chain which take food from farm to fork. It encompasses: farming (including inputs into farming like seeds and fertiliser); distribution, transport and trade; processing; food retail and foodservice (catering); eating; and waste management; along with research and innovation activities; and governance arrangements around food.

The primary food supply chain activity targeted by FPP is **food service** (including provision of food in public settings). However, because procurement takes place at an intersection between production and consumption, this lever has the potential to impact many other activities in the chain (illustrated by the vision graphic).

Procurement provides a market for domestic producers, positively impacting **farming** activities, and potentially benefitting producers of quality products if procurement standards are set high. In Denmark public sector kitchens account for 40 per cent of total sales of organic food and beverages for the food service sector⁷. In Finland, animal welfare criteria increased the share of domestic meat procured⁸. Impacts on production also stretch back to influencing inputs into farming if particular standards specify fewer chemical inputs (i.e. organic specifications), or particular feeds (such as grass-fed meat).

Conversely, weak procurement standards may undermine transformation: in the UK animal welfare standards for procurement are considered to be lagging behind market trends⁹. Currently 57 per cent of eggs produced in the UK are free-range, but government procurement standards remain baseline battery and caged eggs, meaning if procurement standards do not keep pace with the general market shift, they could actually keep the caged egg system in place.

Setting higher standards can establish an industry norm in the wider **private sector market**. An example in the UK is the civil society-led Sustainable Fish Cities (SFC) campaign to get fish standards – introduced as part of Government Buying Standards policy – to be adopted in public sector and private sector catering. SFC has reported a supply chain transformation towards verifiably sustainable fish as the norm. Suppliers have increased their fish that is compliant and it is now more difficult to buy anything not compliant with sustainability standards¹⁰.

Transformation of **processing** is also possible: food manufacturers may be required to make changes to packaging, such as single-unit versus family packs, and packaging materials, such as paper or recycled paper over plastic-based materials; portion sizes; or nutrition criteria. Some of these requirements may be challenging to address, so **research, technology and innovation** can play a vital role in facilitating change¹¹.

Procurement policy also has potential to influence **eating** habits and – linked to this – **food culture** more broadly. An example is the growing number of organisations introducing 'meat-free days', popularised by a procurement policy in Ghent (Belgium), which can educate pupils, parents and kitchen staff on food's environmental impact. Recent reports on the future of food systems have also pointed to potential to shift markets for plant-based foods, through introduction of alternative protein products in hospitals, schools, prisons and the armed forces.

Which food system outcomes could food public procurement transform?

Activities in the food supply chain produce a number of effects or food system outcomes; they impact health – for example people's diets; the environment – for example through use of resources and creating impacts on soil or the climate. They also have economic outcomes in terms of generating value and creating jobs; and social outcomes, on food culture for example.

Procurement is ultimately an **economic** endeavour of direct food provision to those in need. As such, the driving objective has traditionally been economic, with emphasis on achieving 'best value' and financial efficiency¹⁴. Procurement can bring economic benefits to food producers supplying institutions, and there is scope to target provision by local businesses. Beyond the suppliers of food, procurement can also bring broad benefits to a **local economy**. Analysis in the UK of the 'local multiplier' impacts of using local suppliers, found that if a local council shifted 10 per cent of its current spending on non-local suppliers to local suppliers, this would generate an extra £34 million for the local economy. This is because suppliers re-spend on average 76 per cent of their contracts with local businesses¹⁵. Likewise, a study using the Social Return on Investment method (SROI) calculated £6 value was returned to the local economy for every £1 spent on a school meals procurement project in Scotland¹⁶.

However, procurement's potential - though not yet realised - to meet multiple food system goals *beyond the economic* is now becoming more widely realised, hence the tendency to put forward this lever as one of the key tools in tackling food systems. Nutrition and sustainability standards can be included in procurement specifications, and the working conditions of staff can be positively improved, though the latter tend to be less of a focus.

