

UNITED
KINGDOM

Market access

Location
Scotland

Programming period
n/a

Funding (EUR)
National funding

Duration
2008 – 2015

Implemented by
Scottish Government

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A pilot programme in Scotland on Public Procurement led to new opportunities and markets for Scottish SMEs.

The challenge

The challenge for the public sector in Scotland, as across the EU, is to increase its business with food and drink SMEs and adapt contracts to encourage participation. Along with competitive pricing, achieving Sustainable Procurement is also a key objective.

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



Main steps and features

In order to enable access to public opportunities, a pilot programme in East Ayrshire in Scotland to enable SMEs to gain market opportunities, by specifying types of products that could be supplied. The main part of the process to enable the market access was the ‘unbundling’ of lots, which enables SMEs to compete on the basis of quality, as they could bid for specific areas where they had the expertise and product range.

East Ayrshire Council regarded school meals as a ‘cross cutting service’, closely linked to its Community Strategy: Health and Social Justice – is reflected in the need to address both social and health inequalities by offering affordable access to good food and nutrition; Economic Sustainability – such as the need to address rural depopulation through development of the local economy and enhance the reputation of the area and Environmental Sustainability. As East Ayrshire’s CEO explained “The school meals service is about improving opportunities...we have a problem with population loss...so anything you can do in terms of contributing to the sustainability of the economy has a positive impact on our community”.

The procurement activity began as a small pilot project in 2004 with one school, Hurlford Primary School in East Ayrshire, where the procurement process was unbundled to allow a range of suppliers to engage in the process. A full EU procurement process was carried out, with the division of food supply into 9 lots, which facilitated completion by SME suppliers.

The pilot experiment with one school was then extended to 40 primary schools, 5 nurseries and 1 secondary school, followed by full EU Procurement processes in 2005, 2008 and then in 2012. The Evaluation of tenders was based on 50% price and 50% quality. Contracts were won by producers able to supply food within a 40 mile radius.

The tender requirements explained to interested businesses, and continuous and effective communication was maintained with all stakeholders of the aims to be achieved through school food.

Results

- The process was designed to result in healthy, high nutritional value food which was 30% organic, 50% local produced and 75% unprocessed. All of these targets were exceeded.
- By 2012, £400,000 of contracts were awarded to local or rural SMEs. An independent survey of participants in the programme showed a high degree of satisfaction as follows:

Parents report:

- 95% support because it keeps money in the community
- 80% better for the environment
- 77% a good use of public money
- School Pupils mentioned:
- 88% say they like fresher food
- 67% and think that meals taste better
- 91% say it's better for the environment
- Other benefits assessed have included a reduction of 37.7 Tonnes CO2 through reduction in transport, and an improved value to the local economy, with an economic assessment estimating that for each £1 of expenditure by the council £3 is returned to the local economy.
- Other councils in Scotland are now looking to roll out the pilot, with the understanding that how a Public Body procures food is a test of its commitment to sustainable development.
- School catering staff have gained in job satisfaction through being reconnected with producers and the consumers in the preparation and enjoyment of good food.

Challenges and lessons

- ❑ The scheme has helped to make the community more sustainable and parents have commented on the benefits of keeping money and jobs in the area. Research on the initial pilot proved that “procuring local food encourages a sense of community identity and created links between food, the environment and health,” helping to create links between urban and rural areas and showing that local food procurement, and the associated benefits, could flourish in an area that suffered from economic and social deprivation.
- ❑ Such programmes can help recognise that school meals offers access to good food and nutrition for all, and create opportunities for learning about food and sustainability.

Additional information

[Text](#)