

Food for Life Partnership Evaluation

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Executive Summary

This report makes a largely qualitative assessment of the impact of the Food for Life Partnership (FFLP) on participating caterers, food producers and other supply chain businesses. As such it focuses on the food sourcing element of the programme and compliments both the food sourcing fact finder element of the formal Evaluation and the commissioned New Economics Foundation Social Return on Investment study.

The focus of this study is on the potential impact of FFLP beyond the direct financial contribution to participating businesses. Three distinct catering and associated procurement structures have been identified within FFLP based on caterer type: Local Authority Caterers, Commercial Contract Caterers and Opted Out Schools. Data was collected predominately through qualitative interviews with a sample of 5 caterers and 21 food producers and supply chain intermediaries. Organisations were sampled within each catering type. Where possible, businesses who supply more than one type were also approached.

Data collection and analysis was structured through four guiding hypotheses. These are stated below along with summaries of the findings in each area.

Hypothesis 1: School meals can be an important lever in building the market for local and organic food producers.

This hypothesis explored the potential of school meals contracts in general to stimulate broad market opportunities for producers. Respondents were unanimous that supplying schools represent a significant part of their business. Moreover, the stability and predictability of this kind of supply can provide a 'backbone' through which they are able to better exploit other market opportunities. A sectoral analysis indicates that small scale butchers and regional dairies are well placed to supply fragmented school meal supply contracts. In general, balanced power relations between caterers and suppliers are regarded as a key stabilising factor.

Hypothesis 2: FFLP models provide greater opportunities and associated benefits than conventional models for organic and local producers and other stakeholders.

This element explored the specific benefit of the FFLP programme model for producers. The prescriptive nature of the programme along with support from both FFLP and participating caterers can promote a reorientation of producers towards wider growing consumer demand for local and sustainable food as well as the stability of public sector supply contracts. This can involve developing new products, adjusting product ranges and adopting business practices that increase traceability or reduce waste, for example. Involvement in FFLP frequently provides a stimulus to integrate quality

standards such as Red Tractor, Organic and Freedom Foods into supply sourcing channels which can be subsequently offered to other trade customers.

Hypothesis 3: Different catering and distribution models influence the type and extent of beneficial and problematic impacts for local and organic producers and other stakeholders.

The study reflects on the impact of different catering and procurement models on the benefits and challenges felt by producers. Three distinct models are articulated; local authority catering, private contract catering and individual opted out school catering. An assessment of different catering and procurement models within FFLP found a series of typical pros and cons from the perspective of producers but no clear recommendations about which models provide the greatest benefits. This is largely a reflexion of the inherent complexity within the school meal system. Systems containing larger organisations (either caterers or supply chain intermediaries such as food distributors) appear more likely to obscure both the ethos of FFLP and the provenance of products along the supply chain.

Hypothesis 4: FFLP procurement models are sustainable beyond the life of the programme.

The final hypothesis focused on the overall impact of the food sourcing element of FFLP and how it relates to the programme as a whole. The supply businesses consulted for this study felt, in general, that the long term sustainability of the programme depends largely on the issue of ingredient cost and adequate financing of the school meals service in general. Concerns were raised about the affordability of organic food and its implications for both ingredient quality and long term sustainability of FFLP supply arrangements. These concerns appear amplified due to the current broader instability and funding pressures on the school meal system as a whole.

Conclusions

This consultation with a broad selection of participant food businesses found convincing evidence that FFLP stimulates significant developmental benefits for both producers and caterers beyond the immediate economic bottom line. Frequent examples were found both in terms of positive impacts on business opportunities and on the integration of sustainability principles within participating organisations. No firm conclusions can be made about which types catering and procurement systems are more effective in this regard, however, the existence of key individuals in positions of influence to drive progress was regarded by supply chain businesses as a vital factor behind the most success initiatives.

Introduction

This case study is designed to build upon and broaden existing studies on the impact of Food for Life Partnership (FFLP) catering and procurement systems on producers and supply chains. In particular, this work complements the findings of the Social Return on Investment (SROI) study undertaken by the New Economics Foundation as well as the main food sourcing evaluation study as detailed in the FFLP Evaluation full report.

This is achieved by exploring the non-quantifiable impacts on producers beyond direct measures such as winning new supply contracts and physically supplying products. These other impacts include the influence of FFLP on general business practice and attitudes to doing business with schools and the public sector in general. The study also explores the dynamic aspects of FFLP with a focus on assessing the sustainability of FFLP procurement models beyond the life of the programme.

