

The Value of Public Food in Social, Economic & Environmental Terms

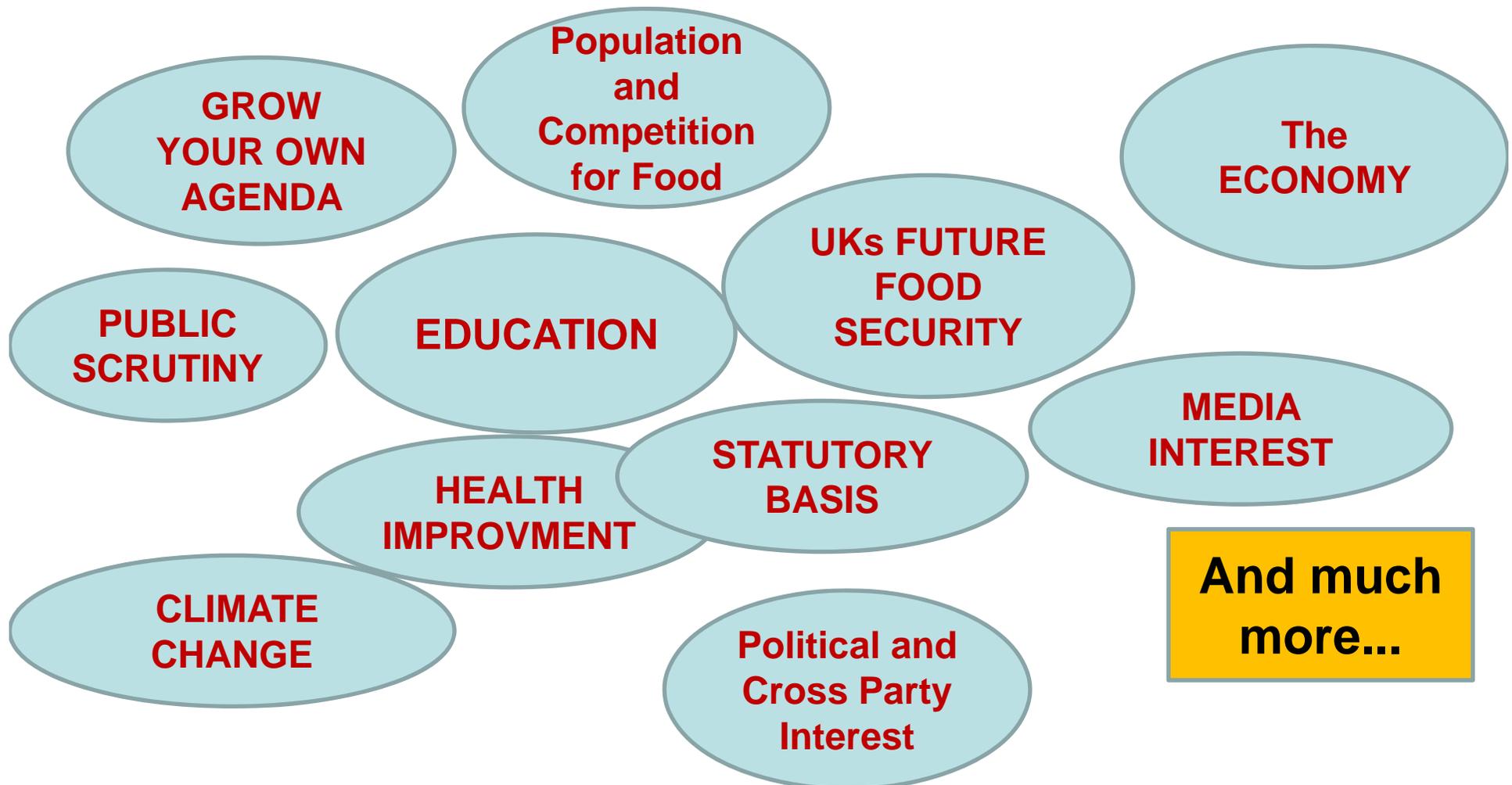
**A Litmus Test for
Sustainable
Development**



CHALLENGES FOR GOVERNMENT

FOOD - THE BIGGEST CHALLENGE OF THE 21st CENTURY?

Food is now central to many agendas..



Challenges in the Food System



The **global economic crisis**, the predictions on **climate change**, issues around **waste** and the developing **obesity** problem sharpen the need to develop a food system in Scotland that supports **better public health** and embraces **food security** and **environmental sustainability**.

Public Food Challenges

1. A realistic response to the many challenges connected to food is an imperative for both national all public bodies and local government.
2. The Sustainable Food agenda is cross cutting and one of the most visible parts of the wider debate on sustainability.
3. Public food should be an exemplar of socially responsible procurement and catering.
4. *Public Bodies should recognise that a properly managed food procurement and catering is a key policy issue - on which there is growing public expectation.*

EMBEDDING SUSTAINABILITY IN FOOD PROCUREMENT & CATERING

Should Public food should be viewed in more than narrow commercial terms?

