

# **School food procurement and Sustainability in northern England and Wales**

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**Abstract:** The paper is the preliminary report of a survey of the public procurement practices of fifteen local authority school catering organisations in northern England and Wales - based on nineteen interviews carried out during March, April and May 2013 – principally with catering and procurement managers. The definition of Sustainable Procurement is discussed – in relation to environment and the economy. National government policies are described – spending cuts and the recent decision to offer free school food to all 5 to 7 year olds.

Most Councils are strongly motivated to source food locally or regionally and make use of several techniques such as informal supplier engagement, lotting and separation of distribution and supply. A minority of school catering organisations take their concern with sustainability further by purchasing organic food and/or reducing meat consumption. The UK government appears to be considering centralisation of food procurement.

**Keywords:** local suppliers, meat, organic

## **Report of a survey of local authorities in Northern England and Wales**

The paper is the preliminary report of a survey of the public procurement practices of fifteen local authority school catering organisations in northern England and Wales.

The paper is based on nineteen semi-structured interviews carried out during March April and May 2013 – principally with catering and procurement managers. The total number of schools covered by the councils interviewed is just over 5,000, around one fifth of the national total.. An important role is played by regional and subregional procurement arrangements, whereby municipalities join together to purchase collaboratively. Three buying points have responsibility for 1,500, 1,400 and 550 schools respectively. With the sub-regional food procurement contract, participation by individual local authorities has increased in recent years. The procurement manager believes that this is due to the way it has been managed – with intensive consultation with individual local authorities and flexibility to enable them to meet their individual requirements through the central contract

The interviews present a snapshot of the position in the Spring of 2013. With most councils established inhouse school catering services had not lost significant numbers of schools in recent years. Whether that will continue to be true in future years remains to be seen. In three cases large numbers of schools had broken away from the local authority catering service. With one council, school catering is now divided among a number of independent contractors – one of whom was interviewed.

## **Sustainable Food Procurement**

The aim of this research was to investigate what has been happening with regards to sustainable school food procurement decision-making by local authority procurement and catering managers. The research examined :

- Ways in which procurement could reduce its environmental impact included reducing the carbon footprint, meat and dairy consumption and food delivery miles .
- Ways in which procurement could increase the economic benefits to the local economy, eg by offering contracts to local suppliers.

## **Prior academic research**

This paper builds on previous academic research on public food procurement in the UK and elsewhere in Europe. The leading work is Morgan & Sonnino 2008 - a full length book which describes the international campaign for healthier and more sustainable school food – focusing on the UK, New York and Rome. Granvik 2012 presents the results of a national interview study of 218 Swedish municipalities – 75 per cent of the total, describing local food policies, procurement procedures, and relations with local food producers. Lehtinen.(2012) provides a comprehensive discussion of the concepts of sustainable food procurement and also includes a detailed case study of food procurement process in a public food catering company in Oulu, northern Finland.

There is also academic research on the environmental impacts of food. Recent research has largely downplayed the environmental significance of long distance food transport – “food miles” [Edward-Jones ( 2010). The great environmental impacts of meat production have been emphasised (Garnett 2011). Some academics argue that organic food is better for the planet and for human health([Zikeli et al 2014).

## **National government policy developments 2012-2013**

The time when the research was being carried out was one of Intensifying financial pressures on local authority catering services, linked to general spending cuts enforced by the Coalition Government.

Schools have been encouraged to break away from council catering services. Catering managers are now obliged to negotiate individual Service Level Agreements with each school. There is increased potential for erosion of these catering services through schools being offered cheaper deals by private catering contractors - particularly larger urban schools which up till now have cross-subsidised smaller rural schools.

On 12th July 2013 the School Food Plan was published - just after the conclusion of my interviews,. This was the review of school food by Henry Dimbleby and John Vincent, two celebrity chefs appointed by the government. The review was set up late in 2012 in response to criticism that the government was allowing schools which had broken away from local authority control ( academies and free schools) exemption from school nutrition regulations and thereby undermining child health. The greatest significance of the School Food Plan is that government policy has swung round to promoting growth of school catering services and minimum food standards binding on all schools. The government announced on 12th July that it would spend £14.8m between December 2013 and September 2015 on promoting school meals. The School Food Plan report praises caterers for using local and organic food as providing a basis for high quality school meals. There was nothing in the terms of reference about using school food procurement to address environmental issues such as climate change. It is likely that this reflects the approach to green issues of the Minister, Michael Gove. There were no recommendations in favour of eating less meat. - a key way to reduce carbon footprint.