To aid analysis, four main hypotheses are framed and investigated:

- Hypothesis 1: School meals can be an important lever in building the market for local and organic food producers.
- Hypothesis 2: FFLP models provide greater opportunities and associated benefits than conventional models for organic and local producers and other stakeholders.
- Hypothesis 3: Different catering and distribution models influence the type and extent of beneficial and problematic impacts for local and organic producers and other stakeholders.
- Hypothesis 4: FFLP procurement models are sustainable beyond the life of the programme.

The theoretical approach to this work fits within the overarching 'theory of change' framework adopted by the evaluation as a whole in that it aims to identify causal pathways within FFLP food

sourcing practice. The report also comments on broader issues related to the evolution and success of the programme as a whole.

Study Rationale

The supply of sustainable food of consistent quality and value to flagship schools is a major component of FFLP. Moreover, it is a relatively complex aspect of the programme which presents difficulties in both implementation and impact measurement. In addition, appropriate sourcing structures vary considerably among participating schools (and their caterers) according to factors such as their existing procurement structures, local production base, school size / location and individual school, pupil and other stakeholder priorities. As a result, universally appropriate intervention models would appear to be less attainable and more complex than perhaps most other elements of FFLP.

This case study approach aims to ‘unpack’ this complexity and identify key characteristics that define successful sustainable food procurement structures for FFLP schools and caterers. This is achieved through a structured consultation with a sample of caterers, suppliers and other supply chain intermediaries, combined with wider programme learning.

A summary of the overarching aims of the FFLP programme, including how food sourcing fits within its integrative objectives and how these objectives are operationalized, is included in the Evaluation Main Report, Section 3. On a practical basis, caterers and producers within the programme are supported directly by the FFLP Food Sourcing team along with programme wide FFLP Regional Coordinators. Support varies from general advice and encouragement to specific leads and technical assistance.

Study aims

This study focuses on the following four key hypotheses which have been framed to inform some of the key developmental issues that arise as a result of FFLP as well as aid an overall assessment of the success of FFLP and the threats to its future prospects as a self-sustaining programme.

H1 School meals can be an important lever for building the general market for local and organic food producers.

This first hypothesis explores the potential of school meals supply contracts in general to stimulate broad market opportunities for producers. It is known, for example, that public procurement contracts often imply lower operating margins but usually greater volumes and relative long-term security. In addition to the purely economic benefits of such contracts, possible indirect benefits such as the stimulation of demand from FFLP communities and the development of local supply infrastructure are discussed.

H2 FFLP procurement models provide greater opportunities and benefits than conventional models for organic and local producers and other stakeholders.

This element explores the specific benefits of FFLP procurement models for participant producers. The potential positive impacts for other stakeholders such as caterers and supply chain intermediaries have also been reviewed. A key element to this aspect of the study is the exploration of how benefits are conceptualised and measured by both producers and other FFLP stakeholders. The impact of the procurement function on the operation and success of the rest of FFLP is also explored.

H3 Different catering and distribution models influence the type and extent of beneficial and problematic impacts for local and organic producers and other stakeholders.

The study reflects on the impact of different catering and procurement models on the benefits and challenges felt by producers. Three distinct models are articulated; local authority catering, private contract catering, and individual 'opted out' school catering. Factors such as scale, cost and control are explored as key determinants of degree of opportunity for producers. Associated procurement structures are assessed, including the impact of specific types of supply chain businesses.

H4 FFLP procurement models are sustainable beyond the life of the programme.

The final hypothesis focuses on the overall impact of the food sourcing element of FFLP and how it relates to the programme as a whole. The long-term sustainability of FFLP procurement models is a

key marker of success for the programme as a whole. This report looks at the dynamic aspects of the procurement function in FFLP in a bid to understand how supply structures have adapted and assess the main threats to their long-term (i.e. temporal) sustainability. This includes identifying potential threats and weaknesses to existing models, including those of cost and coordination demands and the significance of being able to demonstrate positive impacts to stakeholders.

Research Method

Direct empirical evidence is drawn largely from a series of semi-structured qualitative interviews with caterers and suppliers along with analysis of existing programme data and other documentary evidence. Additional analysis from the conceptual framework, impact map, and other findings from the NEF SROI study have been incorporated where appropriate.

In addition to the four guiding hypotheses, the analytical framework is based around three case study models, representing each of the main school meal catering business types. The three case study models are:

CS1 Local Authority Caterers.

Local Authority Caterers (LACs) are the traditionally dominant providers of school meals in the UK. They remain the principle catering model, even though their significance within the sector has been eroded over recent decades. Within FFLP, LACs are the most common providers of meals to flagship schools (based on a sample of phase 1 – 6 schools, see table 1 below). Typically, LACs provide meals to the vast majority of schools situated within their local authority area. As such, they can be characterised as relatively large operations that provide services to a diverse range of schools within particular institutional constraints due to their public sector nature.

