



THE ROLE OF PUBLIC PROCUREMENT IN TRANSFORMING WALES' FOOD SYSTEM



www.farmgarden.org.uk

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SUMMARY

Wales produces only a small proportion of all the food we consume, and this is particularly the case for fruit and vegetables. Covid, Brexit and the cost-of-living crisis have led to uncertainties on the availability of fresh food and sharp increases in prices. At the same time, the effects of climate change are causing crop failure across the globe at an unprecedented scale.

By increasing production of fruit and vegetables in Wales for local consumption, we could shorten our supply chains. This would allow us to have greater control over the environmental impact of growing techniques, retain economic and cultural benefits of local production and generate opportunities for health benefits from consumption of more nutritious food.

However, the challenges in bringing this about are multi-layered and require matching 'supply' and 'demand'. In order to encourage more food growing in Wales there needs to be a market for it, and the price must be competitive.

Social Farms & Gardens received funding through the Rural Communities - Rural Development Programme 2014-2020, which is funded by the European Agricultural Fund for Rural Development and the Welsh Government to pilot two new procurement food hubs in Carmarthenshire and North Powys. The project aimed to demonstrate that the public sector can procure efficiently from small-scale producers using methods that benefit the natural environment and local prosperity.

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SETTING THE SCENE

This report:

- **PROPOSES** that using local, small-scale agroecological producers delivers health, environmental and economic benefits
- **HIGHLIGHTS** the restrictions of current public sector contracts
- **SHARES** evidence from our Food Hubs pilot as a model to overcome some of these barriers
- **SETS OUT** a vision and roadmap that would transform the amount of fruit and vegetables we produce here in Wales

The focus of this report is on the role that the Welsh public sector could play in stimulating a substantial increase in horticultural outputs produced in Wales. To deliver maximum value, the approach must:

- **PRIORITISE** real living wages for skilled labour in the horticultural sector
- **REWARD** regenerative growing techniques that improve our soil health and biodiversity
- **VALUE** nutrient-dense produce that delivers health benefits
- **KEEP** production local to reduce carbon emissions through transportation

This is not an easy ask and any change will require incremental actions and system-wide change at different levels, as well as coordination between different sectors and organisations. It should also be stressed that we are starting from a low base!



Over 90% of land in Wales is used for agriculture, but the sector only generates a total income of £305m/year. The majority of our agricultural land is devoted to grazing (86%) and over 55% of farm holdings are under 20Ha. Within this context, horticulture in Wales only amounts to 2% of all farm holdings and 6% of the total agricultural output.

The Welsh public sector spends around £84m a year on food, and of this £7.2m on fruit and veg, but only 6% of this originates in Wales. Which begs the question ‘where does the other 94% come from’?

Spend by category on food and drink for the Welsh Public sector 2019/20

	Total Purchases	Purchased from Welsh companies	% from Welsh companies	Welsh origin	Welsh origin %
Milk	£8,067,781	£6,130,926	76%	£5,691,663	71%
Dairy	£2,882,926	£2,724,091	94%	£2,724,091	94%
Bread & Bakery	£2,476,965	£2,099,752	85%	£1,075,515	43%
Meat & Poultry	£8,186,924	£7,586,587	93%	£6,197,643	76%
Fruit & Veg	£7,167,299	£4,624,398	65%	£434,989	6%
Ambient, Fresh & Frozen	£47,656,553	£22,739,456	48%	£2,188,663	5%
Drinks & Confectionery	£8,025,754	£2,621,377	33%	£624,011	8%
Water	£314,514	£234,517	75%	£239,853	76%
TOTAL	£84,778,716	£48,778,159	58%	£19,176,428	23%

Brookdale Consulting: Welsh Public Sector Food Procurement - Update in Spending and Welsh Purchasing



The answer is complex and global, of course, but the consequence of long supply chains and the disconnect that this creates between producer and consumer is driving food systems that lack the resilience to respond to shocks, including climate change, war and pandemics.

Where consumers, including public sector buyers, are unaware of the environmental, social and economic effects of their purchasing choices, which are often based on product price, unintended negative impacts are perpetuated. Additionally, long supply chains inhibit buyers from reaping the potential wider economic, health and environmental benefits of food production.

