Scottish Executive

Integrating sustainable development into procurement of food and catering services

Guidance and action sheet for public purchasers, caterers and their internal customers

May 2004

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PART 1: POLICY & PRACTICE

1. Scottish Executive policy on public sector food procurement

- 1.1 It is the Scottish Executive's policy that purchasers should take account of relevant sustainable development and healthy eating objectives when awarding contracts for food and catering services. This guidance is designed to help buyers, caterers and their internal customers implement the policy in SE departments, their agencies and NDPB's in Scotland.
- 1.2 Value for money, probity and compliance with procurement law remain paramount considerations, but buyers should take advantage of the possibilities for legitimately pursuing a sustainable food policy within this framework. This policy has the backing of the First Minister.

2. Hierarchy of key priorities

- 2.1 Whilst recognising that in the main sustainability impacts in food supply may be in processing, packaging or distribution and not just at the stage of producing raw materials, the following priorities have been identified. Public bodies should:
 - i. require suppliers to meet appropriate assurance standards
 - ii. operate in a way which takes account of the main sustainable development priorities set out over a range of Scottish Executive policy documents in agriculture, fisheries, health and the environment which can be found on the Executive web site.
 - Supporting local and regional economies
 - Resource efficiency (particularly energy use)
 - Reducing waste (particularly packaging)
 - Improving nutrition
 - iii. make premium standard options available to consumers where there is scope to do so, e.g. in catering contracts. Organic and fair trade products should be priorities here.
- 2.2 The priorities are not static and the SE will review them within a year or so in the light of experience and to take account of further developments, e.g. to assurance schemes.
- 2.3 SE recognises that more work is required to help buyers and to this end will draw on the work of DEFRA, the Sustainable Development Commission and the UK Government's Advisory Committee on Consumer Products and the Environment. They have plans to identify the adverse environmental impacts of everyday food products and to develop tools for tackling them. Also, it is SE's intention to pilot application of the guidelines in a practical context and disseminate the lessons learnt.

3. Scottish Executive policy on food and farming

- 3.1 SE policy is set out in the Forward Strategy for Scottish Agriculture URL: http://www.scotland.gov.uk/library3/agri/fssa-00.asp The vision set out in the strategy is as follows:
 - We want a prosperous farming industry, one of Scotland's success stories, which benefits all the people of Scotland. It should

- Be focussed on producing food and other products the customer wants;
- Play a major role in sustainable rural development and help maintain the prosperity of our rural communities;
- Be a leading player in the protection and enhancement of our environment; and
- Embrace change and new opportunities. For example, The Scottish Food & Drink Strategy www.scottishfoodanddrink.com/view item.aspx?item id=7180
- 3.2 This is in line with its strategy for sustainable development within Scotland and the UK http://www.sustainable-development.gov.uk/uk strategy/index.htm to improve people's quality of life through:
 - social progress that recognises the needs of everyone
 - effective protection for the environment
 - prudent use of natural resources and
 - maintenance of high and stable levels of economic growth and employment.

4. Public procurement rules

- 4.1 SE procurement policy, as set out in the Scottish Public Finance Manual, requires all procurement of goods and services to be based on value for money, having due regard to propriety and regularity. Value for money is defined as "the optimum combination of whole life cost and quality (or fitness for purpose) to meet the customer's requirement".
- 4.2 The emphasis on whole life costs means that buyers are required to take account of all aspects of cost, including running and disposal costs, and not just the initial purchase price. The reference to "quality to meet the customer's requirement" enables departments to specify what they need to meet their own operational and policy objectives, while contributing to the SE's objectives on environmental matters. Buyers must satisfy themselves that specifications are justifiable in terms of need, cost effectiveness and affordability.
- 4.3 Public bodies are also required to comply with European procurement law (Treaty, procurement directives and UK Regulations which implement them) This legislation is designed to ensure that public procurement is fair, transparent and non discriminatory. This means, for example, that the distance travelled to deliver food, or the locality in which it is produced, cannot be a specific factor in awarding the contract, as this would be discriminatory.
- 4.4 However, within these parameters, purchasers and caterers have considerable scope to pursue sustainable development objectives. A good source of guidance is the SE Procurement web site http://www.scotland.gov.uk/about/FCSD/PCSD-POL/00017839/susdevguide.aspx .
- 4.5 On food and catering, for example, buyers can set requirements for delivery frequencies, freshness, taste etc provided they are reasonable service and quality requirements and provided they are not designed to discriminate against non-local suppliers. Such criteria may encourage small local suppliers to bid for more public sector contracts. See also sections below on "organic and other sustainable methods of farming, quality issues, assurance and local sourcing.

5. Principles for sustainable farming and food- now and in the future

- 5.1 The key principles in SE's strategy for our agriculture and food industries are to:
 - produce safe, healthy products in response to market demand and ensure that all
 consumers have access to food of a high nutritional quality, and to accurate
 information about food products.
 - support the viability and diversity of rural and urban economies and communities.
 - enable viable livelihoods to be made from sustainable land management, both through the market and through payments for public benefits.
 - respect and operate within the biological limits of natural resources (especially soil, water and biodiversity).
 - achieve consistently high standards of environmental performance by reducing energy, consumption, by minimising resource inputs, and use renewable energy wherever possible.
 - ensure a safe and hygienic working environment and high social welfare and training for all employees involved in the food chain.
 - achieve consistently high standards of animal health and welfare.
 - sustain the resource available for growing food and supplying other public benefits over time, except where alternative land uses are essential to meet other needs of society.

6. Aims of Procurement Strategy - Food and Catering

6.1 The aims are to:

- procure affordable food of a high nutritional quality that is essential to our health and vitality and, in doing so, help promote sustainable agriculture and fisheries.
- promote healthier food and drink choices, ie. those that are low in saturated fats, salt and added sugar.
- Promote the use of fresh, seasonal and traditional produce.
- ensure that contract specifications and conditions require caterers to procure their supplies in such a way that gives all producers fair and equal opportunities to compete for relevant contracts.
- promote agricultural practices that are less reliant on fossil fuels and agrichemicals.
- promote high animal welfare standards.
- reduce waste through better use of resources, re-use, recycling and composting.
- promote biodiversity.

 promote race equality through the provision of catering services that take account of ethnic diversity among customers and the different demands arising from that.