CS2 Commercial Contract Caterers.

Commercial Contract Caterers (CCCs) are increasingly significant meal providers to British schools. Within this sector there are a small number of multinational food service companies along with a range of independent caterers operating at the regional or even local level. CCCs are perhaps under represented among FFLP flagships, accounting for only 10% of phase 1 – 6 schools. These businesses evidently aim to make a commercial profit from school meal contracts whilst providing sufficient quality and value to retain and expand contract opportunities.

CS3 Opted Out Schools.

Opted Out Schools (OOSs) are individual schools who have chosen to take their meal provision 'in house' and run their own catering service for pupils. Although such models are overly represented in FFLP (accounting for 44% of phase 1 – 6 schools), their overall impact is perhaps diminished due to their size in relation to LACs & CCCs. The autonomy associated with this catering model evidently suits schools who are most keen to integrate food across their schools in line with the FFLP ethos.

Figure 1 provides a breakdown of proportion of catering model type among FFLP phase 1 – 6 flagship schools.

Figure 1: Catering Model Occurrence among Phase 1 – 6 Flagship Schools (N = 111)

Catering Model	Proportion of Phase 1 – 6 Flagship Schools
Local Authority Caterers	46%
Commercial Contract Caterers	9%
Opted Out Schools	44%
Alternative Models	1%

FFLP caterers, producers and supply chain intermediaries were sampled specifically within each of the three models as well as across the programme as a whole. Where possible, organisations were sought with an established presence within FFLP. An additional sub-sample of businesses involved in more than one model type was also targeted.

To ensure accuracy and consistency, all interviews were treated as confidential and therefore written up anonymously, whether or not this was expressly requested by the respondent.

Figure 2: The interview sample for this study:

Interview Type	Number of Interviews
Caterers:	5
Suppliers:	
Meat	7
Dairy	5
Fresh Fruit & Vegetables	4
Bakers	3
Other	2
Total	26

The caterers sampled in this study consisted of 2 Local Authority Caterers, 2 Opted Out Schools and 1 Commercial Contract Caterer. The producers consulted ranged from individual farmers and small producers to regional and national distributors. Seven of these businesses produced food products themselves, 11 further processed products (i.e. cutting, packing or bottling) and 3 predominantly distributed food.

Case Study Findings

H1 School meals can be an important lever for building the market for local and organic food producers

The case for using public procurement as a tool for developing and supporting socially desired forms of food production, such as organic and local food, has been increasingly articulated over recent years. It makes clear intuitive sense. Economically, public sector contracts clearly have the potential to provide significant income to producers and the domestic food industry more generally. This study, however, focused on the contribution school meal contracts can make beyond the economic 'bottom line'. A significant and stable school meals contract can provide producers with a 'backbone' through which they are able to better exploit other market opportunities.

The producers in this study expressed these broader benefits in numerous ways. Many of these aspects were related to the stability provided by long-term supply arrangements. This can provide businesses with confidence and 'breathing space' to invest in jobs, equipment and other infrastructure, knowing that they have a relatively secure supply arrangement in place. Moreover there are benefits associated with a general orientation towards local markets that often appears to accompany school meal contracts. Such arrangements can lead to enhanced local marketing activities, either explicitly or implicitly. When questioned, positive impacts on the general reputation of businesses among local communities were frequently noted among respondents.

"I think people are more aware of us, yes, I would say so."

Some of the positive associations that appear particularly attributable to FFLP status are outlined under Hypothesis 2. Some more general observations can be made, however, that support the beneficial impact of school meals contracts more broadly.

There are some clear sectoral differences on how such arrangements can contribute positively. For instance, local and organic butchers who normally supply restaurants and other high end markets appear to be well placed to benefit from supplying school meals as they provide an outlet for lower value cuts of meat. All the butchers consulted cited this as a clear benefit from their participation in FFLP. Indeed, a review of the total number of local suppliers involved with phase 1 – 6 schools shows a relatively high share of independent butchers, which would seem to reflect this observation.

Another sector which is well suited to the localisation aspect of FFLP would be the dairy industry as regional supply relationships, including subcontracting, have remained a relatively common (although diminishing) characteristic of the sector that has enabled a number of regional dairies to survive amid up-scaling and consolidation elsewhere in the food industry. Regional dairies typically source directly from a pool of local dairy farms. The generic nature of milk however has forced costs and margins down which although may be beneficial for school meal providers in terms of their costs, also has implications for the resilience of regional dairies.