On a positive note, there is a lot happening in terms of encouraging more production in Wales, including:

- The establishment of **SUSTAINABLE FOOD PARTNERSHIPS** with support from the Welsh Government with earmarked finance of approximately £3million
- The ongoing development of a **WALES COMMUNITY FOOD STRATEGY**
- A number of Local Authorities in Wales enlisting support to develop **LOCAL FOOD STRATEGIES**
- Innovative financing proposals within the **SUSTAINABLE FARMING SCHEME (SFS)**
- Widespread research & debate as a result of the '**TRIPLE CHALLENGE**' of Brexit, Covid and the cost-of-living crisis and a growing momentum supporting the establishment of a new food system for Wales
- Policy and legislative developments at Local Authority and Senedd level prioritising **NATURE-RECOVERY, BIODIVERSITY, AND CLIMATE RESILIENCE**
- Commitment from Welsh Government to the **REDUCTION OF OUR GLOBAL FOOTPRINT** with respect to deforestation, forced labour and importing from climate challenged countries

But there's a lot more that needs to be done to ensure that Wales can be more self-sufficient in terms of good quality food. A more joined-up approach would:

- **RETAIN** economic value locally through promoting the Welsh Pound
- **RECONNECT** people with their land and their heritage through food
- **INCREASE** food security during the cost-of-living crisis
- **IMPROVE** the nutritional value of food consumed in schools, care home and hospitals
- **CREATE** sustainable local jobs through increasing the number of growers
- **ENHANCE** biodiversity and soils through agroecological practices

THE AGROECOLOGICAL APPROACH

Agroecology is sustainable farming that works with nature. Ecology is the study of relationships between plants, animals, people, and their environment - and the balance between these relationships. Agroecology is the application of ecological concepts and principals in farming. Agroecology promotes farming practices that:

- **MITIGATE CLIMATE CHANGE** - reducing emissions, recycling resources and prioritising local supply chains
- **WORK WITH WILDLIFE** - managing the impact of farming on wildlife and harnessing nature to do the hard work for us, such as pollinating crops and controlling pests
- **PUT FARMERS AND COMMUNITIES** in the driving seat - they give power to approaches led by local people and adapt agricultural techniques to suit the local area - and its specific social, environmental and economic conditions

Community farms and small holdings produce a higher percentage of food/Ha than other forms of agriculture (A matter of Scale, Landworkers' Alliance 2017). Many also farm organically (sometimes certified) and adopt more ecologically-friendly approaches.

Small scale producers, such as Cae Tan CSA on Gower, can organise school visits for local children, and these play an important role in raising awareness of where food comes from and the nutritional value of fresh fruit and vegetables.



DEMAND SIDE RESTRICTIONS

Procurement of food within the public sector is driven mostly by price and quality; as well as the requirements of the All-Wales Menu. Within these parameters there are a number of operational barriers which prevent more local sourcing, including:

- **BULK PURCHASING PRACTICES** adopted by the public sector minimise administration and are often used to drive down prices, rather than adding social value
- **LACK OF WELSH GROWERS** who are able to supply such large contracts and an inherent bias towards purchasing from wholesalers who can import the cheapest food and guarantee consistent supply
- **THE DEFINITION OF QUALITY** does not take into account the nutritional value of the produce; in other words a carrot is seen as just a carrot, regardless of the fact different growing methods deliver different nutritional content. This should be particularly pertinent for food purchased by the NHS where the nutritional value for patients and elderly people is particularly important
- **SET MENUS** that do not reflect seasonal availability for schools, care homes and hospitals favour larger suppliers and work against local supply chains



The upshot is that our current system, coupled with tighter budgets, results in most of our public sector importing cheap food with low nutritional value and high food miles.

This produce fails to deliver much in the way of local employment or creating connections with our food and land. It also increases our global footprint through externalising environmental and social impacts of the global food market. The complexity of our food system makes it difficult to join up Government policies. But, as this document advocates, there is now perhaps a unique opportunity to encourage a more sustainable approach that would generate enormous benefits for Wales' economy, environment, culture and health.

SUPPLY SIDE RESTRICTIONS

Additionally, there are a number of challenges which make it difficult to increase the amount of fruit and vegetables grown in Wales. These include:

- **PLANNING HURDLES** hinder new entrant small-scale growers
- **ACCESS TO LAND** remains a significant barrier to setting up new horticulture businesses
- Economies of scale mean equipment for **WASHING AND PREPARING PRODUCE** for public sector kitchens and negotiating bureaucratic contracts is proportionally more expensive for small-scale operations
- **RURAL HOUSING** availability and price is an issue for many low-paid growers in Wales
- **THE RECRUITMENT** of skilled staff required to help with growing and harvesting is often difficult
- **CLIMATE CHANGE** is causing uncertainty for growers, including unexpected droughts, coupled with heavy bursts of crop damaging wind and rain
- **SOIL QUALITY** has been allowed to deplete, and it therefore takes time to regenerate and to move over to organic / low-input growing
- **SEED STOCK & DISEASE** are threatening some produce
- **CAREER OPPORTUNITIES** in horticulture are not being promoted to diverse communities and young people, limiting the pipeline of future growers
- **TRAINING IN AGROECOLOGY** is reliant on goodwill of existing growers and does not provide quality assurance
- **REAL LIVING WAGE** opportunities are particularly hard to attain through agroecological horticulture



SUSTAINABLE FOOD HUBS - A MODEL TO MAKE IT WORK ? 🍏

A key barrier for small holdings and public sector purchasers alike is a mismatch in scale. Public contracts notoriously have a higher administrative burden than direct sales for growers and food needs to be provided in a specific format (eg. cleaned) and in large amounts whilst public sector contractors don't have the capacity to deal with multiple small producers for small and varied orders. By installing a community-led food hub in the middle, these barriers can be broken down.

