

LONDON FOOD LINK HOSPITAL FOOD PROJECT

DISTRIBUTION RESEARCH REPORT

BY WESTLEY CONSULTING LTD

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A. Summary

The study

1. This report was commissioned by London Food Link as part of the wider Hospital Food Project. Its aims were to explore the distribution barriers which exist for local and local organic food producers and suppliers in the South East to sell to London, and for purchasing organisations (e.g. hospitals) to buy locally made and distributed foods. It was carried out from April to July 2004 by Henry Brown and Alastair Beacon of Westley Consulting Ltd in partnership with Topsy Jewell of the Netherfield Centre for Sustainable Food and Farming and Steven Newman.
2. We reviewed previous work, and concluded that there was very little information available on the barriers to distribution to London, though there is some relevant experience elsewhere. We held over thirty interviews with people across the food chain, and drew conclusions from their views and our knowledge of food supply chains more widely.
3. The report looks at barriers to supply to the hospitals, and also to the London food market in general.

Vision

4. We believe that it will be a medium- to long-term job for local food to make a significant impact in London. We believe that to succeed, local food has to be seen to be a quality product. It has to be more than just local, and it should be more sustainable than the mainstream alternative. It therefore needs to be defined by reference not just to its origin (local) but to its production standards (sustainability). Work will be needed to develop this sustainable standard, and meanwhile local food producers need to focus on the needs of existing customers. Producers will need a great deal of information and technical support, and will need to work to a high level of professionalism. Customers, intermediaries such as wholesalers, and consumers will need to be mobilised to stimulate demand and facilitate supply.

Market needs

5. We conclude that, as a market, London is so big that it needs a regional supply base, though we are not suggesting that local food can meet the entire needs of London. In relation to the size of the market as a whole, the hospitals are relatively small customers, who are broadly content with their current procurement arrangements. There are barriers to entry into these markets, as existing suppliers are well-established, and the best means of entry for local food producers may be to work with these operators, at least in the first place. Someone has to manage amalgamation and consolidation of supplies, and there is an important role for intermediaries.

Barriers

6. We identified numerous barriers to distribution, which we interpret broadly to cover the steps that producers need to take to get their produce to the customer. In a sense, there is nothing unique about London. Its food market sectors pose challenges with their size and diversity, but the individual barriers are very similar to those that arise in other marketing

situations. We believe that the solutions that have been developed elsewhere should work in London too.

7. The main areas in which distribution barriers arise are infrastructure, information, organisation, management standards and efficiency, perceptions both of London and of the public sector, and Government bureaucracy.
8. Larger suppliers can probably cope with most of the barriers identified. Small and medium-sized producers may have more difficulty overcoming such barriers.
9. As well as overcoming barriers, there is a need to facilitate supply, particularly by establishing new infrastructure for distribution.
10. A number of non-distribution barriers also came up in the course of our work. Strictly, these fell outside the scope of the report, so we have briefly listed them without more detailed discussion.

Recommendations

11. We recommend that a definition should be drawn up for local food in London, with only limited exceptions. We propose several areas where further information needs to be provided for the benefit of producers and the rest of the food-chain, and suggest establishing a consumer-orientated centre to promote the concept of local food. We recommend that the various sources of specialised support should be mobilised and co-ordinated, and that work should be done on sustainable alternatives to local food when local food is not available.
12. In many instances, producers could use existing facilities, e.g. for processing, transport and distribution infrastructure. We indicate where we think it would be wise to look at this option first.
13. We propose that a pilot food distribution project should be established in one geographical segment of London, that there should be collaboration between NHS customers in that area, and that links should be established with local food producers in that direction.
14. We think that organisations interested in local food should campaign for the NHS to give more consideration to sustainable procurement at local level. Public sector customers should also do more to explain their procurement principles.
15. The research covered organic as well as conventional local food. Many of the same development principles should be applied to local organic food. The perception that it is too expensive for public procurement should be challenged, since in most hospitals there are some market outlets at different price levels where organic food can be promoted.
16. We recommend that the Government should match its rhetoric on local food with enforcement measures for official agencies and the NHS at all levels to give higher priority to local food and sustainable procurement. The relevant strategies need to be devolved and those at operational level given responsibility to implement them.

B. Background to the project

The Hospital Food Project

17. The distribution research is part of a wider project on hospital food¹ sponsored by Sustain/London Food Link in partnership with the Soil Association, with financial support from Defra and the Kings Fund.
18. London Food Link notes that 10% of Greater London's area is farmland and that the food industry accounts for around 11% of jobs. It is concerned that much food is imported, with consequent environmental problems; that farmers face economic pressures; that socially excluded groups face difficulties in maintaining a good diet; that Londoners' health is linked to diet and nutrition; and that there is a lack of consumer confidence in the food chain. In response to these concerns, London Food Link's stated aim is to establish a local food network in London and to foster active partnerships within this network².
19. The Soil Association is the UK's leading campaigning and certification organisation for organic food and farming. It believes in the fundamental link between healthy soil, healthy food and healthy people. It supports local food initiatives, since buying from a local producer helps people to reconnect with the land again, to eat with the seasons, to enjoy traditional specialities, and to support local farmers directly at a time when they need a loyal secure market³.
20. The Hospital Food Project aims to increase, over a period of two years, the amount of local and/or organic food served in four London NHS hospitals to 10% of their routine catering provision, and through this to promote health by providing fresher food, and to support farm and food businesses in the South East and London. More generally, the ambition is to diversify food supply and stimulate demand for a bigger proportion of the market to come from local sources for wider community and environmental benefit. The project aims to do this by:
 - Working with producers and suppliers to help them meet the hospitals' requirements;
 - Working with the hospitals to facilitate a workable supply chain for local food;
 - Commissioning research to explore the barriers for local/sustainable food infrastructure and distribution needs in London, and on the viability of new local food infrastructure;
 - Evaluating health and economic effects associated with increasing local and/or organic food to the hospitals.

Remit of the distribution research

21. The distribution research project covers the first part of the third bullet point above. Its aims are to explore the distribution barriers which exist for food producers and suppliers in the South East to sell to London, and for purchasing organisations (e.g. hospitals) to buy locally made and distributed foods.
22. Westley Consulting Ltd was awarded the contract for this research in March 2004 after competitive tender. The remit agreed with London Food Link was to:
 - Clarify market needs in discussion with the hospitals;
 - Review existing work;
 - Review current mechanisms for distribution into London;

- Examine the role of wholesalers and other intermediaries;
- Clarify the barriers to distribution into London;
- Form a vision for a sustainable London/SE food distribution system;
- Develop solutions

Project team and methodology

23. The work was carried out in collaboration between Alastair Beacon and Henry Brown of Westley Consulting Ltd, Topsy Jewell of the Netherfield Centre for Sustainable Food and Farming, and Steven Newman. Westley Consulting⁴ is a small consultancy based in London specialising in business planning and marketing advice to public and private sector clients. Recent work includes research and drafting of the delivery plan on sustainable farming and food in London and the South East 'Our Healthy Future', and business planning for farmers and SME food businesses. The Netherfield Centre is a not-for-profit venture which includes an organic demonstration farm, advice and networking to farmers⁵. It has carried out initiatives with local producers, retailers and consumer groups. Steven Newman is a livestock farmer with his own on-farm butchery and retail business, and has previously conducted research into the supply of local meat, and into supplies of produce to farm shops.
24. The project involved desk research and interviews, face-to-face and by phone, with a range of suppliers, intermediaries and customers in London and the wider region (see list at Annex A). Conclusions have been developed in internal discussions within the team. The team has also provided progress reports to the Project Manager, Fiona Cairncross at London Food Link, and discussed specific points with her.
25. The work was carried out from April to July 2004.

C. Market needs

The London market

26. At the beginning of the work London Food Link emphasised to us that they would like the findings to cover the London market more generally, as well as the four hospitals in particular, and that the recommendations should be broadly replicable. This was a helpful steer, because in the longer term, once the needs of the NHS are properly understood, there would be little point in encouraging suppliers to get organised to deal with just a handful of medium-sized customers. If suppliers are to focus on the needs of hospitals it would make more sense for them to think in terms of London hospitals as a whole.
27. The London market, comprising retail, foodservice and public sector institutions such as schools and hospitals, is characterised by:
- Size. Around 7 million consumers in a compact area make it the largest consumer market in the country.
 - Diversity. London contains not only some of the wealthiest but also the most deprived areas (Hackney and Tower Hamlets) in England⁶. It is the most ethnically diverse region of the country, with 25% non-white population and two of the thirty two boroughs (Brent and Newham,) with a non-white majority. This provides scope for a wide spectrum of niche supply options
 - Importance of tourism. This accounts for around 10% of London's GDP⁷ and provides big opportunities in foodservice from pubs and restaurants to coffee bars and sandwich counters.
 - Lack of a single dominant cuisine. More than perhaps any other region of England, London lacks traditional food dishes. The gap has been filled by Indian, Thai, Italian, Turkish, Chinese and a myriad of other national and ethnic styles. The market is wide open to innovation, not least because of this dynamic foodservice sector, where trends tend to emerge before being taken up by the retail sector. Foodservice is supplied by a wide range of large, independent and small operators. There is no reason why 'local food' from London and the wider region should not establish its own niche.
 - Proximity to diverse primary production. The South East region (Oxon, Bucks, Berks, Hants, Isle of Wight, E&W Sussex, Kent) is agriculturally one of the most diverse in the country, with livestock, arable and horticultural production, and good radial connections to London, if problems of congestion are ignored for a moment. If the East of England region (Norfolk, Suffolk, Essex, Herts, Beds, and Cambs) is added, with its large arable and horticultural sectors, London is adjacent to 22% of English agricultural production (see below).
 - Access to food and drink manufacturing. There are many large processors in London (e.g. Allied Bakeries, Tate & Lyle, Coca Cola, Diageo) and in the Eastern region (McCain, Premier Foods, Birds Eye Walls and Heinz)⁸. Half of all manufacturing jobs in London are in the western boroughs from Richmond round to Harrow (and mainly in Hounslow, Ealing and Brent)⁹
28. Defra statistics show that the UK is 64.1% self-sufficient in all food, or 77.4% in indigenous-type food¹⁰. In other words, the country produces around two-thirds of all the food consumed here, or around three-quarters of all that could be produced in our climatic conditions.

29. London is obviously a major centre of consumption rather than production, but the pattern of food consumption in the capital is probably similar to that in the rest of the country. There may be slightly more imported food consumed, given the high ethnic population and the generally high income level, but this is unlikely to affect the overall conclusion that the majority of food consumed in London is produced in the UK. The following analysis relates to indigenous-type food.
30. With 7.1 million people, according to the 2001 census¹¹, London accounts for 12% or around one-eighth of the total UK population. With the adjacent regions, it accounts for over one third of the national population.