7. Organic and other methods of sustainable farming

7.1 The EC's Interpretative Communication on environmental issues in public procurement http://europa.eu.int/comm/environment/gpp/ confirms that methods of processing and production can be included in the technical specifications of the tender where these help to specify the performance characteristics of the product or service. This includes both process and production methods that "physically" affect the end product (e.g. absence of chemicals) and those that do not, but nevertheless affect the "nature" of the end product such as "organically grown foodstuffs". See also section below on Assurance Schemes.

8. Quality issues

- 8.1 SE's Strategy for Sustainable Farming and Food emphasises that consumers expect their food to be safe and nutritious with many being prepared to pay more for value added products. We need to place more emphasis in our procurement on aspects of quality a key component of value for money (see above). This should also have a direct economic benefit to contracting authorities. For example, there is evidence suggesting that the provision of healthier food can result in shorter recovery times in hospitals cost benefits that may far outweigh savings that many public sector organisations try to make on their food bills.
- 8.2 The influence of public sector bodies on caterers and via them, producers, can also help to drive up standards generally with wider benefits to society at large. For example, the cost of obesity alone to the UK economy is estimated at £2 billion and £0.5 billion to the NHS. Buyers cannot consider these external costs when awarding contracts, but those responsible for requisitioning contracts should be alert to them when allocating budgets for catering and food (and when producing business cases) so that quality is not lost as a result of cost constraints. Any price premium paid for higher standards should however be reasonable and consistent with the need to secure an appropriate balance of cost and quality.

9. Assurance Schemes

9.1 ASSURANCE SCHEMES are voluntary schemes which verify through regular independent inspection that farmers and growers are producing primary agricultural products according to documented standards covering food safety and traceability, animal welfare and environmental protection. Many of these standards are based on legislation, codes of good agricultural practice and recognised good industry practice. SE's policy is to encourage increased coverage of Assurance Schemes (see Glossary), many of which have a high level of coverage in many sectors in Scotland.

The Scottish Executive recommends that wherever possible, caterers and public purchasers specify food standards that mirror those laid down in assurance schemes encompassing food safety, environmental and animal welfare issues, provide for regular independent third party inspection and are accredited to EN45011. Some of the Assurance schemes available are listed in the glossary.

- 9.2 Retailers often require that goods be produced in accordance with standards laid down in ASSURANCE SCHEMES in order that they can demonstrate due diligence. Public sector buyers can also use assurance criteria to help determine requirements for food safety, production and process methods, animal welfare and environmental protection etc in their technical specifications. They can also accept assured sources as proof of compliance with those criteria.
- 9.3 However, buyers must under the public procurement rules also accept other means of proof and, therefore, when specifying products covered under assurance schemes provide suppliers with the opportunity of providing other evidence such as technical dossiers, auditors' reports and test reports. This is to ensure that the specification does not discriminate against producers who maintain equivalent standards, but have chosen not to be accredited against the specified scheme.

10. Local Sourcing

- 10.1 There is evidence that local sourcing can contribute to the development of rural economies the maintenance of economic growth and employment being a key objective of sustainable development.
- 10.2 While it is not possible to discriminate in favour of local suppliers, public sector buyers can support local sourcing by considering and removing obstacles to tendering by local suppliers, especially as this may help to achieve value for money. Given the opportunity to tender, local suppliers may have a competitive edge over competitors from further afield as a result of lower overheads, e.g. reduced transport costs.

11. Protected Geographical Indication (PGI) and Protected Designated Origin (PDO)

- 11.1 When justified by menu requirements it is possible to specify products in accordance with relevant PGI or PDO standards.
 - **A. Protected Geographical Indication (PGI)** is an official European Union quality standard recognised across Europe. Scotch Beef and Scotch Lamb have had PGI since June 1996 (EC 1107/96; L148). PGI guarantees that Scotch Lamb and Scotch Beef productions are connected to Scotland.
 - **B.** Protected Designated Origin (PDO) is also a European Union quality standard recognised across Europe. In February 2004, Scotland had three registered PDO for meat: Orkney Beef, Orkney Lamb and Shetland Lamb. PDO guarantees that the products are produced exclusively in the designated areas.

For example, if menus or customers regularly demand Scotch Beef,, or Orkney Lamb, it is not necessary to specify "or equivalent". If specifying PGI or PDO because of quality requirements alone, however, it is necessary to add the words "or equivalent" and to consider products which meet equivalent quality criteria. A list of products that have been granted PGI or PDO status are listed at the following address:

http://europa.eu.int/comm/agriculture/gual/en/1bbab en.htm

12. Partnering

12.1 Buyers will often obtain the best results by working in partnership with their suppliers outside the contractual process, on a voluntary basis, to inform and encourage them to work towards greater sustainability. Advice on supply chain management is given in Part 2 of the Green Guide for Buyers, which can be found at

http://www.sustainable-development.gov.uk/sdig/improving/partf/greenbuy/index.htm

The tools that the Sustainable Development Commission and ACCPE are proposing to produce to help large retailers determine what to stock (see para 5 above) should also help public sector bodies in working with their suppliers to develop sustainable food supply chains.

FINANCE AND CENTRAL SERVICES DEPARTMENT ENVIRONMENT AND RURAL AFFAIRS DEPARTMENT

MAY 2004

PART 2: ACTION SHEET

Integrating sustainable development considerations

Work in partnership with catering contractors and other suppliers to integrate the following sustainable development considerations into your food and catering procurement. More information is given in the glossary below.

1. Assurance

1.1 Assurance Schemes

Where appropriate, specify:

- food standards that mirror standards laid down in assurance schemes (Reference to assurance schemes helps to ensure that minimum quality standards are not undercut) that:
 - encompass food safety, environmental and animal welfare issues
 - provide for regular independent third party inspection
 - are accredited to EN 45011; and
- that all assurance schemes that satisfy the above criteria are acceptable
- that alternative evidence is acceptable provided it is credible. This may be important for small local supply lines.