Small-scale community hubs focused on sourcing from agroecological producers understand the needs and opportunities provided by this type of local production. They can help to remove or simplify the administrative requirements on growers while providing a single point of contact for larger orders for public sector. They are also able to provide data about the wider benefits of local, agroecological production and provide connections for added value such as school visits to farms.

The case studies in this report illustrate the potential for developing successful Sustainable Food Hubs in Wales.





CASE STUDY

FOOTHOLD CYMRU

BACKGROUND

Foothold Cymru is a charitable company which has been serving West Wales for over 30 years from its base in Llanelli. It had been running a number of food related schemes, as well as a community garden, before the Sustainable Food Hub. They pick up produce from the grower, inspect, wash and then merge it with other produce, before distributing it to public sector customers.

WHO'S BEEN INVOLVED?

As well as the part time Hub Manager, Helen Evans, they are supported by volunteers who help pick up and deliver produce to and from growers and customers. Carmarthenshire County Council and Castell Howell have been very engaged, as well as the cooks at the schools and care home. They are working closely with Open Food Network in developing their online ordering system.



CHALLENGES, AND HOW THESE WERE TACKLED

The Hub is operating outside of a contract, and therefore a £5,000 threshold limits their capacity to sell to the Local Authority. They are currently operating within this limit but need a larger contract to be financially viable. Evidence from this pilot could be used to encourage adaptations to future tenders from the Local Authority. Understanding seasonality has been a challenge and aligning customer requests with the range of produce currently grown locally. Even apparently simple swaps from chefs wanting cabbages and growers offering kale haven't been accepted. They are designing some training for chefs to build awareness and confidence around seasonality. With longer term contracts from customers, the Hub hopes to encourage growers to diversify too.

Coordinating deliveries with harvesting days has been a real challenge, particularly working with small scale growers and wanting to provide fresh produce. They have had to persuade their customers, particularly the care home, to change the days they traditionally took delivery of veg.



CASE STUDY

FOOTHOLD CYMRU

OPPORTUNITIES THAT EMERGED

The Hub has had significant support from officers within the Local Authority who can make decisions about catering in care homes and schools. They have provided access to local care homes, local schools - both primary and secondary - and to the restaurant at Pembrey Country Park. They are also pursuing an opportunity to supply fruit and fruit juice to the shop within Prince Philip Hospital on behalf of the Health Board following discussions with their Procurement Manager.



WHAT'S BEEN ACHIEVED SO FAR?

WEEKLY DELIVERIES to Awel Tywi Care Home, Ffairfach that provides three meals a day to 68 residents

WEEKLY DELIVERIES (since January) to Stebonheath Primary School, Llanelli who serve 160 lunches a day

The Hub has received very good feedback from all customers who are keen to continue buying their veg from them. They compliment the quality, freshness, smell and service. They have reduced their food waste and consequently the time taken to prepare veg, as well as establishing that there is a demand for local produce and a desire from Carmarthenshire County Council staff to buy it. The cooks are actually putting pressure on them to do so!

KEY LESSONS LEARNT

It's important to establish the needs of buyers before sourcing the growers.

At the pilot level and without a contract in place, there is limited sales for growers, which makes it difficult to justify changing their product list, especially where wholesale prices are lower than direct sales. Local produce can be cheaper than veg from wholesalers, but there are other costs that need to be considered, including logistics.



NEXT STEPS

- **SECURE** more public sector outlets
- **ENCOURAGE** more growers to supply the Hub
- **BETTER ALIGN** the type of produce currently grown with cooks' preferences, by finding a middle ground - where they can provide alternative crops that match existing menus without incurring additional preparation or cost for either party
- **ASSURE** growers that they have a secure and sufficient market to persuade them to switch /diversify into new crops

CASE STUDY

CULTIVATE - NEWTOWN T

BACKGROUND

Cultivate is located on the outskirts of Newtown with indoor space through their bungalow and kitchen, alongside 2.5 acres of growing land, including micro allotments, a controlled environment agriculture (CEA) unit, polytunnels and productive orchard equipment and storage.

They have a strong volunteer base with 40 members and have been delivering food-based workshops around growing, cooking and skill-sharing since 2014, as well as engaging in innovative approaches and collaboration with a range of partners and networks.

WHO'S BEEN INVOLVED?

