THE SCOTTISH CASE

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Scottish Government Food & Drink Policy and
Scotland Food and Drink
THE PLACE OF PUBLIC FOOD IN SCOTLAND

We are improving food and drink in schools, hospitals and across the public sector by:

- Implementing Scotland’s Good Food Nation policy
- Supporting the food and drink industry
- Investing in food and drink education and behavior change
- Promoting sustainable production and procurement
Public food should be exemplary...
Population 6 million, a devolved parliament from UK, very strong university and research base, ambitious climate change adaptation targets, 17 billion euro FOOD & DRINK exports, life expectancy 80 years female and 75 male, obesity 20%, literacy 99%, rural and urban deprivation, shrinking manufacturing base, top exports Food and drink, North Sea Oil, Chemicals, Financial and Business services, Electrical and instrument, Life Sciences, Mechanical engineering, agriculture 85% of land is Less Favoured Area, friendly people, beautiful scenery, and a wonderful climate!?

SCOTLAND
Scotland is a nation renowned worldwide for producing high quality food and drink, and yet…

We struggle with world beating levels of diet-related disease…

Deep-seated attitudes to food leading to poor habits and low expectations.
The SCOTTISH DIET

Proportion of calories from healthy and unhealthy food categories bought for home consumption, by area deprivation.

Source: Food Standards Scotland (2016) Food and Drinks Purchased into The Home in Scotland
PUBLIC FOOD.
"A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits not only to the organisation, but also to society, the economy and the environment".
Sustainable procurement requires a public body, to consider how it can —

- Improve the economic, social, and environmental wellbeing of the authority's area,
- Facilitate the involvement of small and medium enterprises and third sector bodies, and
- Promote innovation
• Procurement Reform Act, 2014

• Guidance under the Procurement Reform Act 2014
  – Statement of the authority’s general policy on how it intends its approach to regulated procurements involving the provision of food to
    • (i) improve the health, wellbeing and education of communities in the authority’s area, and
    • (ii) promote the highest standards of animal welfare;

• Catering for Change – buying food sustainably in the public sector

• Guide for SMEs – Unlocking opportunities in public procurement contracts;

• Public Contracts Scotland – free online portal

• But also Climate Change, School Food and Nutrition legislation etc
IN MENU DEVELOPMENT
LOOKING FOR THE ‘WIN WIN’
While recognizing that there are inevitable trade-offs

Economic
- Create employment
- 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.
- Good Employment

Environmental
- 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
- 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.

‘ensuring that what we spend creates added value’
ESTIMATES OF PUBLIC FOOD EXPENDITURE

TOTAL EXPENDITURE

2012-13 £150 M

SCOTTISH ORIGIN

2007-8 34%

2012-13 48%

Local authorities £68m
NHS £30m
Colleges and Universities £27m
Cordia (Glasgow Council) £11m
Scottish Prison Service £10.5m
Government £3.5m
Total £150 million
THE SUPPLY CHAIN FOR PUBLIC FOODSERVICE IS COMPLEX ......

Public Sector Contracts are Attractive to Producers

- Public sector contracts are stable, payment is secure and the demand is more predictable than offered by other business opportunities, but
- Businesses need to take time to understand the key features of public sector contracts;

However....

- Public Sector contracts are regarded as onerous to complete, and
- Offer low margin;
- Distribution can be complex
- Business could be at risk if the contract is subsequently lost.

Key problems for Cooks and Caterers include

- A perception of (higher) cost implications, legal uncertainties and a limited knowledge of supply chain solutions available.
- Tight budgets are prioritized above greater sustainability.
WORKING WITH AND ENCOURAGING SMALL BUSINESSES into PUBLIC CONTRACTS

Alternative Routes to Market
Include

• FARM GATE
• MAIL ORDER & INTERNET
• BOX SCHEMES
• FARM SHOP
• RETAIL OUTLETS
• HOSPITALITY & TOURISM
• WHOLESALE
• MULTIPLES & SUPERMARKET

MARGINS − REDUCE
VOLUMES + INCREASE
Scottish based suppliers represent 78% of the total, and account for 64% of expenditure.
‘Particularly in times of economic downturn ...costs are often seen as a major obstacle to making public [food] procurement schemes more consistent with right to food strategies...

