

Nottingham University Hospitals Trust – saving money by going local and developing their own brand ‘Coffee City’

Nottingham University Hospitals NHS Trust operates on two sites – the City Hospital and the Queens Medical Centre. Until recently, the catering for the Queens Medical Centre was provided by an external contractor, but this has now been taken over by the in-house catering team at the City Hospital campus.

The advent of Defra’s Public Sector Food Procurement Initiative prompted the catering manager, John Hughes, to critically review patient menus as he was sceptical at claims that local food would be cheaper. He was amazed to find that a few changes to his suppliers really would save money. Now all the milk for City Hospital, 1,000 pints a day, comes from Peak Farm Dairies 11 miles away. Similarly the campus gets 95% of its meat from a local processor, Owen Taylor & Son of Alfreton who act as a hub for local farmers in the East Midlands, bringing together sufficient volume to meet most of the hospital’s needs. If local meat isn’t available, the supplier lets the catering team know and offers local alternatives if possible. Sourcing the meat locally was initially more expensive, but the catering team switched to cuts more suited to long, slow cooking methods, saving money and improving the meal quality. The trust also found that cooking their own hams using pork from a local pig farmer was also cheaper. Local vegetable processor, Barncliffe, who supply fruit and vegetables, use a traffic light system to denote provenance: green = East Midlands, orange = UK, red = overseas, so John tries to use ‘green’ produce as far as possible. Barncliffe also highlight any excess produce from other contracts, which is generally available at cost price. Using this produce, together with other specials from other suppliers, allows the chefs to have a daily special in the restaurant. In the past, the kitchen has been able to offer tuna and duck breast – normally well out of the hospital’s financial reach.

The catering team doesn’t just concentrate on using local food but also uses:

- non chlorinated rather than bleached potatoes.
- free range eggs in the restaurant. However finding a reliable supplier of free range liquid egg for patients has proved much more difficult.
- fish from MSC certified sources
- Freedom Food assured meat where possible

This emphasis on using local and sustainable suppliers has saved an estimated 150,000 food miles a year and £6 million and has allowed the hospital to gain the Soil Association’s Food for Life Catering Mark bronze award. However it’s not all plain sailing – many smaller suppliers found the contract tendering process difficult and lacked the necessary accreditation and it can be time consuming to manage smaller suppliers. The trust initially bought milk directly from the dairy but the same milk is now provided by a local wholesaler, Transfresh, who manage the contract, deal with the necessary accreditation, allowing John to focus on catering.

John has also found a new way of generating significant funds for the Nottingham catering team – by opening their own coffee shops under the ‘Coffee City’ brand. The first outlet started as an experiment because the trust couldn’t interest a mainstream retailer on flexible terms that suited the trust. John’s commercial experience outside the NHS included operating coffee shops so he developed the concept with his team, created the name Coffee City and developed the logo and décor using NHS pantone

colours. They opened the first outlet in a small unused room on a busy corridor, repaying the £25,000 capital investment within 4 months. The hospital now has 13 outlets in all – and will be opening 2 more at Queens Medical Centre. The shops use dead or redundant space in areas of high footfall near major outpatient clinics or wards – including one in an empty lift shaft. The impact is immense – the outlets generate £150,000 profit, achieving a 20% margin and have allowed the trust to save money by limiting the opening hours for the main restaurant and still providing food for staff and visitors. The profit from the outlets has covered inflationary cost increases for the catering team at Nottingham for the last 8 years. John believes that this could easily be replicated in other hospitals – he has already registered the Coffee City concept and logo in the trusts name and offered the idea to other local NHS and non-profit making organizations. Coffee City shops now exist in Shrewsbury & Telford Trust and several local PCTs.

Sustainability measures don't just apply to food – the whole trust is active in reducing its carbon footprint. The catering department is no different and aims to have a carbon neutral kitchen by:

- Insulating fridges and freezers
- Using heat recovery to heat water
- Minimising packaging waste, including using reusable plastic containers for vegetable and using china crockery rather than throwaway plastic trays for patients' food.
- Sending food waste to a company who currently compost around 50% and are looking to increase that proportion.

The next major step at Nottingham is the development of a new Central Production Unit on trust owned land on the City Campus, based on the Cornwall Food Project at Redruth. The new CPU would be able to cater for more than 8,000 people a day, covering the Queens Medical Centre and allowing the hospital to supply other NHS and public sector organisations in the region. The Trust's Board has just given this plan financial approval and the development should begin in 2010-11.