

Rethinking food in Wales

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What role can public sector procurement policy makers play in ensuring Wales has;

- Healthy, locally produced food that is accessible and affordable & Sustainably produced food with high environmental and animal welfare standards

Public sector Procurement can contribute to the availability of more healthy, locally produced food at an affordable price by developing its sourcing strategies around this goal. This would aid in growing the supply base which could in turn shrink the marginal costs of producing these products for growers & manufacturers.

Based on current market trends however the cost of this would come at a premium, especially in the short term as they are often higher than less healthy/non locally sourced produce/products. This may therefore put a significant strain on Public Sector catering budgets that are already subject to cost improvement programmes.

With specific reference to high environmental and animal welfare standards NHS Wales require that a range of these criteria are satisfied as part of their current contract requirements i.e. Red Tractor, Farm Assurance Schemes and increased animal welfare standards.

- An innovative food industry sustaining high quality jobs;

Public sector Procurement can help to ensure that Wales has an innovative food industry that sustains high quality jobs by working in partnership with the food sector in order to ensure that products that are developed meet the needs of customers and experiences are shared.

In my view one of the significant challenges in this area is the fragmented nature of the food industry. This can make knowledge transfer more difficult and so significant support must be given to the market in areas such as R&D and training to foster improvement.

- What are the challenges and opportunities for procurement specialists arising from Brexit?

The challenges and opportunities for Procurement Specialists arising from Brexit are still highly ambiguous as no information relating to discussions regarding future procurement regulations has been publicised.

Outside of the impact of a possible change to procurement regulations however is the significant weakening of Sterling vs. Both the Euro and the USD since the referendum on the 23rd June 2016 which has resulted in higher import costs and the increased attractiveness of exports to UK producers; both have served to inflate domestic food prices.

There has also been significant press coverage relating to the potential impact of fewer EU/migrant workers within the UK food industry going forward, with predictions that this will serve to push up the cost of producing food in the UK.

There may be opportunities arising from Brexit relating to changing regulations, future trading relationships/arrangements and changes to subsidies for farmers i.e. alternatives to the CAP/CFP.