

Supporting localised sourcing and School Meals

Summary of key reports, issues and next steps

- ❖ Suppliers will develop local sourcing policies if procurers demand it.
- ❖ Sustainable procurement can deliver beneficial outcomes to economic, social and environmental objectives.
- ❖ The Gershon Review 2004 challenges the public sector to save 2.5% of costs, which may mean 25% for some commodity areas. (IdeA)
- ❖ Spending money on local resources is more effective than other forms of regeneration investment as the money stays in the local economy.
- ❖ Producers may get a higher profit margin selling to other markets, but supplying a public sector contract can provide stability and fairness and purchasing decisions based upon value for money and cost effectiveness rather than on price alone.
- ❖ Suppliers may wrongly assume that the quality required is low
- ❖ Suppliers may assume that contracts are closed to new comers.
- ❖ Local suppliers can support tastings and promotional days.
- ❖ The new Regional Centres of Procurement Excellence are charged to lead on development in procurement capacity.
- ❖ The State University of New Jersey feeding 60,000 people has created annual savings of 0.7% using whole life costing, developing local supply with local SME's and active engagement of local enterprise and much more. (Dr Kevin Lyons IDeA)
- ❖ Creating a collective understanding of the totality of the public sector, (Aggregation of demand) may create an informed basis for effective regional and local procurement and not necessarily large general regional contracts. (IdeA)
- ❖ The tender process, exacting specifications and tight delivery requirements deter small businesses, (SME's)
- ❖ Suppliers are aware that the public sector is looking to localised sourcing.
- ❖ Confusion about what Value for Money, Best Value and whole life costs means for the producer tendering for a contract.
- ❖ New suppliers are concerned about having to supply 52 weeks/ year.

General Steps to take

- ❖ Compile baseline data on existing procurement to show what is sourced locally/ regionally now and to show impact of purchasing choices.
- ❖ In the tender documents include detailed information about quantity and delivery requirements and an annual profile of the usage of ingredients.
- ❖ Improve the layout of the tender document so that the different elements of the information is clear.
- ❖ Have someone available to answer queries on the tender process and make this service known.
- ❖ Identify what is not currently sourced locally and gaps in the food chain: vegetable processing, chill chains etc and advertise as market opportunities
- ❖ Take incremental steps on a product by product basis.
- ❖ Work with the wholesaler and existing suppliers to help them source locally.
- ❖ Support training seminars for potential suppliers on the tender process
- ❖ Increase the timescale for submission of tenders, suppliers of vegetables may need a year lead in time, apples three years.
- ❖ Allow for contracts to be divided into lots so that smaller producers are able to meet the volume required. This also helps producers to slowly increase output.
- ❖ Publicise the contracts is as many places as possible and use existing networks such as the NFU, and other producer organisations and newsletters.
- ❖ Use a common assurance scheme, eg AP.
- ❖ Examine possibility of using more fresh meat to facilitate local supply.
- ❖ Use grade outs that are rejected due to size and appearance by supermarkets using a lower specification for these.
- ❖ Support use of local organic milk in schools.

Reports summarised:

- ❖ *Local Food for Bradford Schools, 2004*
Grassroots Food Network, NFU, Education Contract Services, Defra
National School Fruit Scheme Feasibility Study.2004
- ❖ Tully Wakeman East Anglia Food Links and Katharine Rayner Common Cause Co-operative Ltd, SEEDA, EEDA, GO-SE, GO-EE
- ❖ *Developing Sustainable Procurement as a shared policy-vision to reality.*
IdeA, Sustainable Development Commission, 2004
- ❖ *Plugging the Leak*, New Economic Foundation 2002

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