Obtaining locally sourced fruit and vegetables appears to be more complicated, not least due to the seasonal nature of much production in the UK and the short shelf life of most fresh fruit and vegetables. Although an independent fruit and vegetable wholesaler sector remains well established in the UK, fresh produce production is less strong and often oriented towards conventional supply chains. For a standards based programme such as FFLP, fresh produce presents particular challenges as explicit traceability systems are not as well established as in other sectors such as meat and dairy due. This is largely due to low phytosanitary requirements compared to the food safety requirements for animal products. An impact of this is that even though caterers and wholesalers may 'know' certain produce is from a local source it can be difficult to prove it in an audit trail type system.

"[a local fruit and vegetable wholesaler] provide us with local produce... we rely on them a bit but you can usually tell its local if you look hard enough"

There are other, more generic, implications of public sector supply. Large supply contracts for small producers may also bring risks associated with relying on one customer for the financial viability of the business as a whole. Examples of this scenario were encountered during this research. For example, a fruit and vegetable wholesaler consulted relies on FFLP Catering Mark Local Authority Caterer for a significant proportion of their business. An organic milk producer was in a similar position. In terms of stimulating a market for local (and organic) producers and supporting their development, therefore, consideration should be given to the impact of diverting limited supply and effort into schools and therefore potentially away from other local outlets.

As mentioned previously, a clearly positive outcome of local school meals supply is a degree of market orienting that can occur for businesses that were previously either unaware or unsure how to tap into the growing interest in local food and sustainability in general. Producers report that this kind of demand from food service customers, restaurants and the public sector in particular, has grown significantly in recent years.

“Over the last 2 to 3 years, it has been really big for sustainability... we do quite a lot of high class restaurants and things like that and they’ve really pushed along for the local supply, you know, so its all fallen together... [FFLP CCA] account for quite a proportion of our business. So without them we probably wouldn’t have done it.”

Whilst these benefits can occur from general public sector supply contracts, as the next section illustrates, specific FFLP requirements along with the support infrastructure provided by the programme can bring additional benefits to producers.

H2 FFLP models provide greater opportunities and associated benefits than conventional models for organic and local producers and other stakeholders

This study found many examples of 'spin off' impacts for producers from aspects directly attributable to FFLP status, either due to formal programme supply specifications or from the support provided by the programme to help caterers develop their supply chain infrastructure.

For instance, a butcher who started to source local pigs at the behest of a FFLP flagship school was able to successfully develop this offer to other customers in his community. In another case, a local butcher who started out with an opted-out FFLP flagship school was subsequently recommended by that school to the local authority caterer that was re-tending its main contract. As a result, the butcher now supplies a further 10 schools the same range of local products refined for the original FFLP school arrangement.

"My name was given to them by [FFLP School], because I supply local produce and that's what they wanted... and they're very happy as far as I can tell"

Through these developments, the public sector market has become a key growth area for a previously largely retail oriented business that is under pressure from supermarket encroachment and changing lifestyle habits.

Other examples include a fruit & vegetable wholesaler who developed local sourcing channels for FFLP and now provides local produce to schools outside of FFLP.

"The other schools are benefiting from the [FFLP contract] because, you know, we get the opportunity to by the local product through the [FFLP contract]... if we didn't have the big [FFLP contract] we'd have to go further afield for it"

Another regional fresh produce supplier with a large FFLP LAC contract was able to introduce reusable trays across its business as a result of stimulus from the programme.

“Without [FFLP caterer] we probably wouldn’t have done it and it’s made it so that we can carry that through for the rest of our business really”

Suppliers bore testament to the fact that FFLP caterers are more interactive than their non FFLP customers. This ranges from merely greater communication to substantive support in terms of marketing, supply chain coordination and providing new sales leads, as in the butcher example above.

Working to meet FFLP criteria can have unexpected spin offs for existing suppliers. For example, a sausage product developed by a regional supplier for an individual FFLP Silver school has subsequently been sold across a neighbouring FFLP Catering Mark certified Local Authority as well as to non-FFLP private contract school meal caterers. Another butcher told a similar story of a sausage developed for an FFLP flagship school now proving to be popular among their retail trade.

“We developed a product, an out door reared pork sausage as a result of food for life really, for [FFLP School] ... and now we sell that into other people and it’s quite popular really”

Across the food businesses consulted for this research, cases were given of producers or suppliers who have developed certain certified supply chains at the behest of FFLP and have subsequently gone on to provide this service for other existing and new trade customers. In addition to the examples referred to above, cases were mentioned involving the following specific food standards:

- Farm assured / Red tractor
- Freedom Food
- Organic

The development of these chains in many cases involved significant amounts of time and effort, not just by the companies themselves but caterers, FFLP and other supply chain partners. Once the hurdles were overcome, however, the new supply arrangements were often attractive to some other customers, from both the public and private sector.