2 Organic food

 where appropriate, increase the provision of organic meals and snacks (that meet the criteria of the EC REGULATION 2092/91), in accordance with the intent of the Scottish Organic Action Plan, which can be found at

http://www.scotland.gov.uk/about/ERADRA/FBRD/00015869/page1506808432.aspx by:

- requiring them as an option in staff catering units, and
- actively encouraging their availability in general catering programmes.

3. Removing obstacles to tendering by local and UK producers

 Remove unnecessary restrictions that prevent local businesses from competing to supply food - while avoiding giving them preferential treatment that would be in contravention of the procurement rules - by, for example:

Encouraging small local producers/suppliers to collaborate on organising collective responses to demand. Many small producers have the capacity to supply competitively but miss out on large government supply contracts because they are not generally organised to work collectively;

Making sure that potential suppliers know how to identify and compete for public sector contracts by widely publicising the sort of information available on the SE Procurement web site;

http://www.scotland.gov.uk/about/FCSD/PCSD-POL/00017839/susdevguide.aspx

This site provides various useful links and in particular advice to buyers and suppliers.

- Specifying fresh produce, seasonal produce that can be grown in the UK or EU and fewer exotic fruit and vegetables that local growers are unable to produce, where such requirements meet users' needs;
- where purchasing is decentralised (e.g. health trusts and education authorities and schools) structuring contracts in relatively small sizes where consistent with value for money, reducing barriers to local agriculture and horticulture to show how they can better meet requirements. For example, by:
 - facilitating the inclusion by large contract holders of smaller growers and producers as second and third tier suppliers,
 - promoting the use of lots' during the tendering process, where this is consistent with value for money, to allow small and medium enterprises to bid for certain parts of supply contracts (EC rules prohibit public bodies from splitting contracts below EC procurement thresholds for the purpose of deliberately avoiding associated regulations.) and
 - tendering more frequently for smaller quantities and establishing more flexible specifications (e.g. for more limited ranges of produce per contract) where this takes account of EC aggregation rules and is consistent with value for money and public expenditure requirements.

4. Fair treatment of suppliers

 Encouraging catering contractors (post contract award) to treat their suppliers in a fair and ethical manner (e.g. in relation to bill payments etc)

5. Fair trade food

Where appropriate (e.g. in staff restaurants and more generally):

 Provide FAIR TRADE and food produced under ethical assurance schemes as options - reflecting such needs in non-discriminatory specifications, in line with user requirements and working on a voluntary basis with suppliers once contracts have been awarded.

6. Healthier eating

- Promote healthy diets, e.g. by specifying that catering contractors ensure the provision of healthy balanced meals and provide healthier choices in catering units, promoting foods that are low in salt, saturated fat and sugar.
- Achieve national standards for the provision of food in schools as set out in Hungry for Success 2003 and the standards set by NHS Quality Improvement Scotland

(NHSQIS) for provision of hospital food contained in Food, Fluid and Nutritional Care and the National Care Standards for food provision in care homes

- promote the recommendations made in the Health Promoting Prison framework. 2002 for the provision of healthy choices in prisons.
- Provide guidance for catering contractors based on nutrient specifications for manufactured food products provided by Food Standards Agency (FSA) Scotland
- Integrate FSA Scotland's Catering for Health Guide into common practice.

7. Food hygiene

 Promote food hygiene - especially where food is prepared on the premises - to contribute to Food Standards Agency's aim of reducing the incidence of food-borne disease by 20% over the period 2001 to 2006.

8. Ethnic, cultural and religious diets

• Ensure that demand from ethnic minority customers, whether for cultural or religious reasons, is reflected in the planning and promotion of menus and selection of dishes.

9. Waste

- Minimise the waste associated with food, both in terms of meals not consumed and waste more generally, for example, by:
 - avoiding the use of disposable cutlery and plates
 - serving milk, condiments and sauces in re-usable containers rather than disposable individual containers/sachets where this does not compromise food safety
 - using serviettes made from unbleached recycled material
 - recycling glass, cans, paper, plastics and vegetable oil
 - minimising packaging
 - specifying energy-efficient appliances rated B or better under the EC's energy labelling scheme, which are HCFC and HFC free if they use refrigerants.
- Defra commissioned a risk assessment in 2001 that looked at the animal and public health risks posed by the composting/biogas treatment of catering waste and spreading it on land. This work concluded that, provided satisfactory controls are in place, composting/biogas treatment can be done safely. Defra issued revised regulations in July 2003 that allow catering waste to be composted safely, based on the results of the risk assessment. The overall objective is to develop a set of rules that will allow composting of catering waste to take place economically while fully protecting animal and public health. More information can be found at: http://www.defra.gov.uk/animalh/by-prods/publicat/compost_guidance.pdf

10. Deliveries

Seek to reduce the frequency of individual journeys needed to make deliveries to the
Department's premises and requiring suppliers, when working on the contract, to
switch off the engines of their vehicles when stationary on the organisations
premises for longer than two minutes so as to keep fuel usage and emissions to the
minimum.

Consult suppliers before attempting to reduce the frequency of deliveries as this may discriminate against smaller and local producers, especially those providing fresh produce. Although by encouraging greater co operation among local businesses it may be possible to reduce deliveries and, as a consequence, their overheads.

11. Other environmental considerations

 Comply with other environmental aspects of SE policy which, in addition to minimising waste and reducing deliveries, are designed to conserve energy, water and other resources, promote biodiversity, phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds (VOCs) and other substances damaging to health and the environment.

12. Safety, welfare and training

• Provide a safe working environment for catering staff with appropriate welfare and training arrangements.

13. Other initiatives

• Support product best practice standards that are being developed in the retail industry and elsewhere, e.g. for sustainable PALM OIL PRODUCTION that forms a major ingredient in a wide variety of food and detergent products.

PART 3: GLOSSARY

Assurance Schemes (see also Organic Food)

Assurance Schemes are schemes which verify through regular independent inspection that farmers and growers are producing primary agricultural products according to documented standards covering food safety and traceability, animal welfare and environmental protection which are based on legislation, codes of good agricultural practice and recognised good industry practice.

Retailers often require suppliers to belong to such schemes, which have a high level of coverage in many sectors in Scotland. SEERAD's policy is to encourage increased coverage. Assurance schemes are different in Scotland, England, Wales and Northern Ireland.