Health, in particular **nutrition** aims, are perhaps most straightforward to address, being more established: nutrition criteria are already included in many countries' school food standards. Added to this, nutrition standards and indicators are relatively less complex than the **environmental**, the latter encompassing multiple outcomes around greenhouse gas emissions; biodiversity; water use; and waste. That said, the development of methods and techniques to measure environmental impacts is more advanced and quantifiable¹⁷ than the **social** dimension. Significant reductions in greenhouse gas emissions have been associated with procurement specifications. The city of Vienna is reported to have saved €44.4 million and over 100,000 tonnes of CO₂ between 2001 and 2007 through its 'EcoBuy' programme, and in East Ayrshire in Scotland, a study based on an average size local primary school (300 children) found that annual savings of 37.7 tonnes CO₂ or 10.2 carbon (transport/distribution saving) had been achieved by localising the supply chain¹⁸.



Social objectives have traditionally proved more challenging to incorporate, aside from the requirements for Fairtrade standards recognising working conditions of suppliers overseas. However, there is a general trend towards the inclusion of 'social value' as a consideration when awarding contracts. This will be given increased focus in England, for example, as a result of a policy note which comes into effect in January 2021, *Taking Account of Social value in the Award of Central Government Contracts*¹⁹. The new policy builds on the Public Services Social Value Act of 2012, which requires all central government departments to take account of social benefits, and is predicted to accelerate uptake of social value in local government, and potentially beyond.

The UK's Balanced Scorecard for Procurement is an attempt to recognise and help procurers to address these multiple outcomes, covering:

- 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); and
- 5 Quality of Service (including food quality and customer satisfaction).

There are also private programmes which can be used to navigate the complexity, such as the USA's Good Food Purchasing Programme, and the UK Soil Association's 'Food for Life' programme. Certification schemes can play an important role in supporting procurement policy because they provide a shortcut to verification of standards. Though taking this approach may limit a broad range of standards being included if schemes are not available, or only cover particular dimensions – for example the Fairtrade label as a shortcut to addressing social standards. There is a school of thought that standards themselves can constrain sustainability practices and conversations, because broadly applicable standards are necessarily constrained to assessing broadly-used production practices, limiting qualifying producers to those within the mainstream, and thereby playing a role in preserving rather than challenging the status quo²⁰. There may also be tensions between some of the different objectives, requiring trade-offs to be managed.



Food public procurement: food system synergies and trade-offs

The wide range of food system outcomes which can be targeted by the lever of procurement are clear evidence of its potential for creating system synergies. But there are also trade-offs to consider. One obvious example is the upfront costs that may be associated with any switch to more stringent specifications. Though additional costs of ingredients can be offset by – for example – reducing the quantity of meat, or reducing waste, there may be investment requirements related to upskilling of staff. Other economic tensions include the potential impact of procurement specifications around meat reduction on the livestock industry, and economic conflicts further up the supply chain, where procurement profitability can be tied to global processed products bringing higher returns on investment than fresh local foods. Evidence from the USA, for example, has suggested over 50 per cent of commodity food procured for schools by the US Department of Agriculture goes via processing companies (that might add fat, sugar, or sodium)²¹. Another is the tension between centralised large-scale purchasing and its benefits for cost reduction and formulation to specific nutritional standards, and more localised approaches valuing diversity, freshness and local produce, or responding to consumer feedback²².

A number of trade-offs were raised in the EU Joint Research Council's recent work on the technical specifications for procurement professionals. For instance, requirements for seasonality and packaging recommendations were removed from the specifications due to difficulties managing trade-offs. The environmental, health, economic and societal impacts of eating seasonally were found to be dependent on the definitions used: 'globally seasonal (i.e. produced in the natural production season but consumed anywhere in the world) or locally seasonal (i.e. produced in the natural production season and consumed within the same climatic zone)²³. There may be a trade-off between the nutritional benefits of global seasonality, because of a 'more varied and consistent supply of fresh produce year round', and increased demand for foods with a high environmental burden in the country of production (e.g. water stress, land use change with loss of biodiversity, etc.)'. Clearly, omitting criteria on local seasonality is likely to impact on local farmers most.

