

Submission to the Environment, Food and Rural Affairs Committee: Public Sector Procurement of Food

August 2020

Executive Summary

1. The school food standards are probably the best example of public sector food standards which, enshrined in statute, have led to improvements in nutrition where they have been applied. Where school food standards have been voluntary (academies), almost two-thirds have not taken them up.
2. The Government Buying Standards were strong and clear on sustainable fish. With concerted campaigning, these standards have been adopted by caterers serving the public sector, restaurants, workplaces and universities across the UK. This has shown the great potential of public sector food to establish and embed standards as 'the new normal'.
3. Across the public sector, the evidence suggests that compliance with procurement standards is very low. Better monitoring, reporting, and having the standards enshrined in statute (as they are for school food) is required.
4. The standards themselves must be improved to bring them in line with new health and environmental challenges and the complementary policies of Government. As a priority, the school fruit and veg scheme should be extended and meals on wheels introduced, as these would deliver considerable benefits and help 'level up' food and nutrition outcomes.
5. New trade deals must not undermine the ability of the public sector to procure good food. A ban on sub-standard imports is the only viable way to achieve this.
6. Buying local should be top priority, because it delivers significant benefits to the local area and will help to build better resilience to future shocks.

About Sustain:

Sustain is the UK alliance for better food and farming. We represent 100 not-for-profit national organisations and thousands more groups and enterprises at a local level. Sustain has been working on public sector procurement for nearly 20 years, including delivering support and training to public sector bodies, championing good practice through [award schemes](#), [gathering information and reporting good practice](#), and [tracking progress on compliance](#). We have also [worked to get good food standards adopted more widely across the food industry](#).

We welcome the opportunity to present this evidence, and would be pleased to give oral evidence to the inquiry, or give more information on the points below if needed.

How effective have current food procurement rules been at achieving environmental outcomes, encouraging healthy eating and supporting local suppliers, including SMEs?

When Government procurement rules have been effective: School Food Standards set in law

7. The School Food Standards offer a good example of achieving verifiable healthy eating outcomes following the introduction of legally-binding standards. Evidence suggests that after new standards came into force, quality and nutritional value of food improved. Academic studies have found clear evidence of improved nutrient uptake in 11-12 year olds, those aged 4-7, and in secondary schools. Where these standards are voluntary, there appears to be low take-up. Academy schools and free schools founded between September 2010 and June 2014 are exempt from the school food standards though they are encouraged to adopt them. In March 2016, the Local Government Association reported that two thirds of academies had *not* voluntarily adopted the school food standards.

Sustainable Fish: Strong, clear public sector policy 'Set the Standard' and now other businesses follow – but only thanks to the action of other organisations

8. A second example of food procurement rules leading to good environmental outcomes is sustainable fish. The Government Buying Standards (GBS) in 2011 included that all fish must be sustainable. It was a flagship commitment of the GBS. The definition of 'sustainable' was based on our two best-recognised and most credible certification and marine conservation standards, the Marine Stewardship Council certification scheme, and the Marine Conservation Society's seafood ratings. The Sustainable Fish Cities campaign (run by Sustain) has worked, over the last 6 years, to get these standards entrenched in buying policies - not just for public sector sites, but also restaurants, universities, iconic venues and workplaces. To date, businesses serving nearly a billion meals per year have committed to these same standards. The GBS provided a pivotal catalyst for this action, because:
 9. - Having standards in place for the public sector gave supply chain companies certainty to create and promote suitable products, like fish fingers, pre-made hospital meals, school-compliant oily fish. This made compliance easier for everyone, and increased the availability of sustainable fish products for other businesses. The UK's largest foodservice supplier, Brakes, has increased their range of MSC fish year on year and the second largest, Bidfood, has increased from 45 MSC certified lines in 2014 to 132 in 2019
 10. - Public sector standards help to define expected industry behaviour, signal it can be done at scale, and help create a 'new normal'. We have found this incredibly helpful in supporting and persuading other businesses to follow suit. 'If schools can do it, anyone can do it'.
 11. The Adoption of sustainable fish buying policies is beginning to influence fishers to improve their practices to be able to meet the standards. Project UK Fisheries Improvement Projects is an initiative directly aiming to improve the sustainability of boats, so they may achieve certification and respond to increasing demand.
 12. These great outcomes are a result of significant, co-ordinated work by a number of UK non-government organisations in partnership with committed caterers, delivering training, guidance materials, reports on progress and a campaign to recognise and reward success. The GBS provided a catalyst, but would not have achieved these outcomes alone because (as will be discussed in question 2), without other intervention compliance has been shown to be low. Fish demonstrates the *potential* for public procurement to create large-scale changes across supply chains, if standards are clear and a culture of compliance created.