On 20<sup>th</sup> September 2013: the government announced that it would provide school meals free of charge for 5 to 7 year old children from September 2014. This was a step to implementing the School Food Plan's recommendation that the government should provide school food free of charge to all school children. It is anticipated that improvements in health and educational attainment will justify the extra cost – around £600m per annum. The UK is following the example of two Scandinavian welfare states – Sweden and Finland – who have long-established policies of free school food for all children irrespective of family income. This is happening at a time of massive cuts in public expenditure.

## **Interview results – Councils seek to source local and regional food**

### **Engaging with local suppliers**

The research showed that local authorities have a strong interest in purchasing from local and regional food producers whenever possible. The justification for this was both the desirability of supporting the local economy and belief in the environmental benefits of reducing food miles.

One procurement manager described the range of methods of engaging informally with local suppliers:

*“While complying with European union procurement law -we have to word things carefully - we work hard to encourage local suppliers. 100% of the food we buy comes from local producers suppliers or wholesalers. The food may not actually be grown here but all the suppliers are local. We don't do Meet the Buyer events. When any company contacts me we will have an informal discussion, I will show them a generic tender and explain the process and how to complete the tender. The tender will be advertised in the local press after the EU official Journal notice is issued. I will also notify the schools and care homes and will encourage them to tell local suppliers about the tender. The fact that we already use local food suppliers encourages others to think of putting in a tender “*

### **Lotting**

Lotting of contracts - division of large contracts into sections – is a widespread practice. It is effective in opening up opportunities for smaller suppliers who might not be willing or able to tender for the whole contract. It is also more time-consuming and assumes that sufficient staff are in place who can construct and appraise the tenders. Nine of the Councils practice lotting. Two said they wished that they could practice it to a greater extent – by breaking up contracts into smaller pieces.

### **Separation of Distribution and Supply**

Separation of distribution and supply is practiced by ten of the fifteen Councils. They have an arrangement whereby the fruit and vegetables supplier and/or the groceries supplier will distribute products of other companies to some or all of the schools – charging a fee for this service.. These are referred to as nominated lines. This helps small suppliers break into the school catering market because it means that they do not need to have their own vehicle fleet to deliver to hundreds of schools within a tight time frame. This arrangement gives local authorities flexibility to choose specific products - eg local or organic food – which would not otherwise be available This set up is similar in some ways to food distribution arrangements in several Swedish municipalities ( Bortolo,2012 ; Bjorkland & Gustaffson 2013).

### **Role of specialist food suppliers**

Hockerts & Wusthagen (2010) describe how in the early stages of an industry's sustainability transformation, new entrants (“Emerging Davids”) are more likely than incumbents to pursue sustainability-related opportunities. Incumbents will eventually react to the activities of the new

entrants by engaging in their own corporate sustainable entrepreneurship activities. The “Greening Goliaths” are often less ambitious in their environmental and social goals but may have a broader reach due to their established market presence. Two businesses described as case studies below are new entrants which could be fitted into the “Emerging David” category. They are competing with big national food distribution companies like Brakes or 3663, who could well be fitted into the category of “Greening Goliaths”.

Ralph Livesey Ltd is Lancashire’s leading fresh produce supplier serving hospitals, schools, universities as well as, hotels, restaurants, and shops..It is a family company established by local farmers, located in Preston with good motorway access , enabling regional distribution. Long-established in the fresh produce business, it has been steadily growing its share of the local authority/schools market. Livesey buys high quality fresh produce direct from Lancashire growers. Its website includes a detailed calendar of fruit and vegetable availability showing month by month when different fruits and vegetables are available from UK growers. Livesey will source produce from overseas growers when it is not available from the UK. Catering and procurement officers remarked on Livesey’s excellent track record in meeting their sustainability-related requirements - whether trying to source free range eggs within the region or finding a supplier of organic yogurt, which comes from another region, South West England.

Fresh Pastures is a non-profit social enterprise in Yorkshire. Since its inception in 2006 it has grown from 3 members of staff (including the 2 directors) to 68 members of staff in 2012 with new premises and modern milk processing equipment located in the Wakefield district. The company buys milk from a Yorkshire dairy farmers co-operative.. It collects, processes, packages and distributes some 11 million litres of milk each year, delivering to over 4,000 establishments a day. In 2007, Fresh Pastures tendered for the Yorkshire Purchasing Organisation milk contract and was one of two successful companies. The company won the contract again when it was re-tendered in 2010 and now supplies 10 local authorities as well as the NHS. Fresh Pastures has become an important local employer, working with Jobcentre Plus, Wakefield Disability Action and Mental Health Matters and other organisations to recruit long-term unemployed or disabled people. It also organises school visits and educational activities about healthy eating, local food and recycling. Delivery vehicles collect waste milk cartons which are baled and sent for recycling, rather than going into landfill.