The JRC found similar difficulties with the environmental pros and cons of packaging – including prolonged shelf-life and improved integrity, and lower food losses, plus safety versus the impacts of materials and resources. Specifying, or recommending, particular packaging materials was found to be complicated by multiple factors, for example compostable/biodegradable packaging versus recycling infrastructure, or restrictions on single-use packaging – which might 'reduce food/drink waste and indirectly improve water and energy efficiency at the preparation stage', and the environmental benefits of reusable packaging being dependent on distance to cleaning and re-filling facilities.

More broadly, there may be a tension around setting uniform standards and a more local place-based approach to procurement. Research analysis of the USA Good Food Purchasing Programme specifications highlighted issues around the lack of suitability of animal welfare requirements set in a more urban context for local implementation in a rural area²⁴.

Examples of food public procurement policy innovation from around the world

There are several examples of procurement policies around the world which might be considered to take a more transformational approach. The following pages showcase some of the lists of innovations which could be employed to shore up the transformative effects of a procurement policy.

Selected examples of procurement policy innovations from around the world.

Denmark

Organic Targets: Organic Action Plan aimed at 60 per cent organic procurement in all public kitchens by 2020 is in place. Evidence of implementation is patchy but a 2016 study found an average 24 per cent increase in organic food procurement in participating public kitchens²⁵. The city of Copenhagen has gone further and achieved 90 per cent organic in public kitchens. The policy context for organic agriculture was also significant - the Danish government launched the Danish Organic Action Plan 2020, intending to double the organic agricultural area in Denmark by 2020²⁶.

Supporting Biodiversity: Copenhagen's procurement strategy favours a diverse and seasonal supply of products, with dedicated procurement requirements designed to achieve a greater (bio)diversity of fruit and vegetables. For instance, one tender included 86 different varieties of apples from seven different wholesalers, with many apples from small and medium-sized suppliers²⁷.

Training/Knowledge/Skills: Public kitchens in Denmark are guided through a transition process led by a dedicated conversion manager, beginning with foods with a small price premium (potatoes, milk, etc.) and progressing to more expensive items like meat. Local and seasonal items are used to offset increasing costs and menus include less meat and produce less waste. Classes - tailored to budget limitations and size of the kitchen as well as the nutritional needs of recipients - are provided²⁸. Copenhagen invested funds in training catering staff to plan, prepare and procure nutritious enjoyable food within their food budgets, such as training in using seasonal produce; using less meat; baking; preserving; fermenting; and waste avoidance²⁹. Training and courses are supplied by Copenhagen House of Food, and are available only to kitchens willing to adopt the organic goal. The programme concentrates on raising the level of craftsmanship in the kitchen by focusing on quality, taste, produce, workflow and menu planning, making it a desirable alternative to the type of kitchens prevalent before the programme was launched³⁰.

Labelling: Baseline and endpoint measurements are used to assign the Organic Cuisine Label that rewards a kitchen for reaching a certain percentage of organic food³¹.



Brazil

Linking to Local Producers: A law requires 30 per cent of the national budget for food served in the school meals programme to be spent on food from family farms, with priority given to food produced using agroecological methods. The Food Acquisition Programme allows states, municipalities and federal agencies to buy food from family farms through a simplified public procurement procedure, encouraging the purchase of perishable food and minimally-processed food and makes them available to public institutions (e.g. hospitals, social assistance agencies, schools)³².

Supporting Biodiversity: The purchase from settlers of the agrarian reform, quilombolas (descendants of enslaved Africans) and indigenous communities is prioritised, and support given to work conducted by family agriculture organizations to rescue, produce, store, and distribute seeds of local or traditional varieties through the purchase of seeds produced by farmers and donation of these seeds to families and communities experiencing uncertain access to food. This creates new opportunities for the use of resources from the various Brazilian ecosystems, and promotes the opening of 'institutional markets' for biodiversity products³³.