Population by region (2001)	Population, million	% of UK total
London	7.2	12.2
South East	8.0	13.6
Eastern	5.4	9.2
Total of these three regions	20.6	35.0

31. At the most basic level of approximation, it might be estimated that around 12% of the UK agricultural output of £15.5 billion¹², i.e. £1.9 billion, would, be needed to supply it. In fact the agricultural production (2002) of the three closest Government Office regions is:

Gross output of agriculture by region (2002)	Gross output, £billion	% of UK total
London	0.02	0.1
South East	1.30	8.4
Eastern	2.11	13.6
Total of these three regions	3.43	22.1

while the position in food and drink manufacturing is:

Gross value added from food & drink manufacturing by region (2002)	GVA, £billion	% of UK total
London	1.0	7.3
South East	1.0	7.2
Eastern	1.4	9.8
Total of these three regions	3.4	24.3

32. This shows that although there is a surprising amount of farmland within Greater London, with around 200 full-time farmers, the output is very small in national terms and only around 1% of what would be needed to supply the capital itself. London has a much larger manufacturing sector, but the total share of UK manufacturing in the three regions is only slightly larger than that of agriculture. It is clear from this that supplying London's food needs a regional approach.
33. It is relevant that London Farmers Markets allow a catchment area of 100 miles from the M25, though they encourage goods produced closer wherever possible.

34. Conclusions

- a. The supply base needs to be regional, extending across the South East and Eastern regions well beyond London.
- b. A large number of producers will be needed to supply enough volume to make a

significant impact on the London market.

- c. They will need to get organised to deal with customers' requirements.

The four hospitals

35. We interviewed the catering managers at the four London hospitals and established the following main findings:

Hospital /Issue	St George's, Tooting	Royal Brompton	Lambeth, Stockwell	Ealing General
Size	Very large general hospital – 1100 patients.	250 bed hospital.	Mental illness unit within larger South London & Maudsley NHS Trust. Provides 1000 patient meals a day to long-stay patients on-site and in a number of associated nursing homes.	District acute hospital with 444 patients.
Procurement	Patient meals purchased frozen from Anglia Crown, Colchester and regenerated in satellite kitchens. Fresh fruit & veg from Prescott-Thomas, New Spitalfields Market.	Hospital purchases large proportion of unprocessed produce and meat, from Prescott-Thomas and an independent catering butcher. Catering team is willing to work with smaller suppliers to increase uptake of local food, but is concerned about quality of service.	Suppliers include large foodservice companies (3663 and Brake Bros) as well as local firms for fruit & veg, meat and fish.	Catering is contracted out entirely to Medirest, the hospital division of Compass Group. Medirest procure from Anglia Crown (bulk cook-chill), Brake Bros, Express Dairy and others.
Catering style	Central kitchen prepares restaurant meals for staff and visitors, and caters for on-site functions.	Food is a priority, with high quality meals prepared on site. Budget allocations are higher than in most other hospitals. Regeneration had been tried and abandoned.	Premises are newish (6 years old) and all meals are traditionally cooked on-site from raw materials, apart from ethnic meals.	
Experience of sustainability, local and organic food	Hospital seeks to operate sustainably, but there is no policy on local or organic food.	The team believes organic supply can add interest to menus.	Sustainability and local food are not an issue. There has been no apparent demand for organic food.	Sustainability is not currently an issue in procurement. Hospital believes suppliers attempt to source UK where

				possible. Limited Organic lines e.g. pre-packaged flap-jacks were trialled in the restaurant, but abandoned for lack of demand and consequent wastage.
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36. Conclusions:

- a. There is a wide diversity of meal production and procurement systems, and consequent range of discretion, for the hospital catering staff.
- b. Each hospital's arrangements are working more or less satisfactorily, so although there is some interest in local food, there is no general desire for change on the back of which it might be introduced.
- c. Sustainability/local food/organic food are not high priorities amongst these customers. There is some interest among the catering managers, but no general drive to address them, despite central government policy¹³
- d. Insofar as 'local food' is currently understood in the NHS, it means UK-produced.
- e. A large proportion of meal provision is by regeneration of frozen or chilled pre-prepared meals. This seems to be a growing trend. Drivers for this are largely economic, though skills shortages were also mentioned to us.
- f. Only a small proportion of the food products procured by the hospitals are in a raw or unprocessed form. Many products have been through some form of preparation or processing after leaving the primary producer.
- g. Even where produce is bought in an unprocessed form, quantities are small and range is wide, a combination which is difficult for individual producers to match.
- h. Existing suppliers may be the best point of entry for local food producers.

NHS Estates and PASA

- 37. We talked to NHS Estates and the NHS Purchasing and Supply Agency (PASA) together. NHS Estates set the broad policy for the NHS, and PASA and the individual Trusts work within this. NHS Estates have promoted the Better Hospital Food programme to improve the quality and availability of hospital food so as to improve patient nutrition and reduce food wastage. The origin of food is currently not an issue in the programme.
- 38. NHS Estates also set nutritional standards for hospital meals, and PASA then invite bids from suppliers to meet them. PASA accreditation includes all necessary due diligence checks, so the individual hospital's duty of care to the patient is passed back to the supplier. Trusts are free to use PASA-accredited suppliers, or find their own, but in the latter case have to satisfy themselves on food safety etc.

39. On its own initiative, PASA has set up a sustainable development policy¹⁴ that covers food as well as other issues. Fair-trade tea and coffee are just being brought in, so suppliers can tender to supply this when current contracts are re-tendered.
40. Contrary to the impression we gained in talking to the four London hospitals, PASA believes there is some interest in local food among the Trusts. However there is uncertainty about the meaning of 'local', and the NHS think a pragmatic definition on the lines of 'no further than you need to go for the particular item' may be best.
41. Lack of demand caused by higher prices is likely to pose a serious obstacle for organic food, except in paid-for outlets such as staff restaurants.
42. There is no concept of seasonality. Indeed encouragement to buy in-season would currently tend to be looked on as a constraint rather than an opportunity to buy better and cheaper.
43. The NHS believe that volume could be a significant problem. Individual trusts may be too small to make it worthwhile setting up special supply arrangements. However a trend is emerging for Trusts to work together formally in Supply Management Confederations.
44. There may be a problem of conflicting timescales. NHS menus have to be agreed in detail with nutritionists and, once set; they tend to remain in place for up to three years. Local food development can also be a lengthy process. But NHS managers work to short performance deadlines (1 year) and contracts are set for no more than 3 years.

45. **Conclusions:**

- a. The NHS is seeking to respond to Defra's and wider concerns about public procurement. Much of the work to date has been at the strategic level and has not been translated into higher priorities at operational levels. There is scope to press the NHS into taking further action.
- b. NHS Estates have an important strategic responsibility. They have a priorities and planning framework which is updated at three-year intervals. It would be helpful if local food could be specifically included among the priorities.
- c. PASA has a facilitating role, and on the local food side there is scope to clarify what action they need to take.
- d. There might be scope to match up a local food supply network in a particular part of London through an NHS Supply Management Confederation.

D. Previous work on local food

Organisations

46. To avoid duplication we have looked for previous work on the barriers to distribution of local food and local organic food into London. This involved discussion with organisations including London Food Link, the Soil Association-Local Foodworks and London Farmers Markets. Although a great deal of work has been done on the organisation of local food generally, and the London organisations have been active in bringing together potential suppliers and customers, we were surprised to discover that there is virtually no previous work on the barriers in London.
47. The Soil Association-Local Foodworks has published a series of helpful briefing sheets¹⁵ with practical guidance on developing local food initiatives. Amongst the themes it identifies are:
- Potential for social, environmental, health and economic benefits;
 - Need for appropriate infrastructure, especially producer-owned, for processing and distribution;
 - Need for information exchange;
 - Need for consumer education;
 - Need for local food to be embodied in an official regional food strategy;
 - Need for a collaborative and participative approach between people and organisations;
 - Scope for economies of scale to make better use of existing resources;
 - Scope for joint learning and training;
 - Need to be realistic about what can be achieved.
48. London Food Link's successes include encouraging the Mayor to agree to establish a new London Food board. This is intended to investigate food issues and promote sustainable food policy in the capital. The project has also published 'Capital Eats', an analysis of London's food economy. And a conference has been held to explore how local farmers can connect with the London market. A further indication of London Food Link's influence is the secondment of its project officer, Dan Keech, to the London Development Agency to assist in the development of a London Sustainable Food and Farming Strategy.
49. London Farmers Markets organise 12 farmers markets in London. (There are a number of others that are not part of this body and do not subscribe to its rules¹⁶.) LFM's policy includes a series of detailed rules to protect the local integrity of the produce and the traceability to the producer. The main principles are that:
- Goods must be produced within 100 miles of the M25, and where possible within 50 miles or less;
 - Only the producer, his family and staff involved in production may sell goods in the market;
 - Livestock and poultry must have access to pasture, and must not be routinely fed hormones or antibiotics;
 - Processed products must be made by the producer, or to supervised recipes using their raw materials. Minor ingredients may be bought in.

50. These farmers markets are an excellent example of direct selling into London, and we think there must be scope to develop more markets in the capital if local authorities would provide support and more producers could be found to supply them. However farmers markets do not address the one issue that will be vital for tackling the London market generally – amalgamation of produce to meet the customer's needs. This is excluded by the requirement that goods must be sold by the producer.

Individuals

51. We have talked to a number of producers who have supplied goods direct to customers in London, to top hotels, restaurants and schools. Products included organic meat, meat products, salads and herbs, hop shoots, kosher meat products, cheese, soft fruit and free-range eggs. The main lessons they learned were:
- Cost of transport, and the difficulty of getting utilisation high enough to make it economic;
 - Value of sharing transport with other non-competing producers;
 - Need to sell enough volume to make it worthwhile to the producer, and have enough range to make it worthwhile for the customer;
 - Difficulty with congestion and parking in central London;
 - Need for collation point for local produce;
 - Difficulty of finding good customers;
 - Difficulty of communicating the benefits of local food;
 - Need for authenticity and transparency – many people claim falsely to supply local.

