

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR YOUNG PEOPLE

8 July 2019

Report of the Executive Director for Children’s Services

REQUEST TO SET THE RECOMMENDED SELLING PRICE OF SCHOOL MEALS FOR 2019 - 2020

1. Purpose of the Report

To inform Cabinet that there will be no increase in the recommended selling price of a school meal to children and adults in Secondary, Primary Special and Nursery pupils from 3 September 2019.

2. Information and Analysis

The school catering budget was delegated to Primary schools from April 2013, having already been delegated to Secondary schools. Under delegation, the responsibility for charging now lies with schools. However, Derbyshire County Council will continue to recommend a selling price to aid schools and to provide consistency. As part of this recommendation, schools would be reminded that, under Section 533 of the Education Act 1996, the price they charge to pupils for school meals must not exceed the cost of providing them.

The recommended prices for all school meals were last reviewed and increased (by 10p for Primary & Nursery Schools and 5p in Secondary & Special Schools) in September 2018. The current recommended prices for meals are:

Primary/Nursery Schools	£2.10
Secondary/Special Schools	£2.40
Adult Meals	£2.88 including VAT

In September 2014, the Universal Infant Free School (UIFSM) provision started for all Key Stage 1 pupils (Reception, Year 1 and Year 2 pupils). This was funded directly to eligible schools at £2.30 per pupil.

Changes to the free school meals funding means that schools have a specified funding rate of £2.30 per meal for free school meals (eligible) from 1 April 2018.

Derbyshire County Council School Meals Service currently provides approximately 55,000 meals across the county each day. Although the service faces significant budget pressures, it has been possible to mitigate these through the development of efficiencies and an income generation programme. However, the service continues to face further challenges, some of which have been mitigated through the continuation of improved performance which has ensured the sustainability of the Service.

During the past 12 months, the take-up has remained consistent with the previous year for Primaries and increased for Secondaries. The figures show an overall take-up figure of 66.7% for Primary and Special Schools. Secondary Schools have increased by 2.8% to a total of 60.2%.

To ensure that the Service is delivering on the Department for Education's promise to prioritise children's health and wellbeing, it is important that the Service remains commercially competitive, retaining market share and maximising business opportunities. In the main, this is achieved by operating in a fair and transparent manner, ensuring that the selling price continues to be very low compared to near and statistical neighbours after the increases.

It is recognised that the meal price was increased last year following a 3 year period of being frozen and, how any such increase can impact on family finances. It is the desire of the administration to keep costs to families as low as possible, however acknowledgement has to be made to the fact that the Service must operate in a viable manner.

It is also expected that the price freeze will prevent the trend for a 2% fall in demand following increases as reflected in previous years. This will help to ensure the Service maintains a good take up of meals in order to support the Catering Service Plan.

In the event of a surplus, the Authority is committed to reinvesting in business improvements within the Catering Service.

The Catering Service has undertaken a benchmarking review of selling prices and identified that the proposed increase compares favourably with other authorities. These comparisons are shown at Appendices A, B and C to this report.

3. **Financial Considerations**

Covered in the body of the report.

4. **Social Value Considerations**

Access to a hot, healthy and nutritious meal will help children to achieve their maximum potential in their education. It also ensures that Derbyshire County Council meets its statutory responsibilities of providing lunch time meals to schools for those eligible for free school meals or universal infant free school meals. It will also create maximum benefit for the community by supporting local suppliers and businesses (from whom the ingredients are sourced), providing secure employment for the people of Derbyshire, driving up service quality and would also lead to cross-departmental savings

5. **Other Considerations**

In preparing this report the relevance of the following factors has been considered: - prevention of crime & disorder, equality of opportunity, and environmental, health, legal and human rights, human resources, property and transport considerations.

6. **Background Papers**

File in County Catering Service office.

7. **Key Decision**

No

8. **Call-in**

Is it necessary to waive the call-in period in respect of the decisions being proposed within this report? No.

9. **Officer's Recommendations**

That Cabinet notes the recommended selling price of meals in all schools from 3 September is to remain the same at:

Primary/Nursery Schools	£2.10
Secondary/Special Schools	£2.40
Adult Meals	£2.88 including VAT

and also approves that the value of the free school offer to remain at £2.20 Primary and £2.40 Secondary.