Restricting Ultra-Processed Foods: Procurement guidelines are based on the Food Guide for the Brazilian Population, and state that only unprocessed and minimally-processed food may be procured. Purchase of processed food (e.g. canned food, fruit compote, candied fruit, salt-preserved meats) should be minimised, and food from organic and agroecological production preferred whenever possible. Ultra-processed food may only be used in exceptional cases if it is used in meals which are prepared from mostly unprocessed or minimally-processed food. Ultra-processed food and beverages that are not used for meal preparation may not be purchased (e.g. soft drinks, sugar-sweetened fruit juices, industrialised sweets)³⁴.

USA (state level)

Standards underpinned by Dietary Guidelines: The Massachusetts State Agency Food Standards set standards (based on the Dietary Guidelines for Americans) per category for all food purchased by state agencies and their contractors, via an executive order. The Standards also include defined targets for nutrient requirements, including guidelines for specific populations (children, elderly); a ban on trans-fat and deep-frying, and maximum levels of sodium in food and calories in beverages³⁵. New York City and Santa Clara County have also established nutrition standards - based on dietary guidelines - for all food purchased and served by public entities.

USA (state level) cont

Health Impact Assessments: Los Angeles County has used health impact assessments relating to healthy food to inform public procurement bid specifications. In 2013, a multi-sector State Food Procurement Work Group (formed by the California Health in All Policies Task Force) developed nutritional guidelines for food procurement in adult correctional facilities. The guidelines are aligned with federal nutritional standards and include specific targets and recommendations for fruits, vegetables, cereals and grains, bread, dairy products, protein foods and beverages served. Since 2014, these voluntary nutritional guidelines have been systematically applied to food contracts as they have come up for renewal³⁶.

Participatory Development: The Good Food Purchasing Programme (GFPP), initiated in Los Angeles, is a framework of procurement standards developed in a participatory way involving more than 100 local, state, and national public, private, and non-profit organisations. Creating the GFPP was the culmination of a two-year, multi-stakeholder process that included the Food Chain Workers Alliance, Natural Resources Defense Council, Compassion Over Killing, and the Los Angeles County Department of Public Health, as well as farmers, processors, distributors, chefs, large public and private institutional buyers, school food advocates, and faith-based leaders³⁷. The Los Angeles Department of Public Health received a federal grant from the Center for Disease Control to develop a healthy and sustainable food procurement policy, which enabled their participation in development of the nutrition aspect of the GFPP Standards, and other individuals and entities were similarly supported by their organizations for their participation in the development process³⁸.

Certification to manage complexity: A key innovation of the Los Angeles Good Food Purchasing Programme framework of procurement standards is the use of existing, well-known third-party certification programs. For example, the environmental sustainability value includes such standards as American Grassfed Association, Animal Welfare Approved, Food Alliance Certified, Seafood Watch, and U.S. Department of Agriculture Organic. Qualification for different standards achieves different 'levels' under each of the value categories. Use of broad-scale standards makes the program relatively easy to implement in other municipalities, as opposed to following Los Angeles' extensive process in each place³⁹.



Nordics

Centre of Competence: In Sweden, the Centre of Competence for Meals in Healthcare, Education and Social Services was set up to support work on meal experiences in public-sector institutions and improve know-how among professionals plus understanding from a policy perspective of the importance of working with meal concepts. It also helped inform the work with the Swedish Meal Model, drawn up by the National Food Agency, which consists of six jigsaw pieces to support meal planning and monitoring in healthcare, schools and care institutions: 1) good and healthy food; 2) integrated meals (e.g. using mealtimes as a pedagogical tool in school curricula); 3) enjoyable mealtimes to establish a healthy relationship with eating; 4) nutritious food; 5) sustainable meals; and 6) safe meals⁴⁰.