Related initiatives

52. We have also reviewed information about a handful of other local food initiatives, to see what lessons could be learned about distribution barriers.
53. **Bradford Schools.** Grassroots Food Network co-ordinated a study on local food for Bradford schools¹⁷, to develop sustainable localised supply systems. It found that bureaucratic procedures deterred potential Small and Medium sized Enterprise (SME) suppliers, even though they were customer-focused and prepared to develop the necessary practices. As a result, tender documents have been made more accessible and more information has been provided on usage. Some local producers anticipated higher returns from other outlets, and some suppliers had negative perceptions of school food. Transport, transport costs and the need for co-ordination were particularly identified as issues for suppliers, and it was suggested that they could tap into existing supply chains. Other barriers included lack of information about the procurement process, a perception that prices were low and inflexible, and requirements that were seen as rigid. Potential opportunities included Halal meat, supply of 'off-size' produce, and supply of vegetables, salads and milk. The need to define 'local food' and to distinguish it from organic was identified.
54. **East Anglia Food Link school fruit study**¹⁸. This looked at procurement ahead of the roll-out of the School Fruit Scheme in the East of England and South East regions in autumn 2004. Amongst its recommendations, it suggested that 'best value' in Government

procurement needed to be interpreted against key community/social/environmental issues; that tender specifications should include appropriate assurance standards (not necessarily equivalent to Assured Produce); that intensive support and development should be provided to producers; that supply chain events should be held throughout the East of England and South East regions; that tender specifications should favour production methods that promote biodiversity; that consideration be given to 'piggy-backing' on existing distribution arrangements; and that contracts should favour those who use reusable packaging. The study looked closely at the interaction between the School Fruit Scheme and the Government's principles of sustainability. It considered the prospects for apples in detail, the need for producers to be organised, and the need to integrate overseas supplies.

55. **NHS Food for Cornwall project¹⁹**. The NHS Trusts in Cornwall have set up a Community Food Manufacturing Study to examine local food supply into local hospitals. It concluded that a sustainable policy justified the setting up of a shared Cornwall Food Production Unit in a central location. The unit should be operational by September 2005. Benefits are expected to include higher meal quality and choice for patients; greater control over production than with current remote sourcing; reduced waste; and a positive impact on health. The aim will be to work with local producers, suppliers and distributors to purchase a higher percentage of food stocks within Cornwall, and to encourage sustainable methods of farming and food processing. Further developments are planned to include a local procurement policy, including encouragement for individual suppliers to collaborate; and a scheme for patients, visitors and staff to collect a box of vegetables. Cornwall is a European Objective 1 area, which makes this project eligible for 50% funding.

56. **Norwich & Norfolk University Hospital organic food project²⁰**. Following interest from hospital restaurant customers, a trial was mounted of organic meals with supply co-ordinated by the local organic supply group (Eostre). Initially the meals were provided five days a week and achieved 5-15% market share. However they were sold on the 'Chef's Specials' counter and competed with previous favourites, some of which were cheaper. Market share declined to 8% and the offering was reduced to two days per week. The suppliers were disappointed by the volumes of food purchased, and the tendency of the caterers to specify out-of-season goods, which had to be bought from abroad. Key factors included:

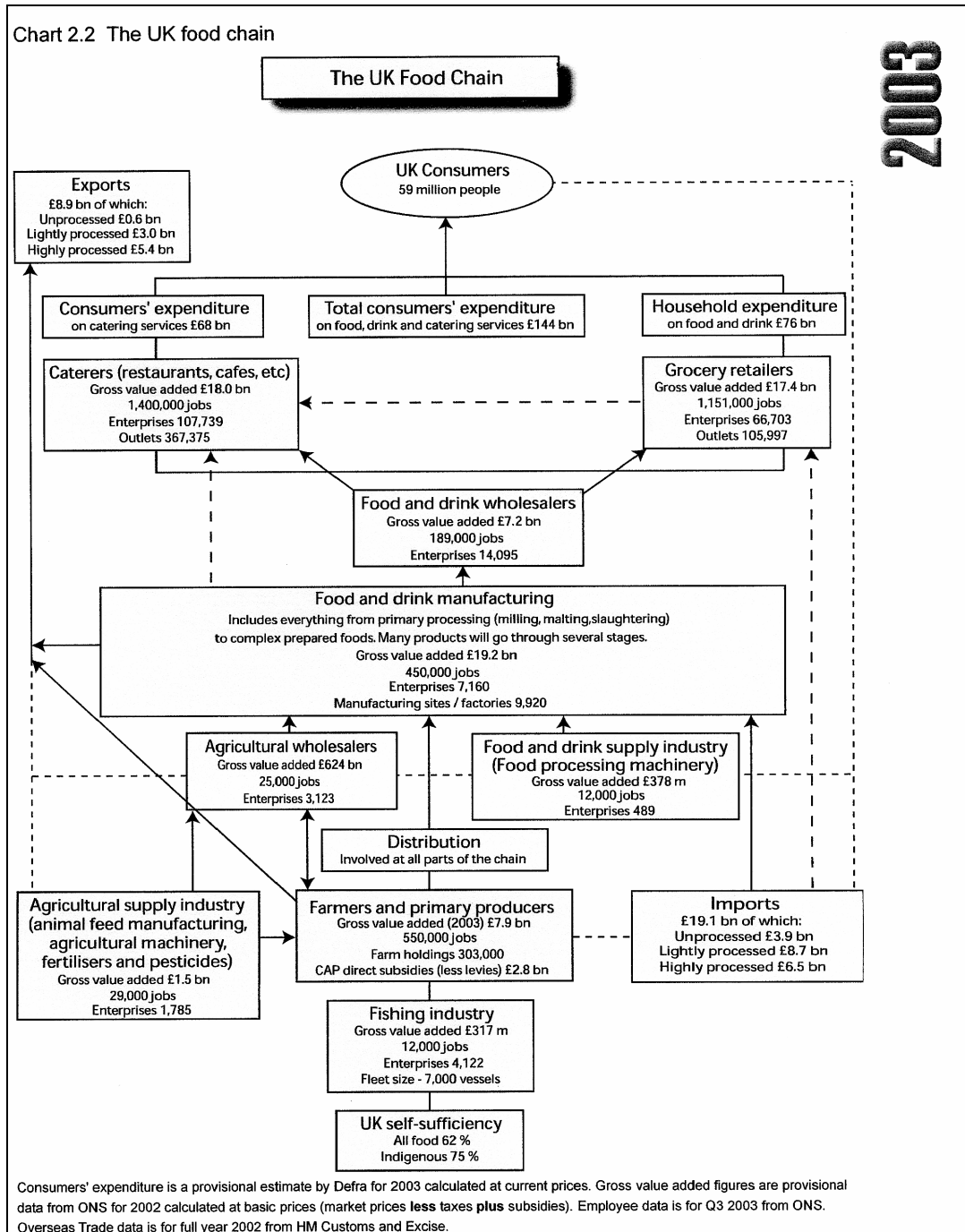
- reliability of supplies,
- single invoicing and co-ordinated deliveries,
- competitive prices,
- adequate demand to justify counter space in restaurant,
- commitment from hospital caterers and producers,
- menus that had the differentiation to justify the premium price,
- strong marketing support.

Lessons learned included the need to structure the menu appropriately for customer demand, and the need for internal and external publicity to communicate the option to customers.

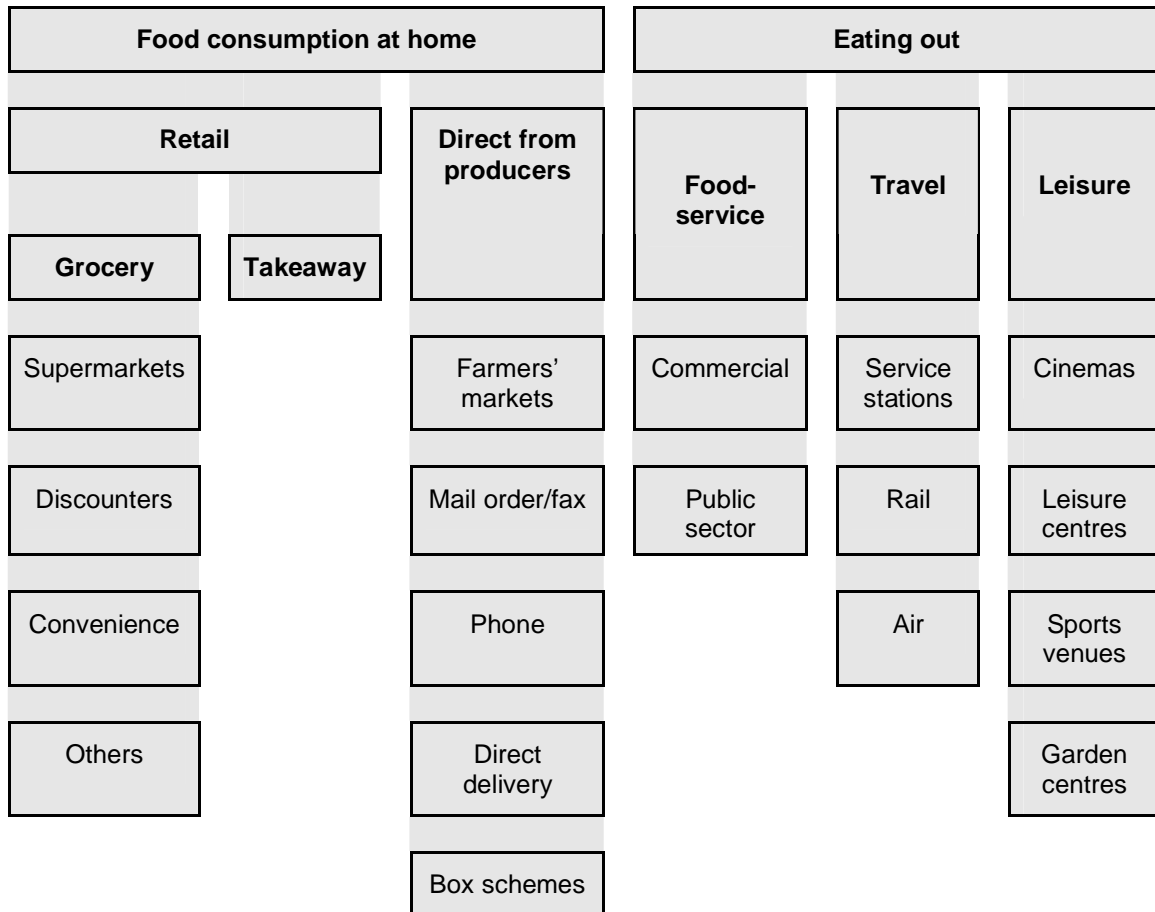
E. Current distribution mechanisms

The UK food chain

58. The Defra publication, Agriculture in the United Kingdom 2003²¹, contains a wealth of useful statistical information. It includes the following chart summarising the links in the UK food chain.