To date, the growers that are partners in delivering the Food Hub are:

John Phillips, Broniarth Farm (potatoes and carrots)

Emma Maxwell, Ash & Elm Horticulture (salads)

Erw Edwards (fruits)

Ashleigh Davies, Cultivate (CEA micro greens)

The existing customers are:

Powys County Council

Neath Port Talbot College

Pantri Swsen

Health Loaded (local restaurant)



Training provided through the pilot has involved staff and students at Neath Port Talbot College and staff at Powys County Council, along with growers.

CHALLENGES, AND HOW THESE WERE TACKLED

Powys is the largest county in Wales and its rural nature creates logistical difficulties for collecting and delivering fresh produce. The Hub has managed this in the short-term by working with established growers and only delivering within the local area, predominantly of Newtown, although they have ventured as far afield as Ystradgynlais. They have visited Castell Howell, a major logistical operator and in the longer-term will explore ways of working with a partner to carry out deliveries in a more cost-effective way.

Limitations of time - to manage this they have focussed on working with existing growers and customers to test the approach and to work to their strengths and prove the model works.

Increased costs of agroecological produce against wholesale prices - currently they add a 25% charge to cover the running costs of the Food Hub - and customers have to date accepted this.

The difficulties of retrofitting an old building bringing up to SALSA regulations requirements - this is possible, but it increases costs and lead-in time.



CASE STUDY

CULTIVATE - NEWTOWN T

OPPORTUNITIES THAT EMERGED

By bringing growers together more frequently, they are now looking at sharing gluts of produce and more high-end produce, for mutual benefit. Selling to schools was an opportunity that emerged and this has been very helpful in allowing growers to forward plan and to know that their income is guaranteed. Testing the nutrient density of their produce has provided an opportunity to promote the health benefits of the Food Hub's produce.

The Food Hub is not only about aggregating local produce and selling it to the public sector, but it can also act as an enabler to encourage horticultural growing, connecting people with land and delivering outdoor training, learning and well-being programmes.



WHAT'S BEEN ACHIEVED SO FAR?

- Growers have agreed to become a **POWYS GROWERS' CO-OPERATIVE**
- **LINKS** between their growers and customers have been enhanced
- **NEW GROWERS** are connecting to existing growers' networks in the area
- Informal **COMMITMENT** from a local primary school to purchase from the Food Hub for the next year
- The Hub will operate a **LIBRARY OF THINGS** to help existing and new growers upscale through the loan of labour-saving equipment, reducing set-up costs, plus creating one p/t role
- **LOCAL PRESS** has been keen to publicise the work of the Hub which brings local economic, environmental and health benefits

NEXT STEPS

- **DEVELOP** a Powys Growers' Co-operative
- **CONTINUE** to find funding to increase skills and knowledge
- **VISIT** other food co-operatives to better understand how the growers work together to gain knowledge and skills
- **SEEK** forward orders from customers to enable growers to grow more produce for a guaranteed market
- **FACILITATE** bi-annual meetings with growers to help create growing plans and share learning
- **RESTART** vegetable box deliveries to Llanidloes and Newtown
- **HOLD** further events and promote the Food Hub delivery model to a wider range of public sector organisations, including the care sector and a greater number of schools
- **WORK** with local farmers, potentially through a new farm cluster, to bring more land into use for growing fruit and vegetables
- **USE** the Hub to publicise growers' produce and initiatives to wider audiences



WHAT ELSE IS GOING ON ?

Here are a few quotes from a wide range of organisations and initiatives.

“ We are committed to providing our customers with the ingredients for a fresh, healthy and varied diet. Therefore, we grow as many different types of vegetables as we realistically can, both in the fields and polytunnels. Our shop is stocked with our vegetables all 12 months of the year ”

tyddynteg.com

“ Building the necessary capability and skills to embed Foundational Economy objectives across the Welsh public sector is crucial. By doing this, we can maximise opportunities for Welsh suppliers and build resilient, highly skilled supply chains. We can help grow these businesses, attract and retain new talent and recycle the Welsh pound in our communities ”

Vaughan Gething, Economy Minister
gov.wales 17/12/2022

“ Producers must have the confidence they need, working within a fair and transparent supply chain, ensuring fair and sustainable returns so they can do what they do best; produce nutritious, high-quality Welsh and British Food to meet demand from shoppers ”

NFU Cymru president Aled Jones,
North Wales Pioneer, 27/02/2023

“ Our susceptibility to global events beyond our control and the importance of maintaining and bolstering the UK's food and energy security has rarely been exposed so starkly as during the past three years. The recent reports of fruit and vegetable shortages on supermarket shelves highlights exactly that. ”

Farmers' Union of Wales (FUW) spokesperson,
North Wales Pioneer, 27/02/2023

“ Our aim is to keep the supply chain local, in order to keep the benefits local as well as protect jobs. We welcome the Government's commitment to sustainability and ask public sector bodies to review how they purchase produce and to put more emphasis on regional food and drink ”