Meal Days and Awards: Swedish Meal Day is an annual event, devised by the National Food Agency and attended by representatives from local, county and regional authorities, bringing together social change-makers from around the country to present their initiatives on making public meals a tangible tool to encourage better eating habits, reduced environmental impact, boost sustainable food production and promote greater health authority⁴¹. The Norwegian Golden Meal Moments competition ran from 2015 to 2017, run by the Ministry of Agriculture and Food, and presented awards to treatment centres and care homes that served healthy and well-presented dishes that patients enjoyed eating⁴².

Centralised organic production: The Swedish city of Malmö has been procuring organic food for its schools' meals since the late 1990s. The school food system is centrally organised for menu planning but food purchase and preparation is done in 25 kitchens and then sent to another 60 kitchens where the food is prepared to be served. Each day, 40,000 school meals are distributed this way⁴³.

Scotland

Sustainable Procurement Duty: Public bodies have a duty to sustainable procurement, and are required to write procurement strategies and an annual report, and to give special attention to community benefits and SMEs when awarding contracts, and to 'have regard' to the highest standards of animal welfare. The sustainability duty requires consideration of social, environmental and economic impacts and links public procurement to the Climate Change (Scotland) Act 2009 and the Equality Act 2010⁴⁴.

Slovenia

Small Contracts: The region of Podravje's Self-Sufficiency Project aims to increase the use of locally produced food in public institutions and targets 20 per cent from local. Emphasis is given to quality aspects in menu planning and to understanding which parts of the food provision may be available locally, with these parts then treated as separate lots in the procurement process and awarded to local providers by means of direct contracts⁴⁵.

Vienna

Cross-government and stakeholder working: Overall responsibility for procurement sits with the Department of Environmental Protection but there is cross-departmental coordination through thematic working groups with members from local authorities, NGOs, municipal administrations and companies, and includes public procurement practitioners from all parts of the administration⁴⁶.

South West England

Small Contracts: Bath and East Somerset council have taken an innovative approach to opening up public procurement to small and medium enterprises (SMEs) by introducing a Dynamic Purchasing System process for school food procurement. This enables contracts to be fulfilled by a mixture of different (including small) suppliers, because 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 suppliers⁴⁷.

How is this lever linked to other policies?

The evidence on successful food procurement interventions – for example those listed on p10-14 – suggests that the transformational impacts of a procurement policy are likely to be amplified by a range of other complementary policy interventions. A 'mix' or 'package' of policy levers may therefore be required to exploit procurement's transformative potential. The following are a selection of the policy interdependencies around the lever of procurement.

Governance: Mapping/Measuring/Monitoring

Even if procurement specifications are mandatory, a lack of monitoring of implementation can undermine its potential. A recent parliamentary inquiry into food procurement in the UK detailed a problematic situation of poor evaluation of its Plan for Public Procurement policy, noting that the scheme had not been audited for the six years it has been operating, meaning there is no evidence of its impact – in terms of implementation in food service, or on the supply chain, including farmers. The only evidence available is a Department of Health 2007 report into hospital compliance with the minimum standards for hospital food, which found that 48 per cent of hospitals were not complying. There are also issues around the existence of exemptions from the specifications, which are argued to undermine implementation of higher-level standards⁴⁸. Problems around measurement have also been reported about Scotland's experience – while it has implemented an innovative approach to including sustainability in procurement (see p13), a lack of baseline assessments and failure to set new targets has dampened the potential impact⁴⁹. This can be compared to Denmark, and the city of Copenhagen, where target setting has been an important strand of its organic procurement measures.

Skills/Knowledge/Training + Finance/Investment

Taking a holistic approach to food procurement which goes beyond economic aims is complex due to the multiple dimensions – health, environment, economic and social – to consider. Wide adoption and implementation can therefore conflict with the financial and human resources available⁵⁰. In Finland, for example, while various procurement policies have been introduced, barriers in significant uptake are reported to remain with regard to both wide-ranging and in-depth access to education and training for staff⁵¹.