59. Even within these broad categories, there may be a number of steps, e.g. primary and further processing followed by production of ready meals, and distributors will be involved at every stage.
60. Public procurement is just one sector (and hospitals a sub-sector) amongst many in the food market. Examples of various routes to market can be summarised according to the following chart:



61. The balance between consumption of food at home and that eaten out is changing rapidly, as the following table demonstrates.

Expenditure on eating out and household food and drink (£/person/week)			
	1995	2000	% increase 1995-2000
Food & drink eaten out	5.83	7.36	26%
Household food & drink	15.63	17.64	13%

Total	21.46	25.00	16%
- Of which alcoholic drinks consumed out	1.52	1.66	9%
consumed at home	1.08	1.49	38%
Source: National Food Survey 2000			

62. It shows that expenditure on food and drink eaten out is increasing twice as fast as household food and drink, and that the increase is more in the food than the drink element. There are therefore good opportunities for suppliers in the foodservice, travel and leisure sectors.

63. A Food Standards Agency survey of consumers in 2001²² included the following question:

Where do you currently buy your food/groceries from?	
Supermarket	95%
Local shop	36%
Farmers' market	13%
Market stalls	17%
Via the Internet / mail order / website	2%

64. The large retailers, and increasingly the large foodservice operators, essentially operate large scale centralised distribution systems. Typically food products go from the manufacturer to regional distribution depots where they are unloaded. Individual store orders are then picked, loaded and transported to the relevant stores. Products are primarily transported by their temperature requirements, i.e. ambient, chilled and frozen.

65. With the growing interest in local food most retailers have attempted to accommodate smaller producers within their supply chains but this has not been easy for them. Consolidation in retailing has been a key trend for many years now and is continuing. Distribution has been consolidated in attempts to reduce costs and improve profitability with a continuing movement towards fewer, bigger suppliers. In some cases retailers now have only one or two suppliers for key product lines. Local producers have in some cases "piggy backed" on large suppliers by using their supply chains and in others have even made direct deliveries to stores.

66. There are quite distinct channels for the main product sectors, which may involve several steps of processing, consolidation and transport between the farmer and the consumer. Typical examples include

- Red meat: farm - auction market – abattoir – cutting plant – processor – distribution centre
- Milk: farm - dairy – processor – distribution centre
- Fresh produce: farm - packer or processor – distribution centre or wholesaler
- Cereals: farm – store - miller – baker – distribution centre or store

67. These supply chains have become even more complex as the demand for convenience from consumers and de-skilling by caterers has encouraged the production of ever more highly processed products, including complete ready meals. Some ready meal manufacturers consider themselves to be assemblers of meal components rather than

complete producers. Taking this into account, some products would go through 6 or 7 processes and links between farm and end user.

68. Consolidation and the drive to reduce costs are key features of these distribution systems. Processing factories are becoming fewer and larger to drive production efficiencies and costs associated with multi-site operations. Increasingly the largest retailers express preferences for their own discreet supply chains from the producer onwards resulting in many processors operating single customer sites.
69. Whereas until recently customers considered it prudent to have four or five suppliers, and to encourage a degree of competition between them, they are more likely now to have two, or even one, supplier and place heavy reliance on them for delivering the agreed specification. We doubt whether hospitals, and their major suppliers, will be immune from this process.
70. Geography also plays a part; whilst in theory it should be more efficient for all milk producers in a given area to send their milk to the same dairy; this tends to be restricted to isolated areas where there is only one customer. Collation of different goods to supply big conurbations takes place relatively close to the consumer, e.g. in a supermarket's regional depot. For example, for delivery into London, Sainsbury's have depots at Basingstoke, Hoddesdon, Charlton, Waltham Cross and Elstree; the last of these is frozen only, the rest are ambient and chilled.
71. Wholesalers and trading merchants can add additional links in the chain especially in the independent sector. Traditionally produce moved from farm via a country merchant to a wholesale market to independent retail outlets. This still happens but has declined with the growth of specialised wholesaler/distributors such as 3663.
72. The result of all these trends in food distribution is that there is little local organisation of the market. Our research uncovered several examples of food travelling long distances to return to local consumers, e.g.:
 - Eggs would have to travel from Dorking to Brentwood to one London hospital's existing supplier;
 - Spinach travels from Kent to Lincolnshire to be packed for Asda for sale in London;
 - Cattle for Waitrose Aberdeen Angus scheme would have to travel from West Sussex to Yorkshire for slaughter.

This transport is generally at the producer's expense in the first instance but ultimately the consumer ends up bearing the cost.

The four hospitals

73. All four hospitals work with large catering suppliers to a greater or lesser extent. The main companies used are:
 - Prescott-Thomas, New Spitalfields Market: fruit and vegetables.
 - Anglia Crown, Colchester: frozen and chilled meals.
 - 3663, several locations in and around London: chilled and frozen food.
 - Brake Bros, several locations: chilled and frozen food.
74. None of these suppliers has a policy, or probably a current capability, of buying local. Prescott-Thomas are a good example. They are located adjacent to a large wholesale

market, and buy 95% of their requirements there. This enables them to fulfil customers' requirements for a wide range of products, continuity of supply, acceptable quality and competitive pricing reliably. They stock up to approximately 300 different lines many on a year round basis. Some of the produce will be local, since Spitalfields is an important outlet for farmers in the region, but this is coincidental. The company would be very willing to co-operate with a local food initiative if there were a sufficient volume and range of quality produce, and demand for it from customers.

Role of wholesalers and distributors

75. Except in the most local supply situation, e.g. a farmer selling fresh produce direct to the consumer in a farm shop, the use of intermediaries is almost inevitable. Even in the case of farmers markets, where producers are still selling direct, someone needs to organise and promote the market. Most farmers have a very limited range of goods to sell. Customers may be numerous; they want a wider range and year round availability, and may want larger or smaller quantities on different occasions.
76. The role of the wholesaler is to consolidate supply from different producers, usually bulking up volume and assembling a range of complementary products. By dealing with a larger number of suppliers the wholesaler can even out fluctuations in production; supply goods such as fresh produce over a longer season by purchasing 'early' and 'main crop' produce from different producers; grade products according to the needs of different customers; supply varying quantities; balance availability, quality and prices; and develop market expertise in the sector concerned by understanding the position of both suppliers and customers.
77. Specialist distributors play a similar role, though they may operate closer to the customer. Retailers often want to buy speciality products to add interest to their range, but do not want the hassle of dealing with many small suppliers. Distributors have expertise in making a commercial pitch to the customer, servicing a range of complementary customers and in handling the specialised field of transport logistics. Obviously the distributor will charge a margin for handling the producer's goods, typically around 30% for speciality ambient goods though much less for fresh produce.
78. Whatever the sector, the intermediary needs to have good market information and good relations throughout the supply chain to do a successful job. Abattoirs for example need to have the confidence of both farmers and their trade customers, including retailers and other meat wholesalers.
79. Unless the ultimate customer is prepared to manage a vastly increased number of individual producer/suppliers, accept a range of qualities and the effects of seasonality on product availability then any initiative that would link producers and customers too rigidly would almost certainly fail. The functions of co-ordination, consolidation, transport, marketing and administration have to be carried out somewhere in the chain.

80. Conclusions

- a. Current distribution systems have evolved as a result of consolidation in the food industry
- b. Individual producers operating independently cannot hope to meet hospitals' needs unless the customer changes their procurement substantially.
- c. Businesses in the supply chain need to have flexibility in their operations to survive and succeed.

F. Barriers to distribution

81. From our discussions and interviews, we think that there are many barriers to distribution of local and local organic food into London. The remainder of this report concentrates on these. This section deals with distribution barriers, and other barriers are summarised without detailed comment in section G.
82. By 'distribution' we mean the steps that producers need to take to get their produce to the customer. We are not concerned in this with the agronomic aspects of production, though production standards – to meet London customers' expectations – certainly are a relevant issue. Nor have we focused particularly on consumer-level activities in the retail or foodservice sectors. The report is thus concerned principally with action needed through the supply chain, between the farm gate and the ultimate customer.
83. There is no accepted definition of a 'distribution barrier'. We take it to mean an issue, real or perceived, which unless it is addressed will prevent or slow down the flow of goods along the supply chain.

Lack of producer understanding of the London food market and how to sell to it

84. Apart from a handful of producers who are already supplying outlets in London, we have found no evidence that local producers in general have considered the London market. This may be because most are already linked up with supply chains dominated by the supermarkets or by large processors, or sell on the wholesale market. Some of their produce may well be finding its way into shops or foodservice outlets in London, but this is more a coincidental effect of the way the food market operates nationally than a planned marketing outcome.
85. Producers need to be market-led, as with any marketing venture, if they are to supply customers in London. They need to understand that there is a huge range of outlets of all sizes, though these can be grouped into a manageable number of market sectors:
 - The national supermarket chains;
 - Smaller multiple chains;
 - Independent retailers;
 - Major pub, restaurant and coffee bar chains;
 - Independent pubs and restaurants;
 - Travel and leisure outlets;
 - Office and factory catering;
 - Schools;
 - Universities and colleges;
 - Hospitals;
 - Prisons.
 - Wholesalers and distributors.

(This list is not exhaustive)

86. Producers need to understand that each of these outlets is different in terms of specifications, volumes, service levels, style of doing business, price levels etc. They will need to be prepared to get to grips with these new market requirements. Unless these issues are addressed from the outset, and more or less all together, a new supplier is unlikely to be accepted.
87. Producers also need to recognise that any outlet that is already in business will have an established supply chain. If the customer is satisfied, it may be impossible to dislodge, though it may be possible to supply into it. If the customer is less than satisfied, there may be a better opportunity, though there may be high expectations of the newcomer.
88. Unless producers have commercial experience, possibly from direct retail or foodservice, e.g. from running a farm shop, they are likely to need a great deal of help in getting the right food to the customer in the right form, the right place and the right quantity. A leading apple grower commented to us that his experience in selling to the public at his local farmers market was invaluable in informing his negotiations with Marks & Spencer.

89. Conclusions

- a. Producers will need to identify and understand their customers;
- b. Their operations will need the highest possible standards of marketing.
- c. Producers can draw on existing sources of marketing advice.

Barriers to entry from existing systems

90. Any existing outlet will, by definition, have an established supply chain. This normally relies on:
 - Economies of scale, market knowledge, contacts, infrastructure and other facilities;
 - Inertia – a general reluctance to change arrangements unless forced to do so;
 - Satisfaction – ‘if it ain’t broke, don’t fix it’. The four hospitals in our interviews seemed generally very satisfied with their existing arrangements.
 - Competitive response – existing suppliers are not likely to stand still and watch their business taken away (though this can happen in the public sector with competitive tendering). They will move to improve their own products or levels of service.
91. However, it is not all bad news for the new supplier. Complacency can creep into long-established relationships. If the newcomer is able to spot weaknesses and suggest ways of countering them, they may receive a welcome from the customer.