The following is an illustrative list of Assurance Schemes operating in Scotland on 31 January 2004:

- **SQC** (**Scottish Quality Cereals**) SQC operate and manage the Farm Assurance Schemes that have placed Scottish cereals at the premium end of the market
- Specially Selected Scotch Farm Assurance: Pigs, Cattle & Sheep: Specially Selected Farm Assurance Schemes group Specially Selected Pork scheme and the Specially Selected Scotch Beef and Lamb Scheme. Both schemes set the production standards across the Scottish red meat supply chain. Specially Selected is controlled by SFQC (EN45011) and backed by SSPCA. SS Assurance Schemes cover 80% of beef and lamb and 95% of pork produced in Scotland. Scotch Beef and Scotch Lamb are part of the PGI scheme.
- SQS (Scottish Quality Salmon) have set standards for their assurance scheme which is audited by Food Certification Scotland, an approved EN45011 body. A similarly robust (but separate) scheme exists for Shetland salmon growers. Scottish Farmed Salmon will have PGI status in 2004.
- There are also a number of specialised interest assurance schemes, elsewhere in the UK and abroad. Some examples are:
 - APS Assured Produce Scheme (Hort): Scheme covers all types of fresh produce
 and potatoes grown in the UK. Standards are based on integrated crop management
 (ICM) and work closely with LEAF on minimising pesticide and fertiliser use. Covers
 77% by area of UK production.
 - ACCS Assured Combinable Crops Scheme Covers all combinable crops, i.e. cereals grown for human and animal consumption. Environmental standards are above legal minimum and producers are required to restrict chemical application. Covers 75% to 80% of combinable crops applies only to England and Wales.
 - NDFAS National Dairy Farmers Assurance Scheme: Scheme comprises "first purchasers", milk groups and dairy companies. Covers mainly food safety and animal welfare.
 - ACP -Assured Chicken Production Covers 90-95% of UK broiler chicken production. Rules mainly relate to food safety. Feed must be UFAS assured. Welfare standards are above minimum legal requirements.

- ABP -Assured British Pigs ABP set standards for English and Welsh pig
 productions from production to processing and cover about 90% of British meat
 production. BMSQM extends assurance into processed products such as pork,
 bacon, ham and sausages. Covers animal welfare and food safety. Requires pigs to
 be on assured farms from birth and antibiotic residue monitoring to be undertaken.
- **FABBL Farm Assured British Beef or Lamb** FABBL covers some 18,000 producers in England and is licensed by ABM to implement their standards through the life cycle. Covers food safety, animal welfare and environmental protection.
- FAWL Farm Assured Welsh Livestock FAWL is the Welsh farm scheme for Welsh beef and lamb and is licensed by ABM to implement their standards. The scheme covers about 60% of Welsh lamb output and 70% of Welsh beef output, but applies only to on-farm. Its standards generally aim to implement legal requirements and surpass them in a few specific areas. Animals must be on assured farms for 60-90 days to qualify.
- NIBL FQAS Northern Irish Beef and Lamb Farm Quality Assurance Scheme
- Genesis Quality Assurance Scheme (beef and lamb and combinable crops) This
 private quality scheme covers beef, lamb and combinable crops. Allows farms
 across several sectors to be assured in a single inspection. It has some 6,500 beef,
 lamb and crop members and basically follows legal requirements with higher
 standards for herd health plans, welfare standards and environmental waste.
- Lion Quality Scheme (Eggs) Scheme is UK wide and was developed to reduce salmonella in eggs. All major retailers specify Lion Eggs. Currently covers 95% free range, organic and barn eggs and 75% of cage eggs.
- EUREPGAP-fresh fruits and vegetables: EUREPGAP is designed to help producers
 improve food quality and safety, biodiversity, more efficient use of natural resources,
 minimum use of pesticides and fertilisers and worker health and safety.
- RSPCA Freedom Foods
- **LEAF- Linking Environment and Farming LEAF** (Linking Environment And Farming) is designed to help farmers improve their environment and business performance and create a better public understanding of farming through a nationwide network of demonstration farms. Its standard is based on Integrated Farm Management (IFM), which is a whole farm policy integrating beneficial natural processes into modern farming practices using advanced technology.

More information about these schemes is given elsewhere in the glossary.

Barn Eggs

To qualify eggs must come from poultry enterprises in which hens are stocked at a density of no more that 9 birds per square metre of usable area. The building must have sufficient perching to allow a minimum of 15cm of perching for every bird.

BMQSM (British Quality Standard Marks)

See "ABP - Assured British Pigs" above.

British Farm Standard

The British Farm Standard is denoted by the RED TRACTOR logo, which is a voluntary scheme that was developed by the National Farmers' Union and now administered by Assured Food Standards. It indicates compliance with specific standards laid down in qualifying Assurance Schemes. See ASSURANCE SCHEMES for a list of schemes that qualified on 31 January 2003 to use the Red Tractor logo. URL: http://www.littleredtractor.org.uk/contact.asp

Catering for Health

This Guide is designed to provide a practical resource, explaining how healthier catering principles can be applied to all aspects of food preparation within a wide range of working environments including schools, staff restaurants and hospitals. Practical examples of recipe modification are provided to demonstrate how small changes can have a significant positive effect on the nutritional quality of a meal. Although it is aimed at those who teach or assess catering courses, its design also means it can readily be used by the students themselves or by those already working in the catering sector. The Scottish version of the Guide is available to order free from Ec logistics on 0845 606 0667 or email at foodstandards@eclogistics.co.uk Reference no. FSA/0572/0502

Code of practice on supermarkets

The "Code of Practice on Supermarkets' Dealing with Suppliers was drawnup by the Office of Fair Trading. It governs the trading relationship between the supermarkets and their suppliers. The largest supermarkets have all given legally binding undertakings to comply with the code but the government is keen to see its principles and practices adopted by others in the food chain. Look for "Supermarket Code of Conduct" under "A-Z Index" on DTI's site for Consumer & Competition Policy web site http://www.dti.gov.uk/ccp/