It is likely that additional support – financial and educational – will be required for procurement managers and catering staff. In Denmark, for example, a range of funds underpin the success of its organic procurement interventions, including: €11 million dedicated from 2015-2018 to support conversion projects for public kitchens, €3.3 million for promotional campaigns; plus €267 million in funding from the Rural Development Programme as part of the EU's Common Agricultural Policy (CAP) to support farmers in the two-year conversion⁵². In Copenhagen specifically, it has been noted that while the costs of procurement contracts themselves may not have increased, an approximate €5.5 million has been invested in knowledge, education and counselling to facilitate this change⁵³. A number of dedicated centres have also been used in the Nordic region to support implementation, as detailed on p13.

Interventions to Support Supply

The potential for procurement may be dampened if supply of the right kinds of produce is not also facilitated. For example, Denmark's successful organic procurement policy was supported by wider measures under its framework organic policy, including an Organic Action plan intending to double the organic agricultural area in Denmark by 2020⁵⁴. Conversely, Finland's relative lack of progress on developing organics compared to its Nordic neighbour has been ascribed, in part at least, to an absence of local infrastructure such as centralised processing capabilities necessary to achieve certain levels of scale for bringing products to market⁵⁵.

Complementary interventions may also be required to get suppliers interested: increasing awareness and encouraging local SMEs meant one local government in the UK saw a five-fold increase in local supplier expressions of interest. This involved time investment in administrative work, but this was reported to be offset by the quantity and quality of tenders received⁵⁶.

Labelling

Labelling is an important component of the Danish organic procurement strategy. Conversely, weak labelling policy is seen as a potential barrier to progress in raising procurement standards in the UK. The recent parliamentary inquiry into procurement identified food service as a backdoor entry point for substandard food, partly due to how catering is not subject to the same labelling system as that applicable to retail. There is only mandatory method of production labelling for eggs, for example. This raises the possibility that imported foods produced to a lower standard can be used⁵⁷, and highlights how procurement policy intersects with both labelling and trade policies around food.

Conclusion: food public procurement's transformative potential

With governments spending billions of pounds on food via the lever of procurement, its potential to shift the system is significant. It offers an opportunity to impact on supply and demand, practice and ideas and hit multiple food system goals, making it an obvious 'gain multiplier' lever. There are examples of policy innovation and implementation which provide a reasonably strong evidence base on which to design this intervention for transformational impact. The Vision for Transformed Food Public Procurement in a Healthy Sustainable Food System, presented on p18-19 of this report, draws together the case study findings to inspire more transformative policy design which maximises this lever's potential. Any investment required to support conversion to higher-standard food service is likely to be repaid by gains from lower environmental and health harms which result, though further analysis is required to confirm this (as detailed below).

Procurement also represents a vehicle for both a more place-based and more participatory approach to food policy. For example, the governance of public procurement schemes could involve collaboration between local authorities, school boards, students, parents, local producers and nutrition experts⁵⁸. A precedent is the procurement approach taken in Malmo, Sweden, where a policy for Sustainable Development and Food - developed through a participatory process - was approved by the local government council⁵⁹. And there is scope for using participatory budgeting to set priorities based on local values⁶⁰.

Because it offers an opportunity to encompass economic benefits, along with health, environmental and animal welfare aims, procurement is also a favourable lever in terms of political feasibility. That public food institutions such as schools, hospitals, care homes and prisons carry particular resonance because they feed the most vulnerable people in our societies – patients, pupils, pensioners and prisoners⁶¹ also makes procurement a potentially politically popular intervention.

At the same time, procurement is likely to remain a 'tale of untapped potential'⁶² without consideration of its interdependencies on multiple other system levers. Along with a new more holistic approach to the wider policy context, making procurement fit to act as a 'transition enabler'⁶³ will be dependent on more connected governance, given that the current landscape is fragmented across multiple departments and levels of government. It also requires a more ambitious approach than has been taken to date in most countries.