“FFLP did make us look how we could source [freedom food chicken], it’s not easy at all... but then we could promote that with our other customers”

“Red Tractor was definitely integrated into [a national contract caterer] as a whole with Food for Life in mind”

Small producers who also have a retail arm, such as butchers, greengrocers and farm shops, report positive feedback between supplying FFLP and their retail customers. Shop customers commenting on their school supply was an almost universal observation among suppliers consulted within this category.

“I do have customers coming in and saying my kids go to [local school] and that is how I know about you”

Direct increases in demand through trade customers was not observed by any of the producers consulted, although this may be due to a lack of provenance information given through their other market channels. Typically in these cases, consumers are unaware that these are the same products and therefore the market signal gets lost.

There is some evidence that achieving the specific FFLP criteria is seen by some suppliers as a competitive advantage to access further FFLP contracts at the expense of local competition. Whilst this has occurred in some cases, there were also instances where producers would clearly like to supply more FFLP schools, particularly considering the effort they feel they made to get to FFLP supply standard.

We can confidently conclude that in many cases, suppliers have been exposed to new market opportunities as a result of aspects of FFLP supply chains that are not typically present in conventional supply relationships, including non FFLP school meal contracts.

H3 Differing catering and distribution models influence the type and extent of beneficial and problematic impacts for local and organic producers and other stakeholders

The data collection strategy for this study purposively selected for caterers and producers across a wide range of catering and distribution models within FFLP. Some clear conclusions can be made about the impact of these models on individual producers.

Systems where the individual school can wield market power over their own catering systems appear to provide a greater upward mobility potential for FFLP flagship status. This factor alone has an impact on potential benefit for producers. Schools that opt out of collective catering or that have influence either as a result of being in a small system or through grouping with other schools, all have greater potential in this respect.

These models are not wholly positive however. There are cases where individual producers yield greater power than individuals schools. For instance, a school may be unable to persuade a supplier to change the specification of a certain product or range, in line with FFLP requirements. In these cases, the school caterer may have to seek other new suppliers, if available, which has potential cost implications both for the products themselves and coordinating costs associated with seeking, setting up and maintaining additional supply arrangements. An alternative scenario is that an inflexible supplier may hold up FFLP status progression. Both cases, however, result from a basic lack of market power associated with small institutional customers such as individual schools.

The patchwork nature of school caterers willing to enrol with FFLP has a clear impact on potential benefits to suppliers. To this extent, large contract models such as Local Authority Catering systems and Contract Caterers provide greater potential for producers by dint of volume requirements alone. Although now established, the involvement of contract caterers in FFLP was slower to develop than the other two models. Evidence from the producers consulted in this study would suggest that this was in part due to the perception that FFLP status would restrict their ability to operate freely in a competitive environment. It is a sign of the success of the programme, however, that commercial caterers have increasingly embraced the FFLP Catering Mark as a tool for differentiation and signifier of quality.

Nevertheless, the cost implication of FFLP participation, including the impact of transition from Bronze to Gold, continues to prevent commercial businesses from enrolling, unless they can see a direct economic imperative. In this respect, commercial caterers appear to be more piecemeal in their attitude towards sustainability than public sector operators who have stronger societal, and therefore policy pressures, to integrate sustainability principles in their broadest sense.

Some large caterers, both Local Authority and Contract Caterers, service one or more FFLP flagship schools within a much larger conventional school meals contract. In these cases, the first tier suppliers are often the same but arrange for either a different mix of supplies and / or bespoke individual lines for FFLP schools. This can result in an effective cross subsidisation occurring as the contract as a whole absorbs the extra cost of the handful of FFLP schools. The impact of this on the fortunes of local and organic producers is undoubtedly mixed. As discussed elsewhere in this paper, the presence of FFLP flagship schools within larger conventional supply arrangements can stimulate 'higher' standards in the other schools, for instance, a system wide adoption of farm assured meat. It can also stimulate wider adoption of FFLP within the catering system, either through the adoption of full FFLP Catering Mark status or the enrolment of further individual schools. In these cases, the original flagship school can act as a test bed for caterers exploring the implications of FFLP. Within the programme, this situation has also occurred for caterers exploring the transition between FFLP attainment levels, particularly from Bronze to Silver.