‘However, certain [food] costs associated with public procurement should be treated as investments, rather than merely as expenses; and once their multiplier effects on the local economy and their positive social and environmental impacts are taken into account, they may in fact be seen as favourable to, rather than a liability for, healthy public budgets.
PUBLIC FOOD MATTERS FOR PEOPLE
• School food accounts for a maximum 17% of dietary intake;

• Public Food Expenditure in Scotland is £150 million;

• Scotland’s ‘grocery bill’ through retail is £12 billion.
DOES PUBLIC FOOD MATTER?

The coming decades will see increasing pressures on the global food system affecting people everywhere:

• Feeding a 40% increase in world’s population

• Increased competition for food on world markets:
  • a rising demand for meat and dairy resulting in scarcities; and
  • unprecedented food cost volatility

• The Obesity epidemic, and

• A carbon intensive food system that accounts for 30% of greenhouse gas emissions that fuel climate change;

• Public Food is the best opportunity to change food behaviours.
It is a social service for health and well being – Food in the public realm should not be regarded foremost as a commercial service.

and it’s about...

Social justice - Increasing access to and availability of healthy food – particularly for lower income groups
**School Meals Delivery**

- Hungry for Success £137 m 2003-2009
- Annually investment of over £150 million to provide school meals with additional sums on capital investment in equipment, maintenance and infrastructure.
- From 2015 a further £35 million annually has been allocated to deliver free school meals to P1-3;
- Supported by additional capital funding of £25 million to all 32 local councils
- Extending pre school provision

**Hospitals Meal Delivery**

- Spending on catering to £84.9 million
- £1.75 Million to improve nutritional care
Food Education for Children and Young People

- Health and Well Being is at the centre of Scotland’s Curriculum for Excellence
- Food for Thought – teachers have access to funding for school food projects;
- Also...
  - Food and the Environment
  - Seafood
  - Quality Meat Scotland
  - Careers
  - A Food Education Officer in Education Scotland
  - Dumfries House
  - Crofting Connections
  - RHET – farm visits
  - Chefs@School
Government is working across the Food Landscape

- **REFORMULATION FOR HEALTH**
- **Health and Social Care Delivery Plan**
- **Preventing Overweight and Obesity in Scotland**
- **SGF Healthy Living Programme - Guidance for Promoting Produce**
- **EAT BETTER FEEL BETTER**
- **Better Eating, Better Learning**
- **Beyond the School Gate**
- **The Scottish Government**

**Community food and health (Scotland)**
**NHS Scotland**
**Taste OUR BEST**
**Scottish Government**
LEADERSHIP
TOP DOWN AND BOTTOM UP
Father of the UN Food and Agriculture Organisation (FAO)

“One of the main difficulties in dealing with these problems is that they are not within the sphere of any single Department of State”

John Boyd Orr (1936)

• Achieving the UN Sustainable Development Goals requires a focus on food across economy, health, social justice, and environment
SCOTLAND’S NATIONAL FOOD AND DRINK POLICY

HEALTH
EDUCATION
FOOD ECONOMY
ENVIRONMENT
AFFORDABILITY
SECURITY
PUBLIC FOOD

Recipe for Success – Scotland’s National Food and Drink Policy

www.scotland.gov.uk/food

WEALTHIER & FAIRER  SMARTER  HEALTHIER  SAFER & STRONGER  GREENER
The Next Phase
GOOD FOOD NATION BILL

• Representing the views of all stakeholders.

• An aspiration, that Scotland should become a Good Food Nation, a ‘Land of Food and Drink’ not only in what we as a nation produce but also in what we buy, serve and eat.