Composting

Composting of catering waste will be vital to meeting local authority recycling targets and the Landfill Directive targets to reduce the amount of biodegradable municipal waste that goes to landfill. However, composting and biogas treatment of catering waste are effectively banned by the Animal By-Products Order 1999 (as amended) in order to prevent the possible transmission of animal diseases. Defra commissioned a risk assessment 2001 that looked at the animal and public health risks posed by the composting/biogas treatment of catering waste and spreading it on land. This work concluded that, provided satisfactory controls are in place, composting/biogas treatment can be done safely. Defra issued revised regulations in July 2003 that allow catering waste to be composted safely, based on the results of the risk assessment. The overall objective is to develop a set of rules that will allow composting of catering waste to take place economically while fully protecting animal and public health. More information can be found at:

http://www.defra.gov.uk/farm/sustain/procurement/foodprocure.pdf

Deliveries

The EC Treaty, the EC procurement directives and the UK Regulations that implement them are designed to ensure that public procurement is fair, transparent and non-discriminatory. This means for example that the distance travelled to deliver food, or the locality in which it is produced, cannot be a specific factor in awarding the contract, as this would be discriminatory.

It is however permitted for public sector contracting authorities to-set reasonable requirements for delivery frequencies, freshness, taste etc. Such criteria may appear to give local suppliers a competitive advantage but provided a foreign supplier is not denied an opportunity to compete on equal terms by, for example, setting up an operation in Britain - then such criteria are legitimate. However it is unlikely to be permissible to require the supplier to employ local labour because that would be a discriminatory condition to set.

EC interpretative document on social issues in public procurement

The EC interpretative document on social provides advises on the scope for taking account of social issues in public issues in public procurement. A copy is available on the EC web site. URL: http://europa.eu.int/eur-lex/en/com/cnc/2001/com2001 0566en01.pdf See also GREEN GUIDE FOR BUYERS.

EC Regulation 2092/91

Organic farming is controlled by EC Regulation 2092/1991 (as amended). Itsets out the inputs and practices which may be used in organic farming and growing, and the inspection system that must be put in place to ensure this. This Regulation also applies to processing, processing aids and ingredients in organic foods. All food sold as organic therefore must originate from growers, processors and importers who are registered with an approved body and subject to regular inspection. The aim is to create an audit trail so that consumers can be assured that food sold as organic is produced to a standard, to protect genuine producers from fraudulent competition, and to facilitate trade within the Community.

Buyers are free to specify that organic food must meet the criteria of the EC Regulation 2092/91 and to accept certification that meets these criteria such as that of the Soil Association, Scottish Organic Producers Association, Organic Farmers and Growers and others. But they cannot specify anyone in particular. This would be deemed discriminatory under the public procurement rules, as limiting the requirement to a specific non-mandatory label would prevent suppliers from offering an equivalent means to meet the underlying requirement.

EC Regulation 2092/91 requires that anyone carrying out any form of processing on organic food for sale needs to be registered. This could certainly include preparing meals using organic ingredients for sale as such, e.g. organic potatoes, tomatoes, carrots and eggs. On the other hand, caterers would not require registration to sell pre-packed organic items, e.g. milk, fruit and sandwiches that are already certified. As currently worded the Regulation is slanted towards factory processing and various proposals to make the Regulation better adapted to catering requirements are coming forward.

EN 45011 accreditation standard

EN 45011 is the recognised European standard for product certification. It imposes requirements on the certification body to be transparent, impartial, competent and rigorous in assessing products. It also requires a regular inspection regime requiring a minimum of one visit to each site per annum. The certification body must demonstrate to the national accreditation authority that they work to these requirements before they can issue "accredited" certificates. The national regulatory authority then regularly inspects and audits these certification bodies to ensure the

validity of their results. In the UK, the regulatory authority is UKAS, (the UK Accreditation Service). Equivalent bodies in Europe include: Denmark (DANAK), Sweden (SWEDAC) Finland (FINAS), France (COFRAC), Germany (DAR), Ireland (NAB), Italy (SINCERT, Holland (RvA), Norway (NA), Spain (ENAC), Switzerland (SAS).

Energy-efficient appliances

More advice is given in Part 3 of the Green Guide for Buyers and elsewhere on the "Sustainable Development in Government" web site. See under "Part F Procurement" on that site –

http://www.sustainable-development.gov.uk/sdig/improving/contextf.htm

Ethical performance

Ethical performance is about internal business processes. That is, how an organisation deals with its suppliers or customers. Sometimes it is possible to address issues of this nature through procurement. Part 2 of Defra's GREEN GUIDE FOR BUYERS provides advice to buyers on SOCIAL and ethical issues, and can be found at:

http://www.sustainable-development.gov.uk/sdig/improving/partf/greenbuy/index.htm

Ethical Trading Initiative

The ETI is an alliance of companies, non-governmental organisations Initiative (NGOs), and trade union organisations working together to identify and promote ethical trade - good practice in the implementation of a code of conduct for good labour standards. For more information on the Ethical Trading Initiative - see their web site at http://www.ethicaltrade.org.

European Initiative for Sustainable Development in Agriculture's "Common Codex for Integrated Farm Management"

The Common Codex for Integrated Farm Management is a whole farm policy that uses integrated ecological pest controls, other beneficial natural processes and advanced technology for efficient food production that is profitable and environmentally responsible. Find out more about the "Codex for Integrated Farm Management" from LEAF - see in glossary.

Fair Trade

Developing countries are estimated to lose £500 billion per year due to an unfair trading system. Buying fair trade or ethically produced goods can mean a better deal for farmers, growers and small-scale producers by encouraging partnership schemes that reduce the number of middlemen. This ensures that they receive a fair price, thereby enabling greater investment in their businesses or in health and education projects within their communities. This improves productivity and safeguards future supplies.

The Soil Association and the Fairtrade Foundation have been working to initiate a UK based scheme. The pilot is now running. To avoid confusion with produce sourced overseas and associated by the consumer with third world farming, the produce will be labelled as Ethically Traded rather than Fairtrade. This scheme will ensure fair and equitable trading standards are applied at all stages in the supply chain.

See also ETHICAL TRADING INITIATIVE, FAIRTRADE FOUNDATION, EC INTERPRETATIVE DOCUMENT on social issues in public procurement and GREEN GUIDE FOR BUYERS in the Glossary.