Dafydd Jones, Food Projects Manager,
Menter Môn
newsfromwales.co.uk 20/02/2023

“ “Henbant is a small diverse family and community farm between the mountains and the sea in North West Wales. One of our core aims is to prove that a small farm in a less favoured area can produce food, financial, social and environmental profit, sequester carbon and be enjoyable to manage. If we can prove this is the case then the future of agriculture, environment, health and economy is in a very strong position ”

henbant.org



“ All food undergoes a journey of varying complexity from production to consumption or disposal. This project focuses on Welsh local food systems and the opportunities for greater involvement of people at appropriate stages in the life cycle ”

Tyfu Dyfi
dyfibiosphere.wales 2021

“ In 2020 the Tyfu Cymru baseline survey found that there were around 200 edible horticulture businesses in Wales, though now there are more. At that time, those businesses were estimated to be producing ¼ of a portion of fruit and veg per head of population in Wales - a small-scale grants scheme could significantly increase this and see the expansion of sales of veg in Wales by on average 74.5% per year ”

Dr Amber Wheeler, Report author
tyfucymru.co.uk 3/11/22



“ We face the twin challenges in Wales of producing sufficient vegetables and consuming sufficient vegetables. Supporting rural economies, reducing health inequalities, reducing greenhouse gas emissions, protecting and enhancing biodiversity and increasing resilience of food supply within Wales are all reasons why creating opportunities to develop diverse and local supply chains for horticulture are vital ”

FSW Business Support Grants Pilot 2022



“ Children and young people who garden get a close-up look at natural processes and the living organisms that thrive in these environments. By learning to care for a living, breathing ecosystem, children and young people develop an understanding of the importance of nature in their lives and the lives of other beings. This fosters a culture of environmental respect and responsibility ”

Big Bocs Bwyd, 2022



WELSH POLICY LANDSCAPE

Wales has a comprehensive and integrated legal framework to protect the environment and promote sustainable development, notably through the Well-being of Future Generations (Wales) Act 2015. Turning the Act into reality is a challenge though - and particularly for food production and consumption, which encompasses a wide range of policy areas including: the economy, agriculture, poverty, the natural environment, education and learning, as well as public health. There is no well-being objective for food production and consumption, which is probably an indication of the lack of integration on this vitally important issue.

Over the next few years, there are a number of new legal and policy changes which will further impact on the amount of food we produce in Wales and, if coordinated, these could make a significant difference to the availability of healthy food produced and consumed in Wales.

THE SOCIAL PARTNERSHIP AND PUBLIC PROCUREMENT (WALES) BILL 2023

This Bill will place a statutory duty on certain public bodies to consider socially responsible public procurement, to set objectives in relation to well-being goals and to publish a procurement strategy.

The Bill aims to strengthen the Foundational Economy in Wales, and to make a commitment to use public sector spending to support home grown businesses and Welsh supply chains.

Considerable focus will be placed on building environmental benefits and protections into procurement processes in Wales, using a Sustainability Risk Assessment tool to address issues such as decarbonisation, waste minimisation, climate resilience, and protection of the natural environment.

It is worth noting that securing procurement contracts on their own will not necessarily lead to higher wages - the price that procurement can pay is also a vital element, as demonstrated by the Courgette Pilot year 1- Food Sense Wales.

THE AGRICULTURE (WALES) BILL 2022

The Agriculture Bill is strategic in scope, setting a support framework which can accommodate the development of agriculture and forestry within Wales for the next fifteen to twenty years. The proposals within it support the delivery of Sustainable Land Management (SLM), taking account of the legislative framework established by the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. In future, the implementation and continued delivery of SLM will be the principal goal of agricultural policy and future support for farming in Wales.

The Bill will establish a farm support scheme - the Sustainable Farming Scheme (SFS) - to replace EU schemes. The proposed SFS will address climate change, public health and environmental issues associated with agriculture.

Current proposals for the SFS would exclude a lot of horticulture because of the 3 hectare eligibility limit. It is important that the SFS is designed with the economics of horticulture in mind, in particular the much higher cost and income per hectare than livestock.



THE FOOD (WALES) BILL

This is a private Members' Bill aimed at establishing a Welsh Food Commission to promote and facilitate the advancement of the primary and secondary food goals by public bodies, and the achievement of the food targets. The functions of the Commission would be to:

- **DEVELOP, INFORM, ADVISE** and assist public bodies and develop policies in relation to food matters
- **PROVIDE** oversight and performance review of the exercise of the functions of public bodies in relation to the food goals and food targets
- **SCRUTINISE** the national food strategy and local food plans
- **GIVE ADVICE** to Welsh Ministers when the food goals and targets are to be amended

The Bill would also require a National Food Strategy to fulfil the primary goal of providing affordable, healthy, and economically and environmentally sustainable food for the people of Wales.