**Jane Parfremment,
Executive Director for Children's Services**

Appendix A – Near Neighbours

Neighbouring Authority	Primary Meal Price September 2018	Current Primary Meal Price May 2019	Proposed Primary Meal Price September 2019
Shropshire County Council	£2.40	£2.40	£2.40
Nottinghamshire County Council	£2.29	£2.30	£2.30
Cheshire West & Chester Council	£2.20	£2.30	£2.30
Leicestershire County Council	£2.20	£2.20	£2.20
North Lincolnshire County Council	£2.20	£2.20	£2.20
Tameside MBC	£2.18	£2.18	£2.25
Derby City Council (no LA catering)	Variable across schools	Variable across schools	Variable across schools
Cheshire East Council	£2.20 - £2.50	£2.20 - £2.50	tbc
Staffordshire County Council	£2.10 – £2.30	£2.10 – £2.30	External contractors (Chartwells)
Derbyshire County Council	£2.10	£2.10	£2.10
Nottingham City Council	£2.05	£2.15	£2.15

Neighbouring Authority	Secondary Meal Price September 2018	Current Secondary Meal Price May 2019	Proposed Secondary Price September 2019
Leicestershire County Council	£2.40	£2.40	tbc
North Lincolnshire County Council	£2.40	£2.40	£2.40
Derbyshire County Council	£2.40	£2.40	£2.40
Cheshire East Council	£2.35	£2.35	tbc
Nottinghamshire County Council	£2.29	£2.30	£2.30
Staffordshire County Council	From £2.25, varies by school	From £2.25, varies by school	External contractors
Tameside MBC	External contractors	External contractors	External contractors
Nottingham City Council	£2.10	£2.20	tbc
Derby City Council	External contractors	External contractors	External contractors
Shropshire County Council	£2.40	£2.40	£2.40
Cheshire West & Chester Council	£2.50	£2.50	£2.50

Appendix B - Statistical Neighbours

Authority	Primary Meal Price September 2018	Current Primary Meal Price May 2019	Proposed Primary Meal Price September 2019
Dudley MBC	£2.30	£2.30	£2.30
Nottinghamshire County Council	£2.29	£2.30	£2.30
Lancashire County Council	£2.30	£2.30	£2.30
Derbyshire County Council	£2.10	£2.10	£2.10
Wigan Council	£2.00	£2.20	£2.20
Lincolnshire County Council	External contractor	External contractor	External contractor
Kent County Council	External contractors varies by school		
Cumbria County Council	External caterers, set own prices		
Northamptonshire County Council	External contractors – varies by school		
Staffordshire County Council	External Contractors, set own prices		
Warwickshire County Council	Schools set own prices		

Authority	Secondary Meal Price September 2018	Current Secondary Meal Price May 2019	Proposed Secondary Price September 2019
Derbyshire County Council	£2.40	£2.40	£2.40
Nottinghamshire County Council	£2.29	£2.30	£2.30
Wigan Council	£2.30	£2.30	£2.30
Lancashire County Council	£2.30	£2.30	tbc
Kent County Council(5 contractors)	External contractors varies by school		
Warwickshire County Council	Cash cafeteria no set price		
Cumbria County Council	External caterers, set own prices		
Northamptonshire County Council	External contractors – varies by school		
Staffordshire County Council	External Contractors, set own prices		
Dudley MBC	Cash cafeteria no set price		

Appendix C - Comparison of Adult Meal Selling Price Inclusive of V.A.T

Neighbouring Authority	September 2018	May 2019	Proposed Selling Price September 2019
Derbyshire County Council	£2.88	£2.88	£2.88
Nottingham City	£2.55	£2.60	£2.60
Leicestershire County Council	£2.88	£2.88	£2.88
Cheshire West and Chester Council	£3.00	£3.00	£3.00
North Lincolnshire County Council	£2.88	£2.88	£2.88
Staffordshire County Council	External contractors	External contractors	External contractors
Tameside MBC	£3.92	£3.92	£3.92
Shropshire County Council	£3.00 (varies from school to school)	£3.00 (varies from school to school)	£3.00 (varies from school to school)
Nottinghamshire County Council	£2.75	£2.76	£2.76
Cheshire East	£2.88	