• A 2025 vision for what we as a country should be aiming to achieve.
Scottish Food Commission Priorities

GOOD FOOD NATION BILL

- Championing fresh, local and seasonal food in the public sector;
- Children’s food policy and food education;
- Healthy good food choices;
- Economic growth;
- Access to affordable food;
- Food Charter – a duty on public bodies.
Consulting on proposals for the Good Food Nation Bill;
Work with industry to develop a range of sectorial action plans, starting with seafood and poultry sectors
Regional Food Fund - early in 2018;
Food and Drink Tourism Action Plan;
Diet and Obesity Strategy;
Food Waste;
Support for growth markets across the UK for food and drink sourced or produced in Scotland
Continue the work led by SDI and industry bodies to promote our food and drink around the globe, retaining and expanding, if possible, our in-market specialists
Building the supply chain to promote farmed fish and seafood to international and domestic markets
Working with producers and businesses to publish sector specific action plans
Appointing a National Chef to promote Scotland’s produce and the associated health benefits
Developing, with partners, a national food tourism action plan
Conclude the review of school food regulations and implement changes to reflect the revised scientific advice on nutrition
Investing in a new targeted supplier development programme to enable more food and drink suppliers to compete for public sector contracts
Facilitating ‘Showcasing Scotland 2017’
Investing more in the ‘Food for Life’ programme to get all 32 local authorities achieving its Catering Mark in their schools
‘Work with key stakeholders to explore how public procurement can be used to increase the level of Scottish sourcing, including organic products.’
NOURISH SCOTLAND
CIVIL SOCIETY ORGANISATIONS ARE IMPORTANT
INDUSTRY
3 MAIN THREADS FROM THE STRATEGY

• Being Collaborative
• Being Innovative
• Being Responsible
A SUCCESSFUL INDUSTRY

SCOTLAND'S BEST PERFORMING DOMESTIC SECTOR AND FASTEST GROWING EXPORT SECTOR

INDUSTRY TARGET
£16.5bn
BY 2017

RISE IN SALES OF SCOTTISH BRANDS IN UK

+35%

EXPORT TARGET
£7.1bn
BY 2017

NUMBER OF PEOPLE EMPLOYED IN FOOD AND DRINK INDUSTRY
360,000

R&D INVESTMENT BY FOOD AND DRINK MANUFACTURING FIRMS HAS DOUBLED SINCE 2007

CONTINUED PROFILE ON A WORLD STAGE - YEAR OF FOOD AND DRINK
The number of firms citing a lack of skilled labour as a challenge grew from (25%) to (33%).

The number of firms investing in skills development to make their business more productive grew from 31% to 45%

Rising labour costs stated by 44% of businesses as the biggest challenge to the industry in the next five years.

Raising the attractiveness of the sector to new entrants and retaining talent is a key issue.

Developing further entry routes into the sector for both young people and career changers is in the ‘Skills Development Plan’.
Responsible

Farming, fishing, food and drink is Scotland’s most valuable industry, recognised at home and abroad as a model of collaboration and a world leader in responsible, profitable growth.’
SCOTLAND’S PRIORITIES
• **£66m Food Processing Marketing and Cooperation grant scheme** - Since 2007 grant support to 217 projects which has secured 10500 jobs and levered in £340m of private sector investment.

• **Scotland Food & Drink** – Industry leadership group 70% funded by the industry, with a core grant from Scottish Government, SR and HIE;

• **£4.5m Scotland Food and Drink Export plan**;

• **£275k Sourcing for Growth’ - SAOS** to deliver a ‘project over 2013-16 to help Scottish producers meet manufacturers’ demands for Scottish raw materials;

• **£3m Connect Local Advisory Service** - Connect Local is the advisory service for local food and drink marketing aimed at SMEs in Scotland;

• **£1.6m Market Driven Supply Chain** - work over 2014-18 – £800k SG match funding with SE, for SAOS to help ensure that the primary sector is fully informed, fully engaged and able to meet increased consumer demand for Scottish Produce;

• **£1.3 m The Soil Association Food - Life Catering Mark** over the years 2012-2017
DEVELOPING INDUSTRY

70% of Scots
IS SCOTLAND MAKING PROGRESS?