The public sector has a duty to achieve Best Value *and* embed environmental, economic and social trends that convince others to follow suit.

Public Food is a Strategically Important Activity

If it is re-valued - demonstrating its significant potential for economic development, resilience, sustain businesses, maintain health, protect employment and produce social and educational value.

- it then becomes **Strategically Significant.**

SO HOW DO YOU JUDGE A GOOD PUBLIC FOOD SERVICE ?

A low cost catering or key to delivering a wider agenda?

By high uptake and high levels of customer satisfaction?

By offering cheap food or quality food?

An efficient service that has minimal waste?

An attractive service that is marketed well with a strong identity and credibility or a marginal activity?

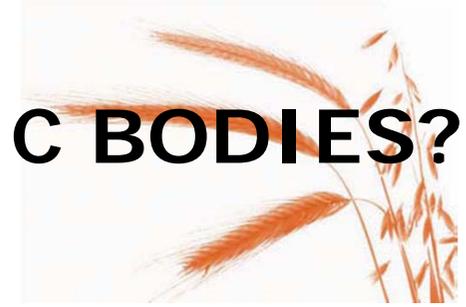
As a commercial service, or associated corporately with as contributing to sustainable development?

A service that adds value to the organisation's CSR?

A service that is valued in the community?

A service that promotes well-being?

WHAT SHOULD INTEREST PUBLIC BODIES?



- Local innovation
- Reducing waste
- Better productivity to drive through savings
- Better procurement
- Collaboration and Shared services
- Drawing on capacity from the community, businesses and the voluntary sector
- Aim to open up contracts to the social enterprise sector.

What should interest public bodies?

The Health Challenge



EFFECTS

- **By 2030 - 40% of Scotland's Population could be classed as Obese - Heart disease, Stroke, diabetes and cancer.**

CONSEQUENCES

- **If unchecked the consequences of obesity will perpetuate social inequalities in health in Scotland and affecting its competitiveness.**

COSTS

- **The direct costs of Obesity for NHS Scotland will double by 2030. Total cost to Scottish society of Obesity from £0.9 billion- £3 billion.**

What should interest public bodies?

The Economy



Thriving and successful food and drink businesses are essential to the Scotland's Sustainable Economic Growth

- **The food and drink supply chain employs over 360,000 people across Scotland.**
- **The supply chain has over 75,000 food and drink businesses and is dominated by very small firms (1-10 employees).**
- **The sector generates value added of over £9.5 billion per annum for Scotland's economy.**
- **Scotland regards Food and Drink as a key industry sector**

What should interest public bodies?

FOOD SECURITY & ENVIRONMENT

AN INCREASING WORLD POPULATION

World population will increase from 6.8 billion, rising to 9.1 billion by 2050, mainly in developing countries.

FOOD PRODUCTION MUST INCREASE

By 50% by 2030 and to 70% by 2050.

INCREASING COMPETITION FOR FOOD

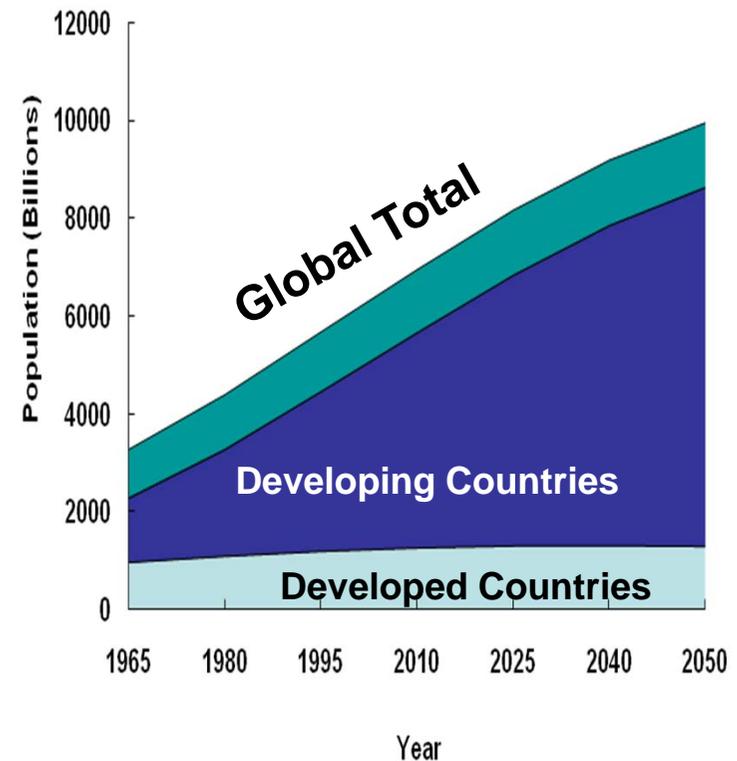
In the shorter term Brazil, Russia, India and China...
As affluence increases Diets are projected to contain more meat, eggs, dairy and fish.