At the same time however, obscured subsidisation ultimately distorts the perceived relationship between cost and benefits among stakeholders which may ultimately undermine FFLP in that area. This may ultimately impact on the fortunes of FFLP type suppliers in the region.

A further implication of large catering systems is that responsibility for adjusting to FFLP type sourcing is often devolved down to first tier suppliers due to the importance of these large contracts for them. This can provide an additional barrier between producer and school / pupil. An effect of this devolution of responsibility is that schools and often caterers may fail to appreciate the impact of FFLP on supply chains, beyond the implications of cost and menu changes.

"Because we get most of our supplies through one main distributor which is [large national food distributor], and they go and source things from where ever so it hasn't been a problem for us"

This situation resonates with the existence of both local and organic suppliers who are unaware they are supplying FFLP schools or who know about some but not others. Again, if the underlying ethos of FFLP- which is ultimately connecting pupils and communities closer to the food they eat – is

diminished in this way it can undermine the effectiveness and long term sustainability of the programme. Producers in this situation deal only with their immediate customer and assign no differentiation between whether the product is destined for a FFLP school or not.

“I sell it to [a major food distributor] for a price and what they sell it on for will depend on... whoever’s buying the produce... I’ve not really heard of Food For Life to be honest”

From the point of view of overall FFLP success in terms of penetration into schools, working with large businesses, whether they are contract caterers or first tier suppliers, holds some apparent potential advantages. In addition to the sheer scale of the FFLP contract they deal with, key individuals are usually responsible for other contracts within the region or even nationally that hold potential for either formal FFLP involvement or indirect influence through exposure to the issues at the core of FFLP. This can be the case even if overall contracts and supplier buying lists are formally negotiated centrally. The importance of key individuals such as these within FFLP is discussed in the conclusions.

With regard to national food distributors, their supply infrastructure can also assist local and organic producers to get their products to schools.

“[the caterer] could request and agree a price with the manufacturer and we can act as distributor... we would charge an on-cost that would depend not only on volume and price but also size, how it is stored, shelf life etcetera” .

Again, listings like this may have further spin off benefits for individual producers outside of FFLP.

The snapshot of FFLP caterers and suppliers conducted for this study cannot provide any clear conclusions regarding which models are more beneficial for producer vitality. This is largely because the system is too complex to be able to draw such conclusions. As this section attempts to demonstrate, there are, however, some key factors that should be considered when strategically developing FFLP type supply chains. In reality, there is often a trade off between individual school, caterer and producer priorities as well as broader programme pressures and broader food system vitality.

H4 FFLP procurement models are sustainable beyond the life of the programme

Generally, opinions about the effectiveness of FFLP and the ability of existing supply relationships to continue were largely positive. It would appear that many of the systems developed under the programme are established and well regarded by the stakeholders involved. There were however two clear issues expressed that threatens the long term sustainability of these systems; ingredient cost and FFLP mark progression.

Obviously ingredient cost in general is a highly significant factor in any school meal provision and more so in the current economic and public sector funding climate. In some instances the argument, particularly among FFLP 'laggards', is being made that there is an inevitable trade off between food costs and staff levels. It can be concluded that the onus therefore would appear to be on the programme as a whole to make the argument for food costs and its potential positive impact on staff levels via increased take-up rates and greater in-house meal preparation.

The cost of procuring organic food was cited by caterers as a major barrier to progressing up the FFLP food sourcing levels. This has implications both for the absolute impact on the organic sector itself and the momentum for schools and caterers within the programme. Concerns were raised that without a feeling of progression the status of FFLP both within schools and caterers more generally may suffer. Additionally, from a school perspective, failure on one criteria area will hold up overall FFLP mark attainment. Indeed overall programme data suggests that the attainment of food sourcing criteria is one of the hardest elements of FFLP to achieve, particularly at Silver and Gold levels.

Similarly, a trade off between organic status and food quality was noted as a potential issue if cost pressures are too great. This is particularly the case for meat where the price differential between organic and conventional can be significant.

The second threat factor is a potential lack of progression in the system. It was felt by a number of respondents that opportunities for further development were limited. Although the broader economic conditions certainly play a role in this situation, concerns were raised that schools and caterers in many cases have gone as far as they can go. This is particularly the case in terms of

progressing to Silver and Gold standards. These achievements would require significant cost investment at a time when financial resources are increasingly under pressure.

In addition, there was a feeling that many of the suitable producers available have already been enrolled into the system and therefore availability of supply could hamper the food sourcing element of FFLP.

There appears to be instances of FFLP being used as a way of certifying or legitimising pre-existing FFLP-type activity. In these cases, it could be argued that their models are likely to be more sustainable in the long run, or at least less susceptible to removal or reduced programme support.