92. Conclusions

- a. Producers need to realise that, even where there are market opportunities, it may be difficult to break into existing supply chains.
- b. It may be possible to become a supplier to the existing channel.

Matching the right volume

93. Understanding the market includes providing the right volume for the customer. We encountered barriers of two kinds. On the one hand, the four hospitals are not seen by

many suppliers as being particularly large customers. A national soft fruit group used to supplying supermarkets commented that '3,000-4,000 cases a day would be interesting.' Medium-sized operations may be more appropriate for the hospital sector.

94. On the other hand, London as a whole presents a very large market indeed. The analysis in section C suggested for both agricultural products and processed food and drink, it would need to extend well beyond the capital itself.

95. Conclusions

- a. Producers need to match the customer's volume.
- b. The four hospitals are not, by London standards, very large customers.
- c. The supply base for local food in London as a whole needs to be regional, extending across the South East and East of England regions.
- d. Producers will need to get organised to supply the right volume.
- e. Established techniques of collaboration will be able to help.

Need for wide enough range/role for intermediaries

96. To supply full meals, customers need a wide range of raw materials. Most are reluctant to deal with a large number of suppliers, indeed the current trend is to reduce the number of suppliers and to place more responsibilities on those that are left. Foodservice customers in particular prefer one-stop-shop supply, as the trend throughout this sector is to simplify operations and cut costs.
97. Hospital catering is likely to follow sectoral trends. Although the health budget has received generous increases in the Chancellor's Spending Review 2004, there is still likely to be pressure within the NHS to make savings on non-medical expenditure.
98. Producers are unlikely to supply the range needed out of their own production, and end-users definitely do not want to take on this job. There are many established intermediaries – wholesalers and distributors – who already fulfil the role. They are experienced, and it makes sense for producers to consider working through them.
99. However, many producers have told us that they object to paying a margin to such intermediaries. The latter may also be unable or unwilling to deliver the segregation needed for local food. In such circumstances it may be appropriate for producers to consider establishing their own distribution channel.

100. Conclusions

- a. Someone has to manage amalgamation and consolidation of supplies.
- b. There are many specialised businesses already in existence, and it makes sense for producers to look at these first.
- c. It may sometimes be worthwhile for producers to set up their own channels, but these are likely to need dedicated infrastructure, which will be costly.

Need for high levels of service in distribution

101. All customers expect their goods to arrive in full, on time and on spec. This is particularly the case in foodservice, where menus are often decided in advance, and the kitchen's own performance is dependent on the reliability of its suppliers. If local food is to justify its quality image, service levels will have to be commensurate, and this is not something that farmers can do out of the back of the Land Rover.

102. Conclusions

- a. Producers need to understand the customer's service requirements very clearly, and to consider whether they can deliver them consistently.
- b. This is a key aspect of marketing, where existing sources of advice can be mobilised.

Low prices in the public sector

103. We found a very widespread perception that prices are too low in the public sector. This has been reinforced by high profile publicity about the allowances for a school or hospital meal in current supply contracts. London Food Link have told us that about 90p per patient per day of the hospital catering budget goes on food, while the corresponding figure for school meals is around 35p. The result is that many good suppliers will not even consider supplying the hospitals or other public sector outlets. A regional meat processor told us that price was '99.9% of the problem'. Other producers, e.g. of organic milk, have struggled to get near the price points specified. By contrast, a national soft fruit group which was tendering for the School Fruit Scheme at the time of the research, commented that prices were 'keen, but not unreasonable'.
104. It is not well understood that the hospitals are themselves quite diverse customers. In two of the four there are large-scale contracts for patient meals, where prices are no doubt highly competitive. But all four have other catering for staff and visitors where prices are somewhat less rigidly controlled. The Hospital Food Project is looking wider than just patient catering, specifically:
- St George's and Ealing: restaurants, not wards;
 - Royal Brompton: all catering;
 - Lambeth: wards and community health services.
105. Public bodies are expected to consider whole life cost in buying goods, and not just to focus on the initial purchase price. In one example mentioned to us, a clearer focus on quality has made it possible to justify purchase of more expensive, but less fatty meat, to produce better meals with less food waste.

106. Conclusions

- a. Producers need to be prepared for keen prices, but to understand that price is not necessarily everything in the public sector.
- b. Public sector customers, particularly in the NHS, need to make it clearer how their operations are segmented, in order to maximise the potential opportunities for local suppliers.

Need to minimise market risks

107. Most successful businesses have a marketing strategy that is focused on more than one market sector. Lower prices in the public sector might mean that this outlet played only a

part in a total marketing portfolio, which included other higher value customers to achieve overall profitability. A strategy like this would also provide some insurance against the risk of losing the business when a public contract is re-tendered. Prescott-Thomas Ltd, who are well established suppliers to schools and hospitals, told us that they also supply private sector catering outlets and independent retailers.

108. Conclusion

Any producer-operated distribution network should evaluate thoroughly the marketing potential, and consider the benefits of a portfolio approach to spread its marketing risks.

Need for efficiency in transport logistics

109. Logistics is a very specialised field with low margins. Competitive operations normally use scale to achieve maximum efficiency. This includes:
- using the right sized vehicles;
 - loading them to the maximum;
 - 'backloading' (utilising the return journey of a delivery) where possible;
 - getting the optimum delivery frequency for the convenience of customers and the efficiency of the service;
 - planning routes and delivery times to minimise road miles and delays.
110. There are many existing operators, as can be seen from all the food lorries and vans on the road in and around London.

111. Conclusions

- a. Producers should identify and utilise existing logistics operators where possible.
- b. Where new operations are proposed, professional standards of management are essential. Producers will need to procure appropriate skills and expertise, e.g. through buying in their logistical management.

Need for traceability

112. Traceability for food safety reasons is a familiar concept in the food chain. It requires clear planning, the ability to segregate goods and high standards of record-keeping. If the current interest in local food increases demand, a premium should be achievable, and traceability will become important. Without it, authenticity cannot be assured, and customer confidence will be undermined. During our research we heard allegations that some traders are already selling imported food as local.
113. There are obvious limits to traceability, e.g. when supplies are bulked for transport or processing. Producers or processors working on a smaller scale may be able to find solutions through batch working. Larger producers or processors may find this more difficult, though they generally tend to have better IT systems for monitoring supply. Either way, traceability does not just happen, it has to be organised.

114. Conclusions

- a. Traceability needs to be planned-in from the outset;
- b. Systems need to be put in place to deliver traceability, and must be fully documented.

Need to address seasonality

- 115. Customers, and more particularly consumers, are now used to all-year-round availability of products such as strawberries, apples, lamb and salads, where UK production has distinct seasonality. This has been achieved by importing food out of season, and has been encouraged in recent years by supermarkets, chefs and restaurants; though some products like New Zealand lamb have a long history on the UK market.
- 116. In response to this, UK producers have made great efforts to lengthen the natural production season. One producer in Berkshire claims to be the country's largest producer of early lamb, which he produces from specially bred stock. Horticultural growers have resorted to widespread use of poly-tunnels and new crop varieties to produce strawberries and salads for a much longer season. There is probably scope for further technological development on these lines and a role for training and technology transfer. However, a public backlash has set in, particularly in the South East region, against the use of polythene, which some people see as unsightly.
- 117. There is some considerable scope for public education on seasonality, e.g. by developing seasonal recipes that encourage consumers to look for foods during the UK season. This could be promoted in the NHS, though initial contacts suggest that constraints on supplies would not be welcome. It could also be promoted more widely, as the NFU have done in a low key way for some years.
- 118. It seems unlikely at the moment that consumers will be weaned off their present consumption patterns entirely, to the extent that it is no longer necessary to find out-of-season solutions. A purist approach (UK season only) could make it more difficult to attract customers.
- 119. In deciding how to tackle the London market, local producers therefore have a choice. They can either supply through existing intermediaries, who will probably continue to source imported goods out of season. Or they can aspire to supply the full range themselves to customers, and face likely demands for all-year-round availability.
- 120. East Anglia Food Link's National School Fruit Scheme report completed in February 2004²³ examined this question. It used a definition of proximate producer, meaning the **closest practicable source** where there are simultaneous health, economic and environmental benefits. Apart from the fact that some types of fruit cannot be grown in the UK (e.g. kiwi fruit), the report noted that geographical considerations are not permitted in public sector contracts; that connection to a wider supply chain might enable UK producer groups to bid successfully for contracts; that 'local' and 'sustainable' are not interchangeable words; and that physical proximity is only one factor in comparing CO₂ emissions involved in buying from different regions.

121. Conclusions

- a. The issue of seasonality has to be faced;
- b. Steps can be taken to improve the length of the UK season, and to promote consumption

during it;

- c. Natural seasonal peaks (e.g. strawberries and cream during Wimbledon) should be planned for and promoted;
- d. Local supply initiatives are likely to have to consider using the closest practicable source (including imports) for out of season produce.

Need for distribution infrastructure

122. London cannot be supplied by producers direct without some infrastructure to amalgamate and consolidate different lines. This should be located near to the area of consumption, rather than production. For economic and communication reasons, the outer London boroughs are probably the most suitable location. At the very least, there is a need for storage (including chilled warehousing), product picking and sorting, vehicle parking and loading facilities. A wide range of other facilities might located at the same point, e.g. office and IT centre, processing/packing, training, customer relations and education. London Food Link are commissioning a feasibility study on a London food centre at the time of writing (July 2004).

123. Conclusion

Distribution centres will be needed, probably on the periphery of London.

Complexity of processing and distribution

124. Large customers, including the hospitals we spoke to, expect to buy most of their food materials in a prepared state. Except in the case of high-class restaurants, very little produce reaches the customer in the form in which it leaves the farm. Even fruit and vegetables go through one or more stages of processing and packing. Visiting the hospital kitchen stores, we saw many products like peeled onions and potatoes and prepared carrots, and all goods are pre-packed to the customer's requirements.
125. Much, if not most, of this activity takes place off the farm. In many cases, there is complex multi-level processing and distribution (e.g. abattoir, cutting plant, meat product manufacturing, chilled food wholesaler). This requires expensive facilities which must be used to the maximum capacity. Few farmers have the equipment, management skills or money to handle this in addition to their primary production.
126. This is another area where there is a great deal of well-established infrastructure, particularly in East Anglia, and it makes sense for producers to see whether they can make use of it, e.g. by contract processing, before going into processing themselves.
127. It may be justified to set up new producer-controlled capacity in some instances, perhaps where existing companies are unable or unwilling to guarantee the authenticity of local produce through the process. A local operation may be able to tackle only a part of the supply chain in the first instance, and in this case it is likely to be easiest to start at the raw material end, with which producers are most familiar.

