# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Building capability to support the Foundational Economy and Harness the Purchasing Power of the Public Plate** |
| **DATE**  | **16 December 2022**  |
| **BY** | **Vaughan Gething, Minster for Economy**  |

Our ability to nurture and support the Foundational Economy (FE) is part of our mission to support a stronger economy where people, businesses and communities are able to maximise the economic opportunities around them. Improving the access to, and the quality of, the everyday goods and services we all depend on an essential factor in boosting wellbeing within a more sustainable Welsh economy. Estimates suggest the FE accounts for four in ten jobs and £1 in every three that we all spend. The FE is an integral thread through our Programme for Government and Economic Resilience and Reconstruction Mission.

Food is a crucial FE sector which faces many challenges following the pandemic, including: rising energy and fuel bills, recession and the weaknesses within the Trade and Cooperation Agreement with the EU. Along with wider economic factors, these challenges have also meant labour force challenges, supply and distribution issues, the risk of food shortages and a food system facing enormous volatility. Public sector procurement has an important role in helping address these challenges and re-localising food chains to bolster resilience. Public sector food procurement in Wales is worth approximately £84.7m per annum with Local Government and NHS Wales together accounting for more than 80% of that. Public sector purchasing from Welsh companies accounts for more than half of this overall spend while food of Welsh origin makes up around a quarter of the overall share. There is huge scope to improve this picture which is why we have made food a focus as we continue to develop and embed a foundational economy approach across Wales.

Food is a cross-cutting and unique category of spend that relates to each of the seven wellbeing goals. We therefore have a powerful lever to drive a more holistic approach to food procurement, reflecting its multi-faceted nature and ensuring we put greater emphasis on quality, nutritional, socio-economic, environmental and cultural considerations, rather than short term cost in isolation. Ensuring that all primary school children in Wales will get free school meals by 2024, presents real opportunity for a major step change in policy and practice to transform the food system and address the disconnects within it. Collaborative working, data-sharing and building strong, ethical relationships between all the players throughout the food system will be key.

To support this, I am pleased to announce today the launch of a new online food procurement resource, [‘Buying Food Fit for the Future’](https://indd.adobe.com/view/f76f7fee-3fd6-4e39-933e-7c564aa6393a) which brings together a number of pieces of work completed this year:-

1. ‘Values for Money: public sector food procurement in Wales’ produced by Professor Kevin Morgan of Cardiff University, provides an expert perspective on public sector food supply in Wales and procurement arrangements across the sectors. Following extensive interviews with food buyers, caterers, food wholesalers and producers, the report identifies the opportunities and challenges associated with buying local food and stakeholder perceptions. The recommendations contained in the report address some key issues being faced currently in the food system which, if collectively addressed, will lead to positive outcomes.
2. ‘Harnessing the Purchasing Power of the Public Plate: a Legal Guide to Embedding Sustainability into Food Procurement for a Healthier, Wealthier Wales’ produced by Blake Morgan Solicitors, provides some useful myth-busting and clarity to encourage more innovative and creative approaches in food procurement. This can help increase the supply of local, sustainable food within the confines of the Public Contract Regulations 2015 and help achieve the Wellbeing of Future Generations goals.
3. ‘Welsh Public Sector Food Procurement – Update on Spending and Welsh Purchasing’ undertaken by Brookdale Consultancy, has enabled us to build a picture of food procurement spend across Wales, the amount of Welsh food being supplied and attitudes/barriers to buying Welsh produce. This provides a rich baseline of data that will strengthen our FE food work and from which we can measure improvement.

As the two largest spenders on public sector food, we will prioritise work with our partners in Welsh Local Authorities, NHS Wales Shared Services Partnership (NWSSP) (including Welsh Health Boards) to utilise this online resource and follow the new legal food procurement guidance so we can take collective action to increase Welsh food onto school and hospital plates.

Maximising the opportunities that lie in the everyday economy around us has the potential to boost jobs and wellbeing in stronger local economies in a fairer Wales.