Secondary food goals include:

- **CREATING** new economic opportunities through promotion of locally produced food
- **ENCOURAGING** better links between food producers and consumers
- **REDUCING** malnutrition, obesity, food poverty and food insecurity
- **LESSENING** environmental impacts of food production and consumption
- **REDUCING** food waste by food producers and consumers

Public bodies would be responsible for contributing towards the delivery of the National Food Strategy. Whilst the Bill is closely aligned with the Good Food Nation (Scotland) Act, it now looks less likely that the Bill will gain full government support and therefore, if it is not passed, it will be important that certain elements are picked up in other forthcoming legislation and policy developments for instance, Community Food Strategy, Agriculture Bill, Levelling Up Bill.

The whole food system is diverse and wide reaching and therefore it is vital that legislation fully takes that into account.

THE PROGRAMME FOR GOVERNMENT

The Programme for Government, as revised following the Plaid Cymru / Labour Cooperation agreement, is important in relation to:

- **AN OVERALL COMMITMENT** to increase the amount of Welsh procurement (in general) for the public sector
- **THE UNIVERSAL FREE SCHOOL MEALS** roll out, which includes increasing the amount of food sourced locally
- A commitment to developing a **WALES COMMUNITY FOOD STRATEGY** to encourage the production and supply of locally-sourced food in Wales

There are also a number of other policies and initiatives that have a bearing on this issue, including:

- The establishment of **SUSTAINABLE FOOD PARTNERSHIPS** with Welsh Government's financial support
- Welsh Government roll out of the **BIG BOCS BWYD** initiative
- **NET ZERO WALES CARBON BUDGET 2** (2021-2025)
- The Welsh Government's **HEALTHY WEIGHT HEALTHY WALES** policy
- **FOUNDATIONAL ECONOMY** priority for 2023/24 of carbon reduction and procurement
- **LOCAL PLACES FOR NATURE** programme



SETTING OUT A VISION

At a UK level, 56% of fresh vegetables* and 14% of fresh fruit* consumed in the UK were produced domestically in 2021.

But as we have highlighted earlier in this report, in Wales, horticultural outputs are very small and only 6% of all the fruit and vegetables procured here are of Welsh origin. From this very low base, we need to set an ambitious but realistic vision.

We believe that everyone in Wales should have dignified access to enough nutritious food, sustainably produced, all of the time. There should be a fair income for farmers and all food sector workers. Our food system can contribute significantly to Wales' collective prosperity when shaped through the lens of well-being economics, taking account of quality of life and the principles of the circular and foundational economies.

To change this into a target requires further analysis - but for instance, increasing Wales' production of fruit and vegetables from 6% to 16% by 2030 would create enormous, environmental and social benefits!

Investment to increase horticultural output in Wales, whilst also delivering real living wages and environmental benefits, must be demand led. The public sector therefore has a key role in kick-starting this process and in that context, the pilots developed by Social Farms & Gardens are an important starting point in considering how this could be achieved.

*DEFRA stats for UK point 4.2 and 4.3 'Food statistics in your pocket' - GOV.UK (www.gov.uk)

PROPOSING A ROADMAP T

This longer-term vision cannot be achieved by unilateral short-term planning. Rather, there is a need for Welsh Government, Local Authorities and all public sector bodies, along with local networks and growers to work together and consider the range of legislative opportunities available. This level of coordination will require leadership and consistent governance mechanisms, perhaps based on establishing a Food Commissioner to drive forward change.

Success will come in stages and may need to be based on short, mid and longer term activities.

Such a roadmap would provide a framework to encourage different sectors to play their part in transforming the way Wales produces, purchases and consumes food.

At the heart of this, a public sector that has adopted procurement practises to support local supply chains, involving small scale growers and community groups, will be a fundamental building block.

The Sustainable Food Partnerships, which are based on building relationships and building connections back into the food system, could be at the heart of this approach.



SHORT TERM GOALS

- **PROVIDING TRAINING** on how to incorporate social value into procurement processes and spreading best practice
- Use the **NATIONAL TOMS SOCIAL VALUE TOOL** to place a figure on the added value of locally produced fruit and vegetables, especially the nutritional aspect, local employment, biodiversity recovery and reduced food miles
- Providing **FINANCIAL SUPPORT** for the horticultural sector, including ensuring adequate wages
- Providing financial support for necessary **INFRASTRUCTURE**, including for washing and processing
- Investing in **SMALL SCALE FOOD HUBS** that understand the needs of growers and can feed into larger wholesalers/direct contracts
- Shift to **DYNAMIC PROCUREMENT MODELS**, allowing access for smaller-scale suppliers