128. Conclusions

- a. The food chain has complex levels of processing and distribution;
- b. Specialised equipment, management skills and money are required;
- c. Producers should consider using established processing facilities before building their own;
- d. Producer-controlled ventures are best advised to start at the raw material end of the chain.

Need for investment

129. Small-scale operations are unlikely to make a significant contribution to the London market as a whole. Larger ones will require expensive infrastructure, particularly for processing and for chilled or frozen food distribution. Operating costs will also demand substantial working capital. The investment required for a dedicated operation is likely to be beyond the resources of most producers, apart from vertically-integrated sectors like poultry. Grant schemes, particularly the Processing & Marketing Grant²⁴, may be able to make a contribution, though the rules are currently restrictive.
130. Collaboration with existing processors, e.g. in joint ventures or through contract processing, may be the most effective method of entry where producers wish to retain some control of the process.

131. Conclusions

- a. Any producer-controlled processing venture should be very thoroughly planned and evaluated against possible alternatives;
- b. If producers wish to get involved in processing, they will need to commit some of their own money;
- c. Grant schemes can help to a limited extent.

Congestion and parking in London

132. London is widely perceived as a place to avoid driving in. Drivers feel harassed by parking restrictions and wardens. Congestion is bad on the major routes into London and in outer London, though it has eased in the congestion charging zone. Charging currently operates only in the central areas of Westminster and the City, though the Mayor has proposed extending it westwards to take in Kensington and Chelsea. Cars and vans pay a standard £5 per day.
133. In practice, London is not so difficult for the regular driver, familiar with his or her route and with how to minimise delays. There is a 'level playing field' where all operators face the same problem. Customers ultimately pay the cost of the congestion.
134. Delivery to the hospitals is less of a problem than to, say, West End hotels and restaurants, where vehicles have to stop on the street, though deliveries face the same congestion on the roads generally.

135. Conclusions

- a. Congestion and parking are a problem, but not as bad as many people perceive;

- b. Producers should collaborate on transport (or use contractors) to minimise the number of vehicles.

London perceived as too much hassle

136. Many producers see little point in trying to get to grips with the size, congestion and diversity of the London market, when they can more easily supply affluent consumers in the Home Counties. Defra quality of life statistics²⁵ confirm that the South East and East of England have much higher than average levels of economic output, employment and life expectancy. Poverty and social exclusion are lower.
137. Customers in London won't tolerate a half-hearted or inadequate approach by their suppliers. Producers need to take a realistic view of market requirements and what they can deliver, or else leave this market to others. A good approach would be to consider how customers in London might form a complementary part of a broader marketing portfolio.

138. Conclusion

- a. Hassle is unavoidable in supplying the any market.
- b. A planned approach can help to mitigate it.
- c. Producers will need to be dedicated to succeed in London.

Unsympathetic bureaucracy

139. Producers have mentioned various problems such as:
- Difficulty in getting planning permission for new buildings, and objections to increased vehicle movements.
 - Rating of infrastructure buildings as industrial rather than agricultural.
 - Shuffling of local food projects between the Rural Enterprise Scheme, which generally deals with smaller projects, and the Processing & Marketing Grant, which can handle bigger investments, but is restricted to primary processing.
 - Public procurement contracts that do not provide for local food.

140. Conclusions

- a. If the Government is serious about encouraging local food, it needs to promote a more joined-up approach between different levels of Governmental activity.
- b. Whilst it is not permitted for public contracts to specify local food, it can be favoured legitimately through provisions on freshness, variety, size of delivery etc.

G. Other barriers

141. This research is specifically concerned with distribution barriers, which we have identified and dealt with in detail. In the course of our discussions, a variety of other barriers have

been mentioned. We have not examined these further, but we think it is helpful for completeness to include the following list.

142. **Lack of market demand.** As local food is a new concept, a lack of demand is understandable. But there is little point in doing more work to facilitate supply unless further steps are taken to stimulate demand. Similar considerations apply to organic food, at least in hospital procurement.
143. **Lack of a regional food identity.** London and the South East appear to be the regions where there is the lowest concept or recognition of any regional food identity. If a range of local foods is to be produced, there is scope to consider how to promote a regional identity for it.
144. **Product specifications.** Local food specifications could be different (and complementary) to those which apply to food produced for the supermarkets.
145. **Shortage of suitable producers.** This has been mentioned particularly in the context of medium to large organic producers in the South East region. It is important not to over-supply the market, but efforts might be made to identify supply gaps, where new production could be encouraged.
146. **Price.** There is a perception among some customers and intermediaries that local food is 'too expensive'. This feeling is stronger in the case of organic food. It is mirrored by a feeling among producers that public sector buying prices are too low. Producers will need to show that their prices are competitive, and properly reflect the benefits the product provides.
147. **Quality assurance.** There is a general view that this is onerous and expensive for producers, and that small producers are unlikely to be able to manage what is required. If local food is to be accepted as a quality product, it is likely that only the better producers can be involved.
148. **Knowledge of chefs/cooks.** There is a perception that chefs and cooks have little understanding of the seasonality of UK food production, and little expertise in using indigenous raw materials (e.g. root vegetables). It would be worth identifying key decision-makers in food procurement (including chefs/cooks) and targeting them with suitable information.
149. **Short NHS deadlines.** It was put to us that development of local food will take much longer than the contract periods or performance deadlines of managers in the NHS. This is probably true, and part of the solution must be to recognise that local food development is a medium- to long-term business.
150. **Lack of top-level support.** This is mentioned particularly in the NHS context. A firmer lead could be given from the centre (e.g. NHS Estates) and at Director level in individual Trusts. Campaigning organisations could press for this.
151. **Ownership of the project.** It is possible that the hospitals would take more of a lead if they 'owned' the Hospital Food Project. This is a point that London Food Link should consider in any follow-up arrangements.

152. Information on NHS requirements. Producers have little understanding of NHS procurement practices and specifications. Better understanding requires action at both the producer and customer ends of the chain.

H. Vision for a sustainable local food distribution system

153. This section of the report sets out our view of a sustainable distribution system. It is an ideal vision for the future, and one that would take time to realise in full. A vision like this will help to explain the concept of local food and the benefits it will bring.

A significant proportion of food in London is local

154. New supply channels are developed, distribution is facilitated and demand is stimulated so that a significant proportion of the food in London can come from local producers, and be seen to be local. (It is not suggested that the whole of London supply can come from the locality.)

Local food is more sustainable

155. It is not enough for local food just to be 'local', though that is the essential starting point. It is doubtful whether customers and consumers will express a preference for the product unless it is shown to be 'special' in other ways. The key is to show that local food is more sustainable than the mainstream alternative.

156. To achieve this, a local food distribution system should follow the Government's main sustainable development priorities. This is particularly the case if supply is orientated towards public sector procurement. Defra's principles²⁶ may be summarised as follows:

- Supporting the viability and diversity of rural and urban economies and communities;
- Improving resource efficiency (particularly energy use and renewable energy);
- Reducing waste (particularly packaging);
- Producing safe, healthy products in response to market demand, and improving nutrition;
- Enabling livelihoods to be made through sustainable land management;
- Respecting biological limits of natural resources (especially soil, water and biodiversity);
- Achieving consistently high levels of animal health and welfare;
- Making premium options (e.g. organic and Fair-trade) available to consumers where there is scope to do so.

157. In public procurement all purchases must be based on value for money, which is defined as 'the optimum combination of whole life cost and quality to meet the customer's requirement'. The emphasis on 'whole life costs and quality' enables buyers to take account of a variety of factors, and *not just the initial purchase price*.

158. Public sector purchasers can set requirements for delivery frequencies, freshness, taste etc, which may encourage and facilitate supply by small and local producers. Local supplies are seen as having the potential to benefit both rural economies and customers. Nevertheless, public bodies must comply with EU law, which prohibits discrimination, e.g. by reference to distance travelled or locality of production.

159. These Government policies go well beyond current market demands (though the market is prompting some action in all the areas). Until the market catches up there needs to be further encouragement. This requires action by producers, customers and government.

Production is market led

160. As noted above, there is a need for both producers and customers to raise their game on sustainability. But progress on this front must not be allowed to divert attention from current market demands. At any given time, customers will have certain requirements, and it is incumbent on suppliers to understand and meet them.
161. London is a huge market, but at present its demand for local and local organic food is limited. There is scope to stimulate this demand, but it would be a mistake to oversupply the market beforehand. Producers of some commodities, e.g. organic milk, know only too well that their expected premium disappears if supply exceeds demand.
162. Producers must therefore take an objective view of the opportunities. They need to be realistic about the relative attractiveness of different sectors (public vs. private, schools vs. hospitals, supermarkets vs. foodservice vs. independent retailers etc). A portfolio approach, fulfilling market needs in complementary sectors, will serve them best.

The public sector is a key player

163. The public sector is a good starting point to connect agriculture/food and health agendas. Hospitals, and particularly schools, provide opportunities to develop novel local food initiatives.

Local food is defined and understood

164. A wide supply base is needed to make an impact on the 7 million consumers in London. This is likely to extend beyond London across the South East and Eastern regions. It is not obvious that food from, say, Norfolk or the Isle of Wight is 'local' to London, and there is a need to define what is meant by 'local' and to develop a local identity.

Local food is accepted as quality food

165. Organic food has its own quality niche, which is supported by the system of organic certification, and is fairly well understood by the public. By contrast, local food comes with a series of quality propositions, such as:

- It supports local communities;
- It is fresh and nutritious;
- It travels shorter distances;
- It avoids supermarket-type packaging;

which are easy to say, but harder to define and verify. It is essential to show that local food is not just a dumping ground for supermarket rejects, and this needs to be demonstrated through sustainable production principles. The system will have to be audited. Producers who cannot reach the standard should be excluded.

Producers aren't expected to do it all by themselves

166. A lot of the initiative needs to be taken by producers. But except possibly for a handful of large ones, they will certainly need to collaborate to develop the necessary volume and range. Their organisation and marketing will need to be done to a professional standard. They will need advice on the London market. Existing sources of support and advice will be mobilised, and others created where necessary.

Producers can use the necessary infrastructure

167. Local food production will not be viable unless producers have access to facilities for washing/preparation/processing/packing their produce and to centres for sorting/collating/delivering it. Producers need to understand what facilities are required, and the most cost-efficient options for them. Outright ownership is only one option. Producers will need expert advice if they are minded to invest in their own facilities. They must be prepared to spend their own money. Government grant schemes should give higher priority to local food, and be flexible where projects cross regional boundaries.