### **Shortcomings of local food producers**

Local authorities desiring to source organic food found that supplies of some organic products – eg yogurt - were not available within the region. One Council tried using an organic beef farm nearby but had to break off the contract after a few weeks – realising that the farm was too small to supply the volumes needed. Another council switched its meat supplier from a local butcher to one in a different region which could offer proper records enabling the meat to be traced back to the farm where it was reared. Food safety concerns were the reason why another Council rejected its local egg supplier.

### **Promoting urban agriculture**

Two councils are in densely urbanized areas with virtually no local food production. One of these councils has an urban agriculture policy and aspires over the next five to ten years is to develop horticulture within the council boundaries – some of the produce of which will hopefully be purchased by schools. Possible sites for these horticulture projects are being identified

### **Organic Food**

Only three of the organisations interviewed were buying significant amounts of organic food. The one with the highest percentage of organic food told us “ *We do provide a considerable proportion of organic food. We have been able to finance this because of cost savings due to reducing food and energy wastage and meat usage.*” They have sourced organic pasta and flour

slightly cheaper than the conventional products, although they have had to pay a 50% price premium for cheese and rice. The second highest user buys organic milk, yogurt and beef meat balls and plans to start buying organic cheese. The third catering manager buys organic meat balls and burgers from a local supplier. *“The price is high but they are very tasty and so we are able to justify putting them on the menu a couple of times a week because the children like them so much”*.

### **Food for Life Partnership**

The Food for Life Partnership [FFLP], is a voluntary sector initiative which has been working with English schools over the last seven years to enable children to eat good food, learn where it comes from, how it is produced and how to grow and cook it themselves. It involves children, teachers, parents and school managers and promotes greater consumption of local and organic food.. For more on FFLP’s important role in promoting procurement of local and organic food, see Stein 2013 and Food for Life Partnership 2011. Four school catering services have implemented Food for Life at the Bronze Level, which requires that meals be prepared from 75% fresh ingredients. In one case this criterion was met by changing from frozen to fresh meat. Another Council planned to achieve Bronze by September 2014. One school catering service had reached the Silver Level, which requires higher levels of local and organic food and one has reached Gold..

### **Shifting from frozen to fresh meat**

Three councils switched from imported frozen meat to UK-sourced fresh meat around two years ago. One council said that they had cut costs by 10 per cent and were now sourcing meat locally. Another told us

*“The move from frozen meat to fresh meat was consumer led. Consumers wanting fresh products. We developed a supplier who was willing to invest in breaking into this market. For school kitchens we have specific requirements. For example chicken fillets need to be between 50 and 55 g and supplied in packs of 10 or bags of 25.. We buy fresh meat now for the key menu lines e.g. diced beef, chicken fillets, mincemeat, beef burgers and pork steaks. We still buy frozen sausages and meatballs. To make the switch from frozen to fresh staff needed new equipment –eg chopping boards - and training, which our catering training team rolled out in phases – doing batches of schools.“* By contrast another Catering Manager told us that he was staying with frozen meat *“because it is simpler and easier for cooks. If we switched to fresh meat it might benefit local suppliers but kitchen staff would need to be retrained – very difficult in the present climate”*.

### **Reducing Meat Consumption**

There is compelling scientific evidence that the single most important step which school caterers could take to reduce their GHG emissions would be to cut down on meat usage, particularly red meat (Garnett 2011). A recent report of a government advisory project – the Green Food Project – advised that in the interests of both health and sustainability, people should be advised to reduce their meat consumption (DEFRA 2013, p.8). The House of Commons International Development Committee have produced similar recommendations. But national government has been largely silent on this matter. There is no recommendation about eating less meat in the School Food Plan. So it is hardly surprising that up to the present this message has had very limited impact on school caterers.

The introduction of vegetarian days in public catering is becoming an important movement in parts of Europe – including Ghent in Belgium, Helsinki in Finland and several German cities . (Lombardini 2013; Leenaert 2012). In the recent German General Election the Green Party included this policy in its election manifesto, provoking a vigorous counter-campaign from meat lovers. Our survey showed three of the councils practising at least one vegetarian day a week.