The Vision: Transformed food public procurement in a healthy sustainable food system



Transformed Standards

Monitored and enforced procurement rules are in place which specify mandatory minimum standards of nutrition and sustainability, aligned with food-based dietary guidelines and utilising robust certification schemes. Standards include ambitious local/SME, organic, and ethical (such as high-animal welfare and Fairtrade) supply targets, coherent nutrition and sustainability criteria around fish and meat, commitments to vegetarian meals and diversity of produce, and limits on highly-processed foods high in fat, salt and/or sugar.



Transformed Supply

Enabled by appropriate local infrastructure, simplified procedures and small enough-scale contracts or cooperative mechanisms, a significant number of local producers and SMEs supply fresh, minimally-processed, biodiverse produce, which benefits local economies.



Distribution and transport activities are in place to link this produce to institutional buyers. Procurement specifications for healthy and sustainable products - which have been devised collaboratively - lead processors and manufacturers to reformulate and align their packaging and distribution activities.



Transformed Demand

Increased demand for healthy and sustainable products in the market for healthy and sustainable products by the appropriate reformulation and packaging opportunities beyond the current market, including for international markets.

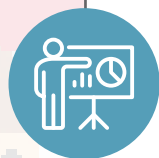




Transformed Catering and Staff

In food service, caterers are provided with the finance/investment support they need to cover upfront costs of a new approach to procurement, and staff are properly trained in how to source and prepare innovative, low-cost menus, from scratch, in onsite facilities, creating a more engaged and satisfied skilled workforce and reducing retention and recruitment challenges.

The affordability of produce is supported by savings gained from staff knowledge on waste, water, energy and packaging.



Transformed Eating

Information provided to eaters helps them understand and appreciate the provenance of the food they are served, meaning they are less likely to waste it.

And an enjoyable, culturally-sensitive, eating experience places value on the social and other wellbeing benefits which food can provide, supported by information and celebration 'days' and similar initiatives.

Knowledge of nutrition and environmental issues around food gained while eating in public institutions impacts on eating and shopping habits more widely, supported by restrictions limiting competing messages and availability of unhealthy foods, stimulating market demand.



and
provides producers with a secure
and sustainable foods, enabled
research and innovation, plus
and supplying the public sector,
national export.

This infographic is based on an analysis of the transformative potential of Food Public Procurement which examined its relationship to food system activities and outcomes, and to other policy measures, and examples of policy innovation from around the world. It represents an ideal-type model for food public procurement in a healthy and sustainable food system, involving a package of complimentary policy measures.

What research is needed to support procurement as a transformative policy lever?

The contents of this brief suggest a number of research needs around understanding and capitalising on the potential for procurement as a lever for food system transformation in a particular country. These include investigating:

- The gap between the future vision and current experience of procurement, including current contribution to local economy
- How well current standards map onto the food system characteristics (available supply; policy objectives around health, environment, economic, social) of a country
- Existing food procurement policies; including comparative study of evaluations of best practice across countries, and their governance arrangements which facilitated the interventions
- Modelling of investment required for a shift to high-standard procurement and impacts on production (economic, environmental) and consumption (health costs associated with unhealthy diets), including likely winners and losers
- Design of a successful monitoring approach and governance to implement, perhaps based on a hybrid public-private model.



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The £47.5M 'Transforming the UK Food System for Healthy People and a Healthy Environment SPF Programme' is delivered by UKRI, in partnership with the Global Food Security Programme, BBSRC, ESRC, MRC, NERC, Defra, DHSC, PHE, Innovate UK and FSA. It aims to fundamentally transform the UK food system by placing healthy people and a healthy natural environment at its centre, addressing questions around what we should eat, produce and manufacture and what we should import, taking into account the complex interactions between health, environment and socioeconomic factors. By co-designing research and training across disciplines and stakeholders, and joining up healthy and accessible consumption with sustainable food production and supply, this Programme will deliver coherent evidence to enable concerted action from policy, business and civil society.

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