Perceived inconsistencies in award auditing may undermine the programme – even for those that directly benefit from it. It is important to recognise that organisations are not uniform entities but rather a dynamic collection of opinions, interests and alliances that can interpret processes like award auditing in multifaceted and complex ways. Inconsistencies – whether perceived or actual – threaten to devalue FFLP awards, particularly in the current challenging environment for school food provision.

One of the key criteria for operationalizing FFLP sourcing principles is the definition of local that includes the entire FFLP region (i.e. 1/9th of England) plus neighbouring counties. Despite this relatively expansive definition, caterers and intermediaries are still frequently presented problems of finding suitable products that qualify. For regional suppliers that service entire Local Authorities, for instance, the definition can effectively put a ceiling on their scope for ‘local supply’. As well as being a limiting factor for FFLP development, it may also hamper the potential for other caterers (and retailers) to develop their own local food offer. Although the margins associated with school meal supply are typically lower for producers, the volume and security of supply often means that these opportunities are more attractive than, for instance, one or two extra restaurants or independent retailers.

Together, the issues raised by respondents in this study can be regarded as developmental problems rather than judgements on the overall long term sustainability of the programme. It should be reiterated however, that many of the supply relationships established by the programme appear to be well established and therefore relatively resilient to external shocks.

Discussion & Conclusions

This report does not attempt to quantify the impact of FFLP on the UK supply base. Rather, it provides a qualitative account of some of the ways in which the programme is having a significant but often indirect effect on the fortunes of producers, supply chains and caterers. The aim is to highlight the multifaceted and contingent nature of FFLP impact in a bid to provide a greater understanding of the potential tradeoffs between cost and benefit in pursuing a FFLP-type catering model.

The study aims to reflect the degree of these impacts although it is not strictly a representative account. Nonetheless, it also serves to provide an illustration of the potential benefits of FFLP-type procurement. Evidence suggests that greater strategic approaches by the programme to promote these kinds of benefits would have a significant further impact on local and organic food businesses involved in supplying FFLP schools.

Discussions with respondent caterers and producers provided evidence for an assertion that one of the most significant factors for the success of FFLP food sourcing is the existing of key proactive individuals. Many of the leading success stories appear to have one person at their centre that is able to influence both their institutions and the other necessary stakeholders.

'It took a bit of persuading because, you know, you're taking people out of their comfort zone and I may be interested in food duh duh duh but they may be interested in food in a different way, you know...'

Evidently, such individuals need to be in a position of formal influence, even if much of the success appears to rely on informal or soft influence. It appears however that once these new systems are established they become able to 'drive themselves'. The key factor behind this is that other people in the system experience the benefits of FFLP and raise the importance of sustaining its operation within their individual spheres of influence.

The overall significance of the catering model compared to other factors such as the motivation of key individuals and the financial climate remains inconclusive. Some generalisations, however, can be made. Figure 3 below lists some of the pros and cons of different school meal catering systems as identified from this evaluation study.

Figure 3: The impact of Catering Model on FFLP-type supplier opportunity

Catering Model	Pros	Cons
Local Authority Caterers	<ul style="list-style-type: none"> • Supported by Public Policy • Development Assistance • Potential Size (if authority wide) • Less profit making motive 	<ul style="list-style-type: none"> • Greater 'sensitivity' to procurement regulations • Institutional Inertia
Commercial Contract Caterers	<ul style="list-style-type: none"> • Professionalism / Market Orientation • Large Contracts • Potential Spin Offs within other contract catering sectors 	<ul style="list-style-type: none"> • Lack of interest or Piecemeal approach to sustainability • Instability • Greater cost (or profit) primacy
Opted Out Schools	<ul style="list-style-type: none"> • Fewer competitive pressures (cost, competing businesses) • Greater community links • Shorter supply chains, closer links to consumers 	<ul style="list-style-type: none"> • Small Size • Schools can lack catering / procurement experience • Few Opportunities

As mentioned under Hypothesis 3 however, there is an inherent complexity within the system that makes drawing firm conclusions impossible.