- Scotland’s current Climate Change Act sets a target to reduce emissions by Scotland’s strategy for reducing its greenhouse gas emissions by 66% by 2032 and at least 80% by 2050 compared to 1990 levels.

- Has achieved cuts in excess of 42 per cent in 2014, six years early.

- Second only to Sweden when it comes to cutting emissions in western Europe, and ahead of Finland, Germany and Denmark.
A ROUTE MAP TO REDUCE EMISSIONS
Fig 4.1: Employment in Scotland, 2009-2015

Source: Scottish Government Growth Sector Statistics
In 2016, 65% of adults aged 16 and over were overweight, including 29% who were obese.

In 2016, 14% children aged 2 to 15 were at risk of obesity, with a further 15% at risk of overweight.
EAST AYRSHIRE SCHOOL FOOD

• 30% Organic
• 50% Local Produce
• 75% Unprocessed

It provides a Framework For Systemic Change & Enhanced Reputation
LOCAL CONTRACTS

CONTRACT LOTS BY FOOD PRODUCT CATEGORY- NOT BUNDLED
REINVESTING £400,00 IN THE REGION

Radius of 40 Miles

- Afton Glen Farm Meats New Cumnock
- Ferguson Baker Kilmarnock
- Peroni Fresh Fish Girvan
- Clyde Organics Lanark
- Corrie Mains Farm Mauchline
- Dunlop Dairy Dunlop
- Green City Wholefoods Glasgow
- AA Spittal Auchinleck

Food Miles

Before

200
300
400
500

After

50
100
150
200
250
300
350
What should interest local authorities?

Carbon Reduction

• LOCAL FOOD

• ONE SCHOOL

• ONE YEAR

• Reduction of 37.7 Tonnes CO2
What should interest local authorities?

SOCIAL RETURN ON INVESTMENT STUDY

£1 expenditure by the council benefits the Region by £3

MEASURING
Food for Life School Meals in East Ayrshire

• Health outcomes
• Economic outcomes
• Environmental outcomes
• Other outcomes
EAST AYSHIRE MARKETING PLAN
LINKING LOCAL PRODUCERS, SCHOOLS AND THE COMMUNITY
What else should interest local authorities?

CORPORATE REPUTATION

School food is a highly visible Local service.

PARENT SURVEY

- 95% keeps money in the community
- 80% better for the environment
- 77% a good use of the public purse
IN CONCLUSION
Challenge

Population

Health
Challenge

Climate Change
Greener,
Environmental
& Waste Strategies
Challenge

Social Justice, right to access good food.
Challenge

Providing Good Public Food
Challenge

Knowledgeable Consumers
Challenge

Economic Strategy, Employment and Training
Who’s Travelling?

**First stop:** consumers; but also key are Farmers, food manufacturers;

A wide range of public agencies, and civil society; and

Hotels, restaurants, cafes, retail, public sector cooks and caterers everywhere
A sustainable food system has been defined by the AS one that encompasses “Security of the supply of food, health, safety, affordability, quality, a strong food industry in terms of jobs and growth and, at the same time, environmental sustainability, in terms of issues such as climate change, biodiversity, water and soil quality.”

European Commission (2014)
The strategy in Scotland is to join up the food agenda with what makes sense in others agendas too...

That Food and Drink is central to Scotland’s Economy, Society, and Environment
“Scotland has the only football team in the world that does a lap of disgrace.”

“Who discovered we could get milk from cows, and what did he think he was doing at the time?”

“There are two seasons in Scotland: June and Winter” – Billy Connolly

There will be a lot of people watching who will wonder what does a true Scotsman wear under his kilt, and I can tell you a true Scotsman will never tell you what he wears under his kilt. He will show you at the drop of a hat”

“I’m a big fan of the Mars Bar Diet. You don’t eat the Mars bar, you stick it up your arse and let a rottweiler chase you home” – Billy Connolly