Fairtrade Foundation

The Fairtrade Foundation exists to ensure a better deal for disadvantaged third world producers by awarding the Fair-trade Mark to products such as tea, coffee and chocolate which have been bought from internationally recognised Fair Trade sources.

It was set up by Cafod, Christian Aid, New Consumer, Oxfam, Traidcraft and the World Development Council and was later joined by the Women's Institute. Public procurement Directives do not allow public authorities, which have not specified fair trade products, to give preference to such products when awarding contracts. More information is given on their web site at http://www.Fairtrade.org.uk See also Fairtrade Labelling Organisations International at: http://www.fairtrade.net/

Food and Health Policy in Scotland

Good nutrition can help to reduce the prevalence of many common diseases in Scotland today including cardiovascular disease, cancer, diabetes, obesity and osteoporosis. *Food and health in Europe: a new basis for action* (2004) highlights the urgent need for integrated, multi-sectoral food and nutrition policies, encouraging the sustainable production of safe food of high nutritional quality. The case for improving the Scottish diet is well established and has been operationalised through a leading multi-sectoral, life course approach laid out in the Scottish Diet Action Plan (SDAP) (1996). The implementation of the SDAP is a key action identified with *the Challenge*. The SDAP builds upon an strong evidence-base with actions directed towards communications, creating supportive environments and policy change

For **Food and Health Policy** in Scotland see http://www.scotland.gov.uk/Topics/?pageID=122 and click on "Scotland's Health".

Also see:

Improving Health in Scotland – The Challenge (2003) http://www.scotland.gov.uk/library5/health/ihis-00.asp

Eating for Health – A Diet Action Plan for Scotland 1996 http://www.scotland.gov.uk/library/documents/diet-00.htm

Food and health in Europe: a new basis for action (2004)

http://www.euro.who.int/eprise/main/who/InformationSources/Publications/Catalogue/200401 30 8

Food Standards Agency

The Food Standards Agency (FSA) is an independent food safety watchdog set up by an Act of Parliament in 2000 to protect the public's health and consumer interests in relation to food. The Agency's key aims between 2001 and 2006 are to: reduce foodborne illness by 20% by improving food safety right through the food chain; help people to eat more healthily; promote honest and informative labelling to help consumers; promote best practice within the food industry; improve the enforcement of food law; and earn people's trust by what they do and how they do it. Although the FSA is a Government agency, it works at 'arm's length' from Government because it doesn't report to a specific minister and is free to publish any advice it issues. The FSA's UK headquarters are in London, but the Agency also has national offices in Scotland, Wales and Northern Ireland. Its web site contains useful advice. See: http://www.food.gov.uk.

FSA Scotland's Diet and Nutrition Strategy has been developed to enable the Agency's diet and nutrition objectives to be taken forward in Scotland while complementing the activities of partners in Scotland in taking forward the recommendations of the Scotlish Diet Action Plan.

FS A Scotland have produced target Nutrient standards for manufactured products in support of Hungry for Success.

Free Range Eggs

To qualify the hens must have continuous daytime access to open air runs which must be covered with vegetation and have 4 sq. metres of space each, i.e. a max of 2500 per hectare (about 400 per acre).

Green Guide for Buyers

The guide is designed to help public sector buyers make more efficient choices, and thereby reduce the impact of their buying decisions on the environment and improve their environmental performance. It is available on the Government's Sustainable Development web site. http://www.sustainable-development.gov.uk/sdig/improving/partf/greenbuy/index.htm

HCFCs

HCFCs are ozone depleting substances used mainly as refrigerants. It is SE policy to minimise the use of hazardous substances and comply EC Regulation No 2037/ 2000 on substances that deplete the ozone layer in use, recovery and destruction of ozone depleting substances. In addition, ensure that where they must be used, they are stored, used and disposed of in accordance with legislation and best practice. Further information can be found at http://www.scotland.gov.uk/environment/greeninggovernment/hazard.asp

HFCs (i.e. hydrofluorocarbons)

HFCs are coolants used in some refrigerators, freezers and air conditioning systems. They have a high global warming potential and for this reason it is Government policy that they should only be purchased for use on its estate where it is not safe, cost-effective and technically feasible to use environmentally acceptable alternatives.

Note. The world's first HFC-free restaurant was opened in Denmark in January 2003. It uses 100% HFC-free, state-of-the-art technology in all its refrigeration and ventilation equipment, including refrigerators, refrigerating rooms, freezing rooms, air conditioning equipment, and soda, juice and ice-cream machines.

Hospital Food

The Standard for Food Fluid & Nutritional Care in hospital in Scotland was developed by a multi disciplinary group drawn from the NHS. The Standard states that when a person is admitted to hospital, an assessment is carried out. Screening for risk of undernutrition is undertaken, both on admission and on an ongoing basis. A care plan is developed, implemented and evaluated.

Hospitals will have planning groups responsible for the ongoing monitoring and review of the food and fluid provided to patients. All dishes and menus are analysed for nutritional content by a state-registered dietician at the planning stage. Also the nurse with responsibility for the ward is responsible for having in place a protocol which ensures that correct

meals/dishes are received on the ward and patients' intake of food and fluid is monitored and action taken if this intake is inadequate. There is a protocol for the provision of any requirement out with the planned menu, e.g. vegan meals.

Performance against the Standard will be assessed by NHSQIS and national and local reports will be published. The SE is working with the NHS to produce a national catering/nutritional specification to underpin the Standard.

Hungry for Success

The Scottish Executive has invested £63.5m over 3 years in a revitalised school meals service in Scotland. Nutritional standards have been developed for school meals and these will be enforced and monitored by performance management systems for schools. These are set out in *Hungry for Success:* A Whole School Approach to School Meals in Scotland (2003). Crucially, this initiative will be integrated into a health promoting school approach and will create a supportive environment for healthier living (of which healthy eating is a part) in schools. Children will be provided with healthier food choices, supportive environments and information and support for healthy food choices.