In terms of fostering links between producers and communities, this research came across examples of producers who supply the programme without having any knowledge of the Food For Life

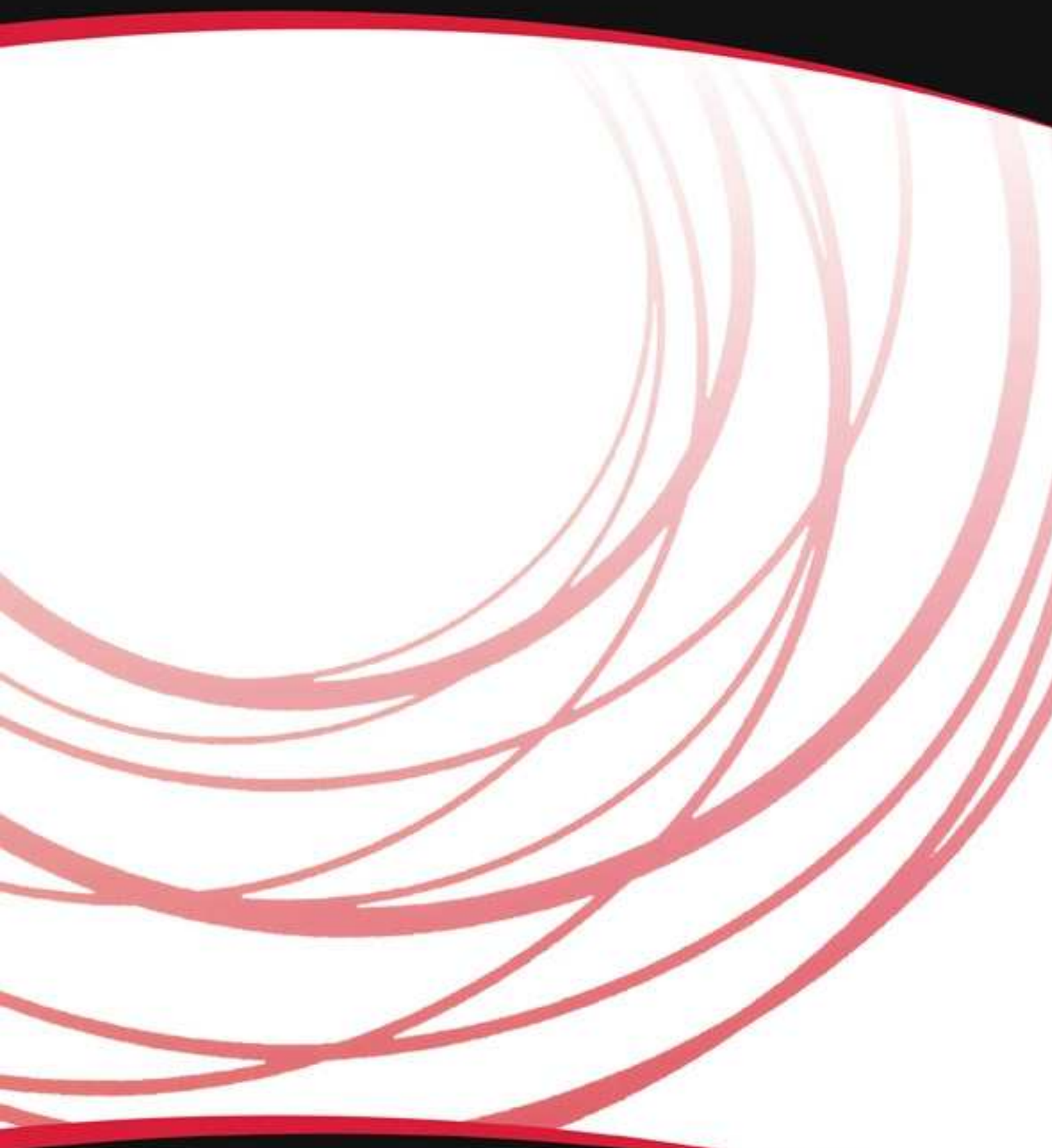
Partnership or its aims. Better communication along the supply chain of FFLP in these cases could have mutually beneficial consequences. For example, point of sale information such as flyers, information displays and window stickers could be positioned in bakers, butchers and farm retailers.

There was some feeling that parents and the local communities in general do not understand the details of FFLP and the efforts that caterers and local producers have gone through to develop these supply chains.

“I don’t think they really understand, I don’t think there are many that understand the depth that we go through and the quality that we supply, I don’t think they really understand the different levels of quality that are out there”

This would appear to be an area of potential improvement for the programme. At a fundamental level, perhaps the most valuable contribution of FFLP for producers is through making a connection between their activities and their communities in order to raise the status of food and promote its enabling characteristics to consumers and therefore to broader society.

“I went to a school yesterday... as I was pulling away, I saw a local farmer who I just started dealing with and he was just taking his kids to school and he said ‘I didn’t realise you deliver to the school... it’s nice to know the kids there are getting local meat’ and I said ‘yes its highly likely that they’ll be eating your pork’”.



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