Local food is professionally managed

168. Producers understand very well that they need to be professional if they are to supply the supermarkets. A similar level of management and attention to detail will be needed to make a success of local food. Areas that will need this kind of approach include control/coordination of production; logistics and distribution; marketing and sales; finance and administration. Producers may need support to achieve the necessary performance.

The market is transparent and inclusive

169. A viable market involves producers, intermediaries and customers. They have full information about each other's position, and are able to find profitable combinations to supply the consumer. In an emerging market, one of the key requirements is information:
- *how* to get started;
 - *what* to do and not do;
 - *Who's* who among producers, distributors, customers.
170. There is a need for an information database and exchange to help the market develop in a transparent fashion.

Consumers are fully informed

171. In addition to the commercial information suggested above, there is a need for effective promotion to consumers. The meaning and benefits of local food need to be clarified and communicated. The benefits of buying in season are explained. Local food is popularised through new recipes, perhaps promoted by local chefs. Local food needs to develop its own identity.

Organic food is developed through the market place

172. In London and the South East there seems to be a shortage of medium to large organic producers. There is also limited demand for organic food in the public sector, essentially because it is perceived as likely to cost more, yet London is a good market for organic food. Organic producers appear to need encouragement to market their produce more actively.

Government policy towards local food is fully joined-up

173. The benefits to sustainability from local food development need to be fully communicated throughout central, regional and local government agencies. There needs to be a sympathetic regime on planning regulations. Public procurement should be encouraged directly, and supported indirectly through research and studies.

I. Recommendations

Definition of 'local' food

174. Many of the people we talked to, including virtually all the customers, questioned what was meant by 'local' food. We think it is essential to achieve some clarity on this; otherwise there will be uncertainty about most of the rest of the action. In our view, the definition ought to cover two broad issues - geographical area and production standards.
175. The geographical area needs to take account of the market in question. If we are seeking to develop local food supplies for the London market as a whole, there is little choice but to consider a regional definition, the simplest version of which might be food from London itself, the South East and East of England regions.
176. A more restricted area could be considered for particular market outlets, such as London hospitals, since the volume of food required would be much less. However, the range required would be nearly as wide as for London as a whole, and there is an obvious risk of confusion if different definitions are used for different purposes. Our conclusion is that the same regional area should be used for the hospitals as for London as a whole.
177. The only circumstance where we would suggest using a more restricted area is in the case of very local production and distribution, which could be promoted at the village or community level. The Lea Valley is often mentioned as an area for agricultural regeneration. We recommend that **small producers could be encouraged to take part in community-level food chains**. Volunteers from the local community could be involved, as in the Stroud Community Agriculture initiative. If food is produced and consumed within a small radius, there would be little advantage in bringing it under a wider regional definition.
178. By contrast, London Food Link expressed concern to us that there are relatively few medium to large organic food producers in the South East. There may be a case in this sector (or parts of it) for relaxing the definition of 'local' to include England as a whole, or even the UK.
179. Apart from these exceptions, we think it would be a mistake to adopt a multiplicity of definitions, which could confuse and undermine consumer confidence in the emerging concept of local food.
180. In addition to the geographical area we think the definition of 'local' should also refer to production standards, since most people would expect local food to have some special 'quality' attributes as well as coming from a particular area. There is scope to emphasise sustainability principles such as:
 - Farming practices that preserve the environment, support biodiversity and maintain and enhance valuable landscapes;
 - Respecting biological limits of natural resources – as a starting point, local food should comply with current farm assurance rules, but it may be possible to go beyond these in time by specifying the absolute minimum use of fertilisers and pesticides.
 - Minimisation of stress for animals and maintenance of high health and welfare standards;
 - Enhancement of conditions for local communities and rural economies;
 - Resource efficiency, including shorter travelling distances;
 - Waste reduction – supermarket food is often highly packaged to help make it attractive on the shelf. A simpler standard of packaging could be developed for local food.

181. Some of these production issues will also have a link to health. For example, the absence of chemicals in organic food, reductions in pollution from shorter transport distances, evidence of nutritional benefits (greater omega-3 content) in milk and meat from grass-fed systems.
182. Production and distribution issues arise together in the case of large, intensive producers, particularly in the livestock sector. These may be highly efficient from an economic viewpoint, have good waste disposal arrangements, may follow all recommendations on farm assurance etc, and may be vertically integrated into processing and distribution in a way that minimises transportation, and retains value added in the region of production. Most UK poultry production is of this kind. Producers like this are well placed to make an impact on local food supply, yet some consumers may feel that this is not what they mean by local food. Our view is that it would be wrong to exclude producers on the basis of their scale alone, though it may be justifiable to do it on the basis of their production methods.
183. We recommend that **the London Food board should draw up a definition for local food in London**, taking account of the geographical area of production and the way it is produced. We think this needs to refer to the wider London/South East/East of England region and to principles of sustainability. There could be different rules for the origin of community-level production and for organic food, but otherwise varying standards should be discouraged.
184. The standard will not in itself provide reassurance for consumers about the authenticity of local food: it will need to be backed up by an effective audit system where the checks are made largely or wholly by an independent agency. Producers will be the main beneficiaries of local food production, so they should be ready to contribute to the costs, probably through some form of levy on sales. We recommend that **the London Food board should draw up proposals for an audit system, with independent inspection and producer funding**.
185. Only when it has been shown that this vision for local food can work sustainably, and that the audit system is effective, should branding be contemplated. This is an advanced marketing concept, and many so-called brands fail because they are not based on objective criteria. We recommend that **branding should be kept in mind, but not pursued from the outset**.

Market advice for producers

186. At the start of the project, London Food Link put to us the question: *'I am a farmer in the South East and want to supply into London, but actually getting it there (right time, place, and cost) is such a hassle. How can it be made easier for me?'* We have kept this before us throughout the research.
187. Before going into this, we believe it needs saying that London is a market like any other. It poses particular challenges with its size and diversity, but this does not make it unique in marketing terms. In reality there is no such thing as the "London market", rather there is a collection of very different market sectors determined primarily by their eventual outlet (e.g. multiple retail, independent retail, convenience stores, private sector catering, public sector catering) rather than their geographical location. There are well-established techniques and organisations to support producers, which should work for supply to London as they do elsewhere.

188. We have suggested above a broad regional definition of local food. This will cover a large number of producers, but not all of them will be in a position to supply local food. As a first step we recommend that **London Food Link should, in discussion with National Farmers Union (NFU) and the Country Landowners Association (CLA), develop a self-assessment questionnaire to help producers decide whether local food supply is for them.** It would ask them questions like:
- What do I, or could I, produce for the London market?
 - How much of my production am I willing to devote to it?
 - Am I willing to work with others to develop the necessary quantity and range?
 - Am I prepared to be told what to produce?
 - Would I be willing to invest my own money in food chain development?
189. Suitably designed and scored, this would enable producers to assess their own suitability.
190. Producers who believe they are in a position to supply local food will almost certainly need advice on the London market and how to sell to it. We recommend that **the London Food board should draw up three guides for producers:**
- **A general guide to London food chains.** What are the main market sectors and who are the main customer groups (including the hospitals)? What kinds of food do they buy? What preparation has it had? How does their buying work? What kinds of intermediaries are involved? Where there is tendering of contracts, how is this done?
 - **A directory of intermediaries.** This would be a simple list with contact details and a brief description of the company's operations.
 - **A directory of transport companies.** Similarly, a list with contact details and a brief summary of operations.
191. There are of course various existing directories, e.g. those produced by The Grocer magazine, and sources of general advice on food marketing. But none of these is targeted at supply to the London market.

Specialised support for producers

192. The above advice will enable the interested producer to get a broad idea of the London market, and who the key players are. However unless he or she is already very experienced, they are likely to need more specialised support on the technical aspects of the job. The main areas are likely to be:
- Marketing development: identifying best opportunities, appraising customers, finding points of entry, portfolio planning.
 - Collaboration: horizontal collaboration with other producers to develop volume and range, and vertical collaboration with processors, intermediaries and others in the food chain to obtain a greater share of added value.
 - Food chain investment: appraising potential investments in processing and distribution.
 - Logistics: planning, efficiency and collaboration with others.
 - Traceability: planning, implementation and documentation.

193. Several organisations can provide help:
- **Business Links** support small businesses generally, and should be able to provide some guidance on marketing, investment and logistics.
 - **English Farming and Food Partnerships** have recently appointed a network of regional managers (Duncan Rawson is the representative in the South East) who will be leading the activity aimed at increasing collaboration among farmers and between farmers and the food chain.
 - **Regional Development Agencies** in this case the London Development Agency (LDA), the South East England Development Agency (SEEDA) and the East of England Development Agency (EEDA) can promote initiatives in their areas aimed at boosting economic activity, though they are constrained by state aid rules from aiding individual businesses.
 - **Local food groups** provide direct advice to small food producers, though none have done so on the London market yet.
 - **Soil Association/Local Foodworks** provides advice on local food development.
194. This activity needs to be articulated. We recommend that **the London Food board should set up a London local food development group with these other bodies to clarify the specialised support that producers require, and to ensure that it is made available where needed.**

Information for the whole food chain

195. Producers are not the only stakeholders who will need information about local food development. Customers, intermediaries, the media and others will need to be able to look up details of what it is and who is involved. This could be provided through:
- A London local food website;
 - Case studies on local food in London and other city locations;
 - Advice on the implications of sustainability, particularly the assessment of whole-life costs and quality.
 - A help desk to signpost producers, customers and other enquirers to key contacts and sources of information.
196. We recommend that **the London Food board should take steps to provide information on local food for the whole food chain.**

Further data on the food sector in London

197. Various reports have been produced in recent years, e.g. the City Limits report by Best Foot Forward in 2002²⁷ and Capital Eats by London Food Link earlier in 2004. These contain much interesting and useful information. However, there is still a need for a basic compilation of data on food supply in the capital: production, processing, consumption, supply from rest of UK, imports and exports. Much of the raw material is available in Defra statistics, but it would be very useful to extract and compile a summary of information on London. We recommend that **LDA should carry out or commission a statistical survey of the food market in London.**
198. Potential London customers for local food also need researching. The object would be to identify worthwhile customers or customer sectors, and examine how they might be encouraged to develop more market pull. Findings would be used to help producers

improve their marketing strategies. **We recommend that London Food Link should conduct research into the potential customers for local food.**