Measures include:

- Free fruit for all pupils in primary one and two
- New nutrient standards for school meals
- Standard portion sizes and product specifications
- Provision of drinking water
- Actions to incentivise uptake of free school meal entitlement
- Improved facilities in dining rooms

The approach includes a detailed strategy for monitoring progress and performance and support for schools and education authorities to achieve the standards.

As part of this strategy, monitoring is being built into HMIE school inspections from August 2004, target nutrient specifications for manufactured products have been set by FSA Scotland to assist caterers achieve the nutrient standards and to drive up food quality within this sector, and menu planning and analysis software (H4S) is being developed ready for release in August 2004.

The full report can be found at

www.scotland.gov.uk/library5/education/hfs-00.asp

LMC

Scheme only applies on farm and represents about 75% of beef output and 40% of lamb output in Northern Ireland. Standards are only above legal requirements in a few specific areas. There are controls on feed sources, medicines and animal health, including compulsory removal of horns. Residency periods are 90 days for cattle and 45 days for sheep.

Local food sourcing definition

SE defines "local food sourcing" as food both produced and sold within a limited geographical radius but which does not necessarily have any distinctive quality. This is to differentiate it from "Regional food", which is defined as food produced within a particular geographical area (whether administrative region, county, town or other appellation) and is marketed as coming

from that area. However, it may be sold within or outside that area. Regional food is perceived to have a distinctive quality because of the area in or the method by which it is produced. The Food Safety Agency is currently considering the need for a definition for local food and therefore the term may cease to apply.

Local Sourcing

There is no firm evidence at present that local sourcing has lower environmental impacts than efficient national distribution networks. However, there is evidence that it can contribute to the development of rural economies - the maintenance of economic growth and employment being a key objective of sustainable development. And, as EU and OGC advice makes clear, public sector bodies are able to pursue sustainable development objectives through procurement where this achieves value for money and is non-discriminatory. Public sector bodies should therefore consider the potential for local sourcing by ensuring that their contracts do not contain provisions, which stand in the way of local and UK suppliers. For a directory of local producers by postcode - see Big Barn. URL: http://www.bigbarn.co.uk.

Feeding the Interest is a discussion document of the potential benefits of the local food sector to the economy, the environment, communities and health in Scotland based on a review of the local food sector in Scotland commissioned on behalf of a wide array of partners by NHS Health Scotland and published by the Scottish Consumer Coucil, Febrary 2004. www.dietproject.org.uk

Local suppliers action to help them

Holding briefing sessions to explain the way the public sector organisations tenders for supplies, how and where they advertise and how suppliers should respond to those requests should enable local producers amongst others to adapt their production to meet the requirements of the contracting authority - be it a public sector body or catering contractor employed on its behalf. Greater collaboration between producers may make it easier for them to supply products in the quantities required by the large purchasers and to ensure continuity of supply. This already happens in the horticulture sector where producer organisations co-ordinate supply in order to meet the requirements of large purchasers.

National Care Standards

The National Care Standards address the issue of nutrition in care homes and day centres. The standards say that care home providers should assess the service user's nutritional state and that meals should be varied and nutritious, reflect the service user's preferences and any special dietary needs including ethnic, cultural and faith ones. Meals should be well prepared and cooked, and attractively presented. The Care Commission, in carrying out its regulatory function, will expect providers to demonstrate that they are meeting the standards. The National Care Standards also state that all care provided, which includes nutritional care, reflects current best practice guidance.

Nutrition

For list of useful web sites - see NHS' Nutrition Links. URL:

http://www.nhsinherts.nhs.uk/hp/health_topics/nutrition/nutrition_links.htm

- NIBLFQAS (Northern Ireland Beef and Lamb Farm Quality Assurance Scheme).
 NIBLFQAS is the Northern Irish farm scheme for English beef and lamb and it is licensed by NIFCC
- NIFCC (Northern Ireland Food Chain Certification). NIFCC is the Northern Ireland standard regulatory body for beef and lamb.

NHSQIS

National Health Service NHS Quality Improvement Scotland

Organic Food

Organic Food is produced using management practices that promote an integrated agriecological approach to farm husbandry. The object is to attain environmental benefit within the field of production rather than merely outwith the production area.

- protecting long term soil fertility by maintaining organic matter through using manures, composts, legumes for biological nitrogen fixing and crop rotations;
- controlling weeds and pests through mechanical means, disease-resistant crop varieties, biodiversity, natural predators and limited biological methods rather than fertilisers and pesticides
- using extensive systems of livestock husbandry with regard to animal welfare, natural evolutionary adaptation and behaviour issues by paying attention to diet, health, shelter and breeding
- controlling environmental impacts and conservation of natural habitats.

The Scottish Executive 2004 Organic Annual Report can be found at: http://www.scotland.gov.uk/library5/environment/oar04-00.asp

A full list of authorised bodies in the UK, EU and EU recognised third countries is given on Defra's web site: http://www.defra.gov.uk/farm/organic/default.htm.

Other sites: Defra's Organic Farming Scheme (support for organic farming)

http://www.defra.gov.uk/erdp/schemes/ofs/default.htm

and the Soil Association http://www.soilassociation.org/sa/SAWeb.nsf/.

See also in the glossary. EC Regulation 2092/91 and UK Register of Organic Food Standards and Action Plan to Develop Organic Farming in England.

Ozone depleting substances

See HCFCs in the Glossary

Packaging – minimising it

Minimise packaging by specifying that: (1) it is kept to the minimum necessary to protect the goods in transit; (2) maximum use is made of recycled and recyclable materials (i.e. materials for which facilities exist for their collection and recycling) in the manufacture of crates, pallets etc; and (3) "take-back" schemes operate for reusing packaging or, less preferably, recycling any crates, pallets and other larger items of packaging used to fulfil the contract.