THE EFFECT OF CLIMATE CHANGE ON FOOD

Food productivity will need to increase but as a result of climate change water scarcity will affect 40% world's population areas by 2050.

FOOD SECURITY

Food insecurity through international conflicts and population migration and leading to price instability, nutrition & health effects, and unrest.



Good practice pre contract ?

- Work with EU Legislation promote Sustainable Development
- Advertise contracts widely and in good time for the seasonal production of food
- If appropriate, advertise sub-contracting opportunities in large contracts, and
- Sub-contracting opportunities, for supported businesses, social enterprises and third sector organisations
- Promote the use of smaller product and geographic 'lots' during the tender process, where this is consistent with value for money and will increase competition.
- Ongoing supplier development programmes, meet the buyer events over the years.

You can consider in the contract

- **Specifying more fresh, seasonal produce and fewer fruit, vegetables or other produce that has to come from further afield;**
- **Specifying recognised [Scottish] quality standards or equivalent;**
- **Require the origin of the produce being supplied and for supplying regular management information**
- **Build into the contract regular meetings to discuss with the contractor any further progress to improve the sustainability of the contract**
- **Specify the ‘healthy’ characteristics of food and quality requirements;**
- **Require statements on shelf life, traceability and recall procedures, delivery frequencies, and waste management;**
- **You can specify Organic food, Protected Geographical Indication and Protected Designation of Origin standards if helpful;**
- **Factor in your organisation’s emissions reductions obligations;**
- **Equal opportunity issues including medical, ethnic, cultural, religious dietary needs;**
- **Good employment and training opportunities for existing and new staff.**

The Contract

Some Key Objectives

- Improve supplier engagement to increase competition for business from regional SME's and;
- Identify and remove barriers preventing SME's from bidding for business;
- Consider the benefits of indigenous produce in the supply chain;
- Apply the principles of 'Whole Life Cost';
- Stimulate suppliers to think about sustainability;
- Reduce waste across the supply chain;
- Increase the range of certified food safety and quality assured products;
- Work with SMEs and large foodservice companies to source sustainable food.

An Ethic of Care

- 1. Purchasing decisions by Public Bodies are made on behalf of the public.**
- 2. Public Bodies should lead by example in the types of food and menus offered.**
- 3. Sustainable Development is a powerful strategic tool that can reduce costs, drive efficiency and benefit society.**

What should interest public bodies?
SUSTAINABLE PROCUREMENT
How and where we purchase food

A process whereby organisations meet their needs for goods, services, in a way that achieves value for money...

- On a whole life basis
- That generates benefits not only to the organisation,

BUT ALSO

- For Society
- The Economy, and
- The Environment.

LOOKING FOR THE 'WIN WIN'

'We have to move towards ensuring that every pound we spend creates added value'

Economic aims

- Secure value for money
- Reduce waste
- Reduce energy use
- Encourage participation by Micro businesses and SMEs
- Encourage new markets for sustainable foods
- Contribute to the well-being of communities
- Contribute to economic development.

Environmental aims

- Reduce degradation of natural resources by adopting cleaner processes and technologies
- Reduce energy input
- Protect or enhance natural resources and biodiversity
- Reduce waste (fertilisers, food and packaging)
- Reduce water use
- Reduce packaging.

Social aims

- Raise awareness of the benefits of healthy foods
- Increasing access to and availability of healthy food – particularly for lower income groups
- Strengthen communities
- Contribute to global food security and for Scotland
- Aim to reduce inequalities, promote training and employment
- Meet the needs of the local community
- Promote animal welfare
- Revalue the notion of the value of good food with significant impacts for health and the environment.

Case study - Localised Food Chain.

CREATING ADDED VALUE

Carbon Reduction

- Reduction of 37.7 Tonnes CO2 emissions in one school alone. Carbon saving of 10.28 Tonnes

NHS Scotland Survey 2010

- In 2007/08, East Ayrshire had the highest rate of severely obese pupils in Scotland.
- Obesity has dropped from 8.7 per cent to 6.1 per cent, while the proportion who are overweight is down from 20.7 per cent to 16.1 per cent.

Investing in the Local Economy

- £500,000 invested with local food suppliers, sustaining businesses and creating employment.

APSE Research

- The economic footprint of public services shows that for every £1 spent by the public sector there is a return of £1.64 into local economies.

Robin Gourlay

**Scottish Government &
East Ayrshire Council**

[e:robin.gourlay@Scotland.gsi.gov.uk](mailto:robin.gourlay@Scotland.gsi.gov.uk)

t: 0300 244 9283