Most sustainable alternatives to local food

199. In talking to customers, it is difficult to avoid the question of seasonality. Consumers have got used to buying seasonal food all-year-round, and catering menus are often drawn up on this basis. Although there is scope to educate customers and consumers to look out for seasonal goods, we think it is unrealistic in the short term to expect buyers to accept only goods during the UK season. Producers aspiring to supply customers such as hospitals direct therefore need to consider how to obtain equivalent non-UK produce. There are many factors involved in determining sustainability, one of which is transport distance, which the East Anglia Food Link study on the School Fruit Scheme considered for apples. They suggested using the closest practical alternative source, and identified a supplier of out-of-season apples in Northern Italy. We recommend that **SEEDA and EEDA should consider commissioning a study of the most sustainable alternatives to local food produced in their regions.**

Pilot food distribution project

200. The London market is so large that it cannot possibly be supplied from one distribution centre or one group of producers. We think the most practical way to tackle this is to look at one geographical segment of the capital encompassing, say, half a dozen neighbouring boroughs. We recommend that **a pilot food distribution project should be established in one segment of London**, the main elements of which would be:
- A distribution centre on the outskirts of London with good road and rail connections inwards and outwards. We have no specific site in mind, but possible locations might be Croydon, Edgware or Romford.
 - An NHS Supply Management Confederation between Trusts in that segment of London, or some other formal arrangement to collaborate food supplies, e.g. through the Strategic Health Authorities.
 - Links to producers in the same general direction as the centre. For example, producers in Surrey, Sussex and Kent would be well placed to use a site in the Croydon area.
 - The centre might focus on a major food sector (e.g. fresh produce) or a distribution category (e.g. ambient, chilled or frozen food) rather than taking on the whole product range.
201. We think it would be sensible to establish one of these pilot projects, and review progress before attempting to deal with the London market as a whole. There are risks as well as benefits in a venture of this kind, and it is essential that stakeholders should be fully informed before committing themselves to the project. The first step would therefore be a feasibility study to examine the rationale for the project, its operations, operational needs, location, and potential risks.
202. We are aware that London Food Link has invited tenders for a feasibility study on a London food centre in July 2004, with a focus in their proposal on the centre itself. This would fit very well with our recommendation for a pilot project. We therefore recommend that **the pilot should be commissioned by London Food Link**. If it is not too late, we recommend that **they should consider amplifying the scope of their feasibility study to bring in links with suppliers and customers**, as suggested above.

Working with existing suppliers

203. Some existing suppliers (such as Prescott-Thomas, who deal in fruit and vegetables) have said that they would be very willing to consider developing a local food stream in collaboration with producers. This could be a good point of entry into the hospitals, as the company has extensive public sector business, and it would be a lower-risk approach for producers than direct selling. Producers would need to get themselves organised into substantial groupings, and to meet the specification laid down. Both sides would need to retain some flexibility: the customer cannot be expected to give exclusivity to a single supplier, and it would be prudent for the producers to develop a balanced portfolio of market outlets.
204. We recommend that **interested intermediaries should be identified, and that local producers should be encouraged to collaborate to test a pilot local supply system. The work could be co-ordinated by London Food Link.**

Local food centre

205. Development of a vibrant local food sector requires not only the organisation of the supply chain (as suggested above) but also the stimulation of grassroots demand and interest in local food. We think there is a need for a consumer-oriented initiative to promulgate a vision for local food. It could organise publicity events like London Food Link's Bread Street, which publicised the theme of quality bread through an attractive photographic exhibition. It could operate a website to help consumers understand what is special about local food, and locate the producers and retailers who can supply it. It would have strong links to the tourism sector. It is for consideration whether this centre should be part of the food chain website and helpdesk suggested above for commercial users, or should be separate from it. We think there would be benefits in a separate initiative involving publicly-known food experts – including food writers and chefs, rather than producers. We recommend that **London Food Link should commission a feasibility study into a consumer-oriented local food centre.**

Public sector procurement

206. We found a degree of sympathy for local food among the NHS hospitals and the agencies NHS Estates and PASA, but also an understandable concern to observe EU rules on procurement. There is a balance here, and an opportunity to exert some influence on it. We believe it is possible for the NHS to do much more to facilitate local food purchasing, in particular by helping the hospitals to build it into their individual purchasing strategies. We recommend that **organisations promoting local food (including the Soil Association and London Food Link) should campaign for a more formal consideration of local and local organic food at operational level in the NHS.**
207. At the same time, there is a need for the public sector to address the perception that they are only interested in low prices in their procurement. One issue is that whole-life-cost brings in sustainability issues wider than price, and that the public sector is committed to acting sustainably; there is scope for it to work with local suppliers or show them how to take advantage of this. A second, more practical, point is that many customers, particularly the hospitals, have differing procurement for different outlets. Our interviews showed that this is not widely understood, and that many suppliers are deterred from any closer investigation by their general perception that the NHS is a low-price, even a down-market outlet. We recommend that **public sector customers should do more to explain their procurement principles, pricing and practices to potential suppliers.**

Local organic food

208. We encountered mixed views in the NHS about organic food. There is a general perception that it is too expensive for hospitals to procure for patients, though one hospital thought there would be demand in the non-patient catering areas to add variety and interest to restaurant offers. Another hospital had tried this, and found the organic products had not sold well when offered. We think this perception of 'too expensive' ought to be challenged, and recommend that **organic producers should seek to identify higher priced outlets in the public sector where their produce can meet genuine consumer demand.**
209. Organic food is already well-represented at retail level, and in a small proportion of foodservice outlets. Under the Organic Action Plan²⁸, the major multiples have committed themselves to increasing the proportion of organic food which they buy within the UK, and to seeking to support producers in the most promising sectors of the market. We recommend that **the Soil Association should consider to what extent the broader recommendations in this report could be used to promote organic food on the London market.**

Governmental involvement

210. We think there is scope for a more joined-up approach between different arms of Government. Central Government says it is committed to promoting sustainability, and local food can make an important contribution to this. Nevertheless the benefits of local food seem to be less fully appreciated by regional and local government agencies, and local food initiatives do not appear to be a priority for support and development. The planning system is often an obstacle to development, and distribution buildings have been rated as industrial rather than agricultural.
211. We recommend that:
- **Defra should remind other arms of Government of the importance of the potential contribution that local food can make to sustainable development;**
 - **Local food initiatives, including public procurement, should be accorded a higher priority in grant schemes including the Rural Enterprise Scheme and Processing & Marketing Grant.**
 - **Government at central, regional and local level could facilitate local food development, particularly into the public sector, by sponsoring more research and feasibility studies into 'how to do it'.**
212. One particular issue raised with us concerned the congestion charge. There is 100% discount from the charge for 'certain alternative fuel vehicles'. A free-range egg producer who delivers his and around 20 other people's produce into central London, using a biodiesel-fuelled vehicle, complained that he was excluded from this discount. We gather that Transport for London exempt specific vehicles on a published list, not the use of the fuel. Since biodiesel can be used in any diesel vehicle, there is no way to distinguish the vehicles concerned. We understand this administrative explanation, but recommend that **Transport for London should re-examine the rules on congestion charging, to see how the use of renewable fuels, particularly biodiesel, can be promoted.**
213. Producers driving into central London complain bitterly about the difficulty of stopping to make deliveries. Yellow lines are widespread, and parking attendants enforce them zealously. It should be possible to arrive at a less confrontational arrangement, possibly by

displaying the customer order in the vehicle's windscreen. We recommend that **producers and customers should lobby local councils to adopt a more tolerant policy towards deliveries**. If necessary, London Food Link might co-ordinate the necessary action.

Annex A: List of organisations and individuals consulted

Beatrice Rose	Able & Cole Ltd
Frances Smith	Appledore Salads
Chris Morman	Barfoots of Botley
Lord Selborne	Blackmoor Estate Ltd
Andrew Chitty	Chitty Food Group
Katharine Rayner	Common Cause Co-operative
Jon King	CPM Ltd
Bill Cragg	WH Cragg & Sons Ltd
Wendy Capehorn	Ealing General Hospital
Stuart Thompson and Duncan Rawson	English Farming & Food Partnerships
Dot Bane	Eostre Organics
Daphne Saunders	Faringdon Local Food Initiative
Doug Wanstall	FreeRangeHens
Norman Bookbinder	Gilberts Kosher Foods
Neal Jones	Grampian Foods
Mark Hardy	High Weald Dairy
Andrew Fearne	Imperial College, Wye
Nicholas Marston	KG Fruits
Pam Wastell and Karen Carpenter	Lambeth Hospital
Cheryl Cohen	London Farmers Markets
Terry Jones	National Farmers Union
Tony Meredith	Natural Farms, and F&P Meats
Graham Jacob	NHS Estates
Darian McBain	NHS Purchasing and Supply Agency (PASA)
Peter Thomas	Prescott-Thomas Ltd
Roger Seed	Roger Seed Professional Services Ltd
Shon Sprackling	Rother Valley Organics
Mike Duckett	Royal Brompton Hospital
Jade Bashford	Soil Association
Alison Vincent-Edwards	St George's Hospital, Tooting
David Toms	FA Toms
Avril Grey	Watts Farm
Stephen Hook	Wealden Organic Dairy

Annex B: References

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- ⁴ www.westleyconsulting.co.uk
- ⁵ www.thenetherfieldcentre.co.uk
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- ¹¹ www.statistics.gov.uk/census2001/population_data.asp
- ¹² <http://statistics.defra.gov.uk/esg/publications/auk/2003/default.asp>
- ¹³ <http://www.defra.gov.uk/farm/sustain/procurement/index.htm>
- ¹⁴ <http://www.pasa.doh.gov.uk/sustainabledevelopment/>
- ¹⁵ especially briefing sheets 4 (local food networks), 5 (partnership working), 6 (strategic needs of the local food sector), 7 (the benefits of developing local food links) and 9 (a guide to local food co-operatives), Soil Association, www.localfoodworks.org
- ¹⁶ Capital Eats, see above
- ¹⁷ Local Food for Bradford schools, Grassroots Food Network, April 2004. (<http://www.defra.gov.uk/farm/sustain/procurement/bradford-report.pdf>)
- ¹⁸ Sustainable Schools Fruit Feasibility Study, East Anglia Food Link, February 2004. (<http://www.eafl.org.uk/default.asp?d=/EAFL%20Projects/&f=school%20fruit.htm>)
- ¹⁹ <http://www.defra.gov.uk/farm/sustain/procurement/food-cornwall.htm>
- ²⁰ Information from East Anglia Food Link. There is also a published case study at www.defra.gov.uk/farm/sustain/procurement/organic-restaurant.htm.
- ²¹ Agriculture in the United Kingdom, 2003, chart 2.2. TSO, 2004
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- ²⁶ Defra Public Sector Food Procurement Initiative. Guidance for buyers and their internal customers. May 2004.

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