Palm Oil Production

Impacts from the creation and management of palm oil plantations in major production areas like Indonesia can include loss of tropical rain forest and biodiversity, air pollution from large scale burning for forest clearance, and the displacement of traditional communities. See Second Report of the Advisory Committee on Consumer Products and the Environment: Action for Greener Products - a toolbox for change". URL: http://www.defra.gov.uk/environment/consumerprod/accpe/index.htm

Unilever and other leading companies are developing product standards. http://www.unilever.com/environmentsociety/sustainability

Patchwork approach

NHS Purchasing and Supply Agency's national contract for the supply of fresh fruit and vegetables is a good example of a patchwork approach. When the contract was advertised, suppliers were asked to state which Trusts they would like to service. The result: the appointment of fifteen suppliers based around the country who deliver directly to the hospitals, rather than the goods going through the usual distribution system;

PGI (Protected Geographical Indication) and PDO (Protected Geographical Indication)

PGI and PDO are the two main European official food quality signs. They independently controlled by a Certified Body accredited EN45011. A PDO covers the term used to describe foodstuffs which are produced, processed and prepared in a given geographical area using recognised know-how. In the case of the PGI, the geographical link must occur in at least one of the stages of production, processing or preparation. Furthermore the product can benefit from a good reputation. A list of European foodstuffs registered PGI or PDO is available: http://europa.eu.int/comm/agriculture/qual/en/1bbab en.htm

Prison Service

The Scottish Prison Service (SPS) aims to provide adequate and nutritious food and offer a balanced diet and is working towards national targets contained within "The Promoting Prison: A Framework for Promoting Health in the Scottish Prison Service". All catering managers have been trained in nutrition. They are in the early stages of developing nutritional standards for prison food and are considering appointing a nutritional advisor to help take forward this work.

QMS (Quality Meat Scotland (QMS)

QMS is the body tasked with promoting the Scottish beef, lamb and pork industry. It is funded by statutory levy and is accountable to the Scottish Parliament. It owns the Specially Selected Scotch Assurance Schemes and can provide information on potential suppliers of beef, lamb and pork. QMS has published guidance for Public Procurement and red meat supply. www.qmscotland.co.uk.

Red Tractor Mark

The Red Tractor logo denotes food produced in accordance with standards laid down in qualifying assurance schemes. URL: http://www.littleredtractor.org.uk

SSPCA (Scottish Society for the Prevention of Cruelty to Animals) and RSPCA's (Royal Society for Prevention of Cruelty to Animals) Freedom Foods

RSPCA set up the scheme in the UK with its own standards to promote higher animalwelfare in food production. It is independent of the food and livestock industry and covers on-farm production, transport and slaughter with particular emphasis on welfare and with no claims for

environmental standards. In Scotland, SSPCA is backing Specially Selected Assurance Schemes.

Scottish Executive Organic Annual Report

http://www.scotland.gov.uk/library5/environment/oar04-00.asp

(The) Scottish Food & Drink Organic Project

Scottish Food & Drink is the industry working together with Scottish Enterprise - providing expert advice, making industry connections and delivering business growth.

The Scottish Food & Drink Organic Project helps organic farmers, growers and processors exploit key market opportunities, through sector coordination, specialist marketing events and information services including the Organic Zone on http://www.scottishfoodanddrink.com

The Project is funded by Scottish Enterprise, and managed by the sector bodies - Soil Association Scotland, Scottish Organic Producers Association (SOPA), and the Biodynamic Agricultural Association - and SAC.

The Organic Project is part of the Scottish Executive's Organic Action Plan, focusing on specific aspects which also contribute to the Scottish Food & Drink strategy.

For information on accessing a range of services to support Scotland's organic businesses, contact Organic Project Manager Kara Brydson at kara@organic.org.uk or on 0131 335 6636.

Seasonal Produce

The BBC's web site gives information on what's in season: http://www.bbc.co.uk/food/inseason

SFQC (Scottish Food Quality Certification)

SFQC is an independent certification body based in Scotland specialising in the inspection and certification of primary food production and processing. SFQC was accredited in June 1997 to ISO Guide 65 (EN45011)

Smaller Supplier... Better Value?

The guide seeks to raise awareness of the greater competition and better value small and medium-sized enterprises (SMEs) can bring to the marketplace. Hard copies of Smaller Supplier ... Better Value?' are available from the OGC Service desk on 0845 000 4 999. Or it can be viewed on-line on OGC's "SUPPLYING GOVERNMENT" web site at:

http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/generic_guidance/small_supplier_better_v alue_may_2002.pdf

Social performance

Social performance is about the impacts of an organisation on society. That is, on people outside the organisation. Sometimes it is possible to influence issues of this nature through procurement. Part 2 of Defra's GREEN GUIDE FOR BUYERS provides advice to buyers on social and ETHICAL ISSUES.

(http://www.sustainable-development.gov.uk/sdig/improving/partf/greenbuy/index.htm)

Supplying Government

OGC has a web site that provides advice and information to businesses wishing to sell their products and services to government departments in England. It explains to suppliers about how to work with government, where to find contracts opportunities and the types of products and services government buys. It also provides direct links to equivalent sites for Scotland, Wales and Northern Ireland. URL: http://www.supplyinggovernment.gov.uk/index.asp

UK Register of Organic Food Standards (UKROFS)

The approved body in the UK for authorising organic certification bodies is the UK Register of Organic Food Standards (UKROFS). Iin the UK, EU and EU recognised third countries is given on Defra's web site: http://www.defra.gov.uk/farm/organic/default.htm

Also: Defra's Organic Farming Scheme:

(http://www.defra.gov.uk/erdp/schemes/ofs/default.htm)

and the Soil Association http://www.soilassociation.org/sa/SAWeb.nsf/.

Working with Suppliers - A Code of Good Customer Practice

The Office of Government Commerce's "Working with Suppliers - A Code of Good Customer Practice" (http://www.ogc.gov.uk/index.asp?docid=424) sets out four core values describing how central civil government will work with suppliers -fairness, honesty, efficiency and professionalism. The OGC with the Small Business Service has also recently published a booklet "Smaller Supplier... Better Value?". See SMALLER SUPPLIER... BETTER VALUE? in the glossary.

Waste management.

For advice – see:

Scottish Executive Greening Government web site -

http://www.scotland.gov.uk/environment/greeninggovernment/waste.asp

Part D of the "Sustainable Development in Government" web site. - http://www.sustainable-development.gov.uk/sdig/improving/contextd.htm

Also: NHS' "Healthcare Waste Minimisation: a compendium of good practice". http://www.nhsestates.gov.uk/sustainable_development/index.asp?submenu_ID=waste