One Council – in a rural area –told us that they had thought about a vegetarian day but” *We decided against because we need to safeguard jobs in farming.*” The biggest concern about this change is probably that expressed by one catering manager who said that he was worried that children would be so upset by not being offered meat on a Monday that they would ask their parents to withdraw them from school meals permanently. But it is possible to overcome these objections. One catering manager told us that they had two meatless days a week:

*“We have MeatFree Mondays and Wednesdays as well – big reduction in meat usage is a reason why we can afford organic food. We have been able to maintain and increase takeup of school meals by providing tasty food which is excellent value. We do serve more meat at one school where there are issues of undernutrition because it is in a very deprived area.”*

Another Catering Manager told me that they were trying to reformulate recipes – eg for cottage pie - by replacing a percentage of the meat by a vegetarian substitute. They have tried lentils but the children rejected this because they did not like the taste. They have now tried quorn which has passed the taste test but the Catering Manager now has to decide whether quorn does indeed reduce the carbon footprint and whether the small additional cost is affordable.

In one Council one of the schools has adopted a menu which excludes red meat and chicken. This was at the request of parents worried that any meat might not be properly halal because of incidents in other areas of pork contamination of beef and lamb. School meal takeup at this school has remained stable. No other schools have asked for this menu.

Table 1: Summary of Interview Results: 15 Councils Y=Yes

Council	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Urban/Rural/Mixed	U	U	U	U	M	R	R	R	M	R	R	U	R	U	M
<b>Interviews</b>															
Procurement Manager/Officer				Y		Y	Y		Y		Y	Y	Y		Y
Catering Manager	Y	Y	Y					Y		Y				Y	
Other	Y				Y					Y	Y				
buy from local suppliers [within council boundary]					Y	Y	Y	Y	Y	Y	Y	Y	Y		Y
buy from regional suppliers	Y	Y	Y	Y				Y	Y	Y		Y	Y	Y	Y
Divide contracts into lots	Y	Y	Y	Y			Y				Y		Y	Y	Y
Separation of distribution & supply	Y	Y	Y	Y			Y	Y			Y		Y	Y	Y
Use Specialist Food Suppliers	Y	Y	Y	Y				Y			Y	Y	Y	Y	Y
Promoting Urban Agriculture	Y											Y			
Local suppliers inadequate	Y		Y							Y				Y	
Food for Life Partnership - Bronze	Y		Y							Y			Y		Y
Food for Life Partnership – Silver,Gold												Y		Y	
Organic Food								Y				Y		Y	
Vegetarian Days	Y											Y		Y	
Reducing Meat % in recipes	Y														
Shift from frozen to fresh meat		Y				Y					Y			Y	
<b>Council</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

## Conclusion

It can be seen that the predominant theme among the councils is a commitment to buying food locally or regionally whenever possible –to create jobs locally. The argument of the environmental benefits of lower food miles is deployed to help justify this – even though much academic research has contradicted this.

A minority of councils have moved further than this – pursuing organic food and reducing meat consumption – maintaining that these are more convincing ways to try to save the planet.

#### **14. January 2014: Government talks of centralizing public food procurement**

On 15<sup>th</sup> January Environment Secretary Owen Paterson announced that he had appointed a construction specialist, Dr Peter Bonfield to lead a government-wide drive to improve public procurement of food, with an estimated total spend of £2.1 billion through hospitals, schools and prisons. Dr Bonfield said . *“My plan is to work with the buyers and food producers to create a systematic approach to food procurement that addresses better value across a number of significant social, economic and environmental factors for the best possible outcomes.”*

Dr Bonfield is expected to deliver his procurement proposals to Defra in June 2014. (Construction Index 2014). One of the Council officers I interviewed commented that the Office of Government Commerce had looked into centralised/national food contracts during 2009-2010 but in the second half of 2010 the plans were abandoned. This was partly due to budget cuts but also because *“they gained an appreciation of how incredibly varied and complex food and service requirements were across different public sector users”*. Some of the regional purchasing organisations eg ESPO (Eastern Shires Purchasing Organisation) have evolved to satisfy *some* of the original objectives eg setting up large-scale contracts for commodity items.

*“I do not believe there will be any all-encompassing national contracts for food in the near future. To do so would be to destroy local SME food producers/suppliers. The big nationals (3663, Brakes etc) would take it all.....What the government needs to do is to issue clear guidance and mandatory minimum standards for public sector food procurers, rather than leave buyers to work it out for themselves – especially standards regarding food safety and traceability.”*

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