MID TERM ASPIRATIONS

- Within five years we would see the **SUSTAINABLE FARMING SCHEME** making a significant contribution to the volume of fruit and vegetables grown in Wales
- There would be a vastly enhanced **TRAINING PROGRAMME FOR AGROECOLOGICAL HORTICULTURE** possibly as a significant part of the National Nature Service, creating sustainable jobs in rural areas
- Agroecological growers would therefore be increasing in number and there would be a **CULTURE OF INNOVATION AND LEARNING**
- There will be an emphasis on the **NUTRITIONAL VALUE** of fresh produce, as an important consideration of quality in the procurement of food by hospitals, schools and care homes. Local Authorities will be considering **FOOD AS MEDICINE**
- **PLANNING POLICY** would be amended to make it easier to get consent for agricultural workers dwellings with horticultural enterprises

LONGER TERM VISION

By 2035, the vision and target set out in this document will be met - and the public sector will have played a significant role in increasing the amount of fruit and vegetables produced in Wales and:

- Short supply chains have **RELOCALISED** food production, creating skilled and well-paid employment opportunities in communities throughout Wales
- The increase in agroecological growing has led to an **INCREASE IN BIODIVERSITY** across productive horticulture enterprises in Wales
- Expenditure by public authorities on food is led by **NUTRITIONAL QUALITY** and other non-economic benefits - such as keeping the Welsh Pound and promoting Welsh heritage - and cost savings across departments and for future generations are acknowledged
- **EDUCATION** around food is brought to life through farm visits and food's impact on health, society and the environment is integrated into the curriculum
- **ROBUST DATA** demonstrates the financial, environmental and social benefits of increased agroecological production and supply of fruit and veg, and can be used to monitor progress



WHO NEEDS TO DO WHAT AND BY WHEN ?

Setting out a range of actions for different sectors and organisations is complex, but here are some of the things that would start to set out a new approach:

GOVERNMENT

- ▶ Wales wide changes to procurement policies
- ▶ Mandate for public sector to move to full cost accounting methodology
- ▶ Changes to current funding systems (eg: away from short term grants with little synergy between grant awards)
- ▶ Changes to farming policy/ food policy etc

PROCUREMENT

- ▶ Currently very price dependent
- ▶ Policy change/enablers needed
- ▶ Needs reliable, consistent supply
- ▶ Public Sector needs move to full cost accounting (not just price)

CONVENIENCE

- ▶ Needs to be processed in the required ways (eg: cleaned and chopped veg, freshly frozen, ready meals for reheating on school/hospital/care home premises etc.)

SUPPLY

- ▶ Supply needs to be reliable & sustainable (with procurers understanding seasonality)
- ▶ Processing facilities required as more kitchens are lost etc. (ie: capital infrastructure)
- ▶ Logistics of transportation (and carbon footprint)

TO HAVE A FOOD SYSTEM THAT ENABLES GREATER SUPPLY / DEMAND / PROCUREMENT OF LOCALLY PRODUCED FOOD

KNOWLEDGE & TRAINING

- ▶ Training for public sector (all areas, not just procurement teams. In particular perhaps catering staff)
- ▶ Large scale soc. marketing campaign on the benefits of local food (to increase motivation and subsequent behaviour change)
- ▶ Training for growers/farmers etc. (eg: pipeline from volunteering to apprenticeships eg: National Nature Service)
- ▶ Needs to dovetail with school/college education progs, eg: Healthy Schools

ECONOMIC

- ▶ Financial assistance needed in order to 'kick start' supply (eg: foundational economy funding, loan finance etc.)
- ▶ Will require government (and private?) investment in the short/medium term (and possibly long term) until there is a necessary shift to 'full cost accounting' methodology in the public sector
- ▶ Employee support packages (eg: wage 'top ups' for growers/pickers/packers/processors etc.)

DEMAND

- ▶ Public Sector will need to show commitment to consistent demand in order for suppliers to 'scale up' production to meet that demand
- ▶ Demand needs to take seasonality into account (eg: new All Wales Menu)

THE ROLE OF WELSH GOVERNMENT

- The **INTEGRATION OF POLICIES** that affect food including agriculture, health, community food, etc
- Making amendments to **PLANNING LEGISLATION** to enable small-scale start-up growers
- Ensuring the **SFS SUPPORTS THE HORTICULTURE SECTOR** and includes holdings under 3Ha, as well as local food growing consortiums
- Setting up a **COORDINATING MECHANISM** to support a more sustainable and joined up approach to food in Wales
- Making new types of **FINANCIAL PACKAGES** available - and not just short-term grants schemes, to help existing and new growers and encourage localised aggregation
- Incorporating food growing as an integral part of the emerging **NATIONAL NATURE SERVICE**
- Changing existing **LEGISLATION ON ALLOTMENTS** in order to encourage more local food being grown commercially