What impact have Defra's 2014 Plan for Public Procurement and the Government Buying Standard (GBS) had, and how could they be improved?

13. Evidence of some positive impacts from standards are discussed in Question 1. Unfortunately, both the 2014 Plan and GBS have not delivered on their potential, and we are missing out on opportunities to deliver a raft of Government priorities. Changes are needed:

Better monitoring, enforcement and transparency

14. Whilst academic studies indicate improvement in school food over the last decade, the truth is we don't know the extent to which this is the case because there is no formal or public reporting on how well schools comply. The most recent Soil Association *State of the Nation report 2019* [1] suggests that up to 60% of secondary schools in England could be failing to comply with the national School Food Standards.
15. On hospital food, A Department of Health report, published in 2017 found that only 52% of hospitals were compliant with the GBS. Sustain research in 2018 showed that only half of NHS hospitals in London were meeting the basic food standards.
16. In 2019, the Department for Education introduced the idea of a Healthy Schools Ratings Scheme, and there was a lot of support for this at the time. But the beta-test of this scheme, launched in July 2019, was met with disappointment and not considered fit for purpose. It involved self-reporting, it was inaccessible to many schools, and did not require the provision of any evidence (only verbal self-assessment).

Recommendations:

17. Independent organisations (for example official bodies such as Ofsted and NHS Improvement) should be appointed to design an inspection regime. They should monitor and report on compliance with standards, take up of certified food (LEAF, organic, Fairtrade etc) and participation/status in key programmes such as SA Food for Life. For schools, this could be a revision of the Healthy Schools Ratings Scheme.
18. Transparency should be improved by publishing compliance data. Public sector organisations should know whether the company they intend to employ has a track-record of compliance with food standards. This will raise standards overall, ensure a level playing field, and ensure better value for money for the taxpayer.
19. Monitor and report on the social value delivered by public sector catering. According to the Public Services (Social Value) Act 2012, there is a statutory requirement for all public bodies to have regard to economic, social and environmental well-being in contracts. The outcomes of public procurement in relation to these social values should be regularly considered and used to inform improvement.
20. Monitor and publish data on when contracts are due for renewal and use this to target interventions and plan roll-out of higher standards.

Enshrine standards in law

21. When standards are enshrined as a statutory obligation (like school food) compliance appears to be better than when they aren't (hospitals). The award of public sector food contracts must be weighted to favour health and sustainability, with official guidance giving confidence this is both permissible and desirable under procurement rules and the Public Services (Social Value Act) 2012.

What should the Government's priorities for future food procurement be?

22. In addition to improving reporting and legal frameworks, as outlined in Question 2, we recommend the following priorities:

Improve the minimum standards across the whole public sector

23. An overhaul of GBS, the NHS Standard Contract and School Food Standards is needed, working with voluntary catering standards, to ensure that the nation's public health, inequalities, sustainability, climate change and biodiversity agendas are served. Meals should reflect the Government Eatwell Guide, One Planet Plate, and the recommendations of the Eating Better Alliance. All standards now need to be 'net zero emissions proofed' as a matter of urgency, as per the government commitment to net zero emissions. Not doing so would undermine the aims of the Environment Bill, Agriculture Bill and climate legislation, whilst doing so would give significant benefits for jobs in UK farming and supply chains.
24. Broadly, it would mean:
25. - Reducing meat and buying smaller amounts of pasture-fed, higher-welfare and free range meat, dairy and eggs. These industries support more and better livelihoods in the UK. (For inspiration, see PS100, the public sector caterers network, who cut down on meat by 20 per cent during lockdown.). A plant-based day would be a perfect first step.
26. - More fruit and vegetables, which would be a valuable boost to the UK horticulture sector
27. - Less heavily processed food, sugary drinks and heavily refined sugars. Sugar and palm oil associated with heavily processed food are major causes of habitat loss, normally overseas. Spending less on these products would help tackle climate change and allow more investment in food from UK producers
28. - 100% sustainable fish (already in the Government Buying Standards)
29. - Use Real Bread, as per the definition of the Real Bread Campaign, to cut intake of artificial additives, support more and better jobs and improve nutrition
30. - A target for increasing organic food and drink
31. - Make drinking water accessible all the time in public dining settings and stop selling bottled water

There is an appetite for improved standards and they have been proven to work at scale. The Soil Association's Food For Life Served Here scheme is voluntary, and has been adopted by schools, universities, hospitals, workplaces and residential care setting servicing over 1.8 million meals per day, including about 50% of English Primary schools. Organisations covering 10,000 sites have joined the Sustainable Restaurant Association 'Food Made Good' assessment and rating scheme for sustainability. Sustain's reports chart over 10 years of public sector organisations going above and beyond minimum standards in their locale. These schemes, and others including this case study from Cardiff and Vale University Health Board show that higher standards and better food can lead to higher profits, increased takeup and a viable food service. Many of the above improvements could be achieved by expanding the Food For Life Served Here and other catering schemes.

Expand the School Fruit and Vegetable Scheme

32. Currently this scheme covers infant-age children and 2.3 million pieces of fruit and vegetables are delivered to 16,600 schools in England for around 8p per child per day. Expanding the scheme to all primary children and other UK nations would be a remarkably good value for money way to level off inequalities in access to fresh fruit and vegetables among children. The latest evaluation shows that the scheme leads to an increase in fruit and veg consumption in younger children, and longer and integrated interventions would see this to continue in older children.
33. A very low proportion of produce used is grown in the UK - just 15% of apples and 5% of pears. This should be supporting British farmers and traders. The Scheme should specify a year-on-year increase of British, seasonal and certified sustainable produce, such as Organic or LEAF (Linking Environment And Farming) mark.

Improve school food

Adequate funding

34. Schools and caterers must have adequate budgets to allow for procurement of good food. Universal Infant Free School Meals were introduced in September 2014 at £2.30 per meal, and have not risen in line with inflation. In July 2020 the Government announced this would be increased by just 4p - far from adequate, especially for smaller schools with lower efficiencies of scale. An indexed cost of inflation since 2013 would now put costs at £2.70-2.80 per meal.

Healthier food

35. Public Health England is currently updating school food standards to bring them into line with the latest SACN guidance on free sugars and fibre consumption. It should include removing all added-sugar puddings from school lunch menus (in favour of healthier options such as yoghurts and fresh fruit), and limit the total sugar content of school meals to less than 6.5g per pupil (1/3 of the maximum daily amount for 4-6 year olds).

Meals on Wheels should become a statutory obligation, and be covered by Government Buying standards

36. Notwithstanding notable exceptions the UK lacks meals on wheels services that are fit for purpose. Sustain research has shown a general consensus that meals on wheels provides multiple health and social benefits, and are cost-saving when public expenditure is looked at holistically.
37. If these meals are procured in accordance with the Government Buying Standards they provide even more benefits to recipients, good food producers, and to the environment compared to other food that older people might eat. Examples from London, from across the UK and abroad show that meals on wheels services which deliver high quality care and procure local food are all possible. But without a statutory obligation to provide this service, many local authorities have seen little choice but to cut back.

Recommendations:

38. A statutory requirement on local authorities to ensure that all older or more vulnerable adults have access to at least one good meal every day, accompanied by adequate funding, and a requirement for these meals to meet (revised and improved) GBS

How should the Government support these priorities in the negotiation of new trade deals?

39. Before any trade deals are agreed, the Government should enact a legislative guarantee of non-regression on environment, food and farming standards.
40. New trade deals must support the priorities of public sector procurement outlined above. To do this, they must ensure:
41. ***Freedom for public sector contracts*** - The UK must remain free to use our public sector food contracts to favour producers who abide by high standards that can demonstrably provide public benefits
42. ***Ban the import of sub-standard food*** - Maintaining a blanket ban on imports of foods that don't meet UK standards of production like chlorine-washed chicken, ractopamine pork and food produced using pesticides banned in the UK is the only option to support the priorities for public sector procurement. A 'dual tariff' system is under consideration, in which lower-standard food is charged a higher import tariff to make it economically uncompetitive. This is not an acceptable option for public sector food because:
43. - The proposal for a dual tariff only appears to cover animal welfare, not food produced to lower environmental, safety or health standards. These are vital priorities where more vulnerable people are fed.
44. - The tariff could be lowered over time and a deal could include review clauses, meaning these differential tariffs aren't maintained.

45. - It is unclear whether allowing lower standard food to be imported would then allow UK farmers to produce to lower standards as well, thus threatening the UK's health and environmental outcomes.
46. - The proposal to allow lower-standard food into the UK and 'trust the consumer' to avoid such food if they don't want it (as proposed by cabinet office minister Penny Mourdant) isn't possible for public sector food because origin isn't normally labelled and in some cases those eating don't have this kind of choice.
47. - The proposal would still mean lower standard food is allowable in the UK, inevitably opening new markets for this produce. We have a duty to work to improve our food and farming system (currently responsible for 20% of greenhouse gas emissions), whether in the UK or abroad.

To what extent should the public sector be encouraged to "buy British"? (a) What are the advantages and disadvantages of such an approach?

48. Buying more high-standard British produce in public procurement is a must. Doing so would:
49. **Put money into local economies.** Every £1 spent on local food [has been found to put £3 into the local economy](#). The ethos of the Preston model, with its focus on community wealth and local supply, should be applied widely to food procurement. This is more important than ever at the moment. A green recovery that includes food has the potential to rejuvenate local economies, and could prevent negative outcomes from Brexit and COVID-19.
50. **Help to make other government aims a reality:** Farmers protecting habitats and other environmental factors (an aim of the Agriculture Bill), fishing sustainably (the Fisheries Bill), and reducing their GHG footprint (Net-zero emissions target).
51. **Create a more resilient supply chain.** The Parliamentary Office of Science and Technology define a resilient food system as one that can provide continuous affordable, safe and nutritious food. When faced with shocks (extreme weather, trade disruption, public health crises or labour shortages,) it has the ability to adapt or transform quickly. During the pandemic, perfectly edible food was wasted and milk was poured down the drain because people shifted their buying habits and certain supply chains *did not* adapt or transform quickly. It is recommended by the Dynamic Food Procurement National Advisory Board and the government that resilience should be improved by:
 52. - Increasing diversity by using more, smaller suppliers
 53. - Growing and buying more food locally and nationally (shorter and more transparent supply chains are better for risk analysis)
 54. - Making our food in harmony with the environment to reduce likelihood of environmental shocks
 55. - Supporting the UK food economy and good jobs, to make communities resilient to shocks
56. Sustain's research backs this up. We surveyed smaller food businesses during lockdown and found that, with the right support, most showed characteristics of very good adaptability and resilience - they were able to change operations quickly with minimal waste, and retain local jobs and trading connections with farmers.
57. Government should make it easy for smaller and diverse agro-ecological farmers to participate, for example dynamic purchasing systems, meet-the-buyer events and values-led brokerage. Such interventions could be paid for by the UK Shared Prosperity Fund as an investment in struggling rural economies.

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Sustain: The alliance for better food and farming advocates food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the working and living environment, enrich society and culture and promote equity. We represent around 100 national public interest organisations working at international, national, regional, and local level. www.sustainweb.org