ROLE OF WIDER PUBLIC SECTOR

- Hospitals, care homes and schools should look at **SEASONAL MENUS** and aim to favour local supply chains - and consider nutritional value of different growing methods/localised supply chain
- The **FOOD IN SCHOOL REGULATIONS** are up for revising and need to take account of what can be grown in Wales, so menus can be designed accordingly, and food education needs to sit alongside this
- **TRAINING FOR PROCUREMENT TEAMS** should include social value - and there needs to be a move towards more **DYNAMIC PROCUREMENT MODELS**
- Local Authorities, Natural Resources Wales (NRW) and Registered Social Landlords (RSLs) could help by **PROVIDING MORE LAND FOR GROWERS** eg: through County farms, or through helping to set up allotments
- Considering **ALTERNATIVE FINANCIAL MODELS** such as employing a grower directly to produce for their outlets

ROLE OF LEAS, SCHOOLS & COLLEGES

- Increasing the number of **SCHOOL AND COLLEGE VISITS** to local food growers
- Ensuring that the way a school looks at food is integral to the **NATIONAL CURRICULUM**
- Encouraging all **CATERING COLLEGES** to source local food
- Developing more training and support to **HELP SCHOOLS GROW THEIR OWN FOOD**, either with local groups or commercial businesses

ROLE OF THE VOLUNTARY SECTOR

- Develop closer links between environmental and social charities eg: through having **GROWING AREAS ADJACENT TO NATURE RESERVES**
- Targeting areas with **HIGHER FOOD POVERTY** - especially in terms of supporting local small scale growing businesses and community growing

ROLE OF GROWERS & OTHER FARMERS

For Wales to produce more food it will be vital that existing farmers diversify - and one way they could do this is through working with **LOCAL COMMUNITY FOOD GROWING PARTNERSHIPS**. This will strengthen the link between farmers and their local communities.

ROLE OF WHOLESALERS AND PRIVATE SECTOR

- Wholesalers could actively **SEEK OUT LOCALLY SOURCED FOOD** and encourage longer term supply contracts
- Restaurants and pubs could **PROMOTE LOCAL PRODUCE** and use this as a marketing tool



THE URGENCY FOR ACTION

What might happen if we fail to take action? What will the challenges be, say in 2035?

These are impossible questions to answer with any certainty. In fact, planning for the uncertainty of our rapidly changing world is the challenge. What we can say is that over the next 12 years or so, the weather will be even more unpredictable and food markets will be increasingly unstable due to climate change and other global shocks. Increases in energy prices will add to costs and coupled with long periods of public austerity, there will be an increasing number of people facing economic hardship.

**FOOD SECURITY
IS ONE OF THE BIGGEST
CHALLENGES FACING OUR SOCIETY**

THE BENEFITS OF GETTING THIS RIGHT

If coordinated action is taken now, by the Welsh Government and others, then not only will we be able to reduce some of the uncertainties identified above, but we will also reap many other benefits, including:

- **INCREASING** local employment in skilled, well-paid jobs
- **IMPROVING** biodiversity and soil condition
- **ENCOURAGING** healthier diets and nutrition
- **CONNECTING** people to local food (which will also increase community resilience)
- **WORKING** with schools will facilitate dramatic changes to the way future generations grow and eat food

FINAL THOUGHTS

The following quote from the **VALUES FOR MONEY: PUBLIC FOOD PROCUREMENT IN WALES** produced for the Welsh Government's Foundational Economy team by Prof Kevin Morgan (2022) summarises many of the points raised in this document:

“ Wales has rightly received international plaudits for its ‘values for money’ approach to procurement and this is exemplified by the seven well-being goals. But if the Well-being of Future Generations agenda is inspiring, it is also challenging. To meet the challenge, we need a better understanding of the new procurement landscape...

But first things first: why do we attach so much importance to food when it accounts for merely 1% of the £7 billion per annum public procurement spend in Wales? How, in other words, can something so small be so important?

The short answer lies in its foundational significance. Food can deliver multiple benefits because:

- (a) it is vital to health and well-being in a way that other products are not
- (b) it is a key part of the foundational economy that delivers essential services that keep us safe and civilised and
- (c) it plays a major role in mitigating climate change and delivering the ambition of a net zero public sector in Wales by 2030. ”





Social Farms & Gardens



This document has been produced by a wide consortium of partners including:

Social Farms & Gardens
 Food Sense Wales / Sustainable Food Places Wales
 Carmarthenshire County Council
 GRFFN
 BIC Innovation
 Urban Agriculture Consortium
 Menter Môn
 Carmarthenshire Association of Voluntary Services (CAVS)
 Development Trusts Association Wales

Landworkers Alliance
 Bwyd Sir Gâr Food
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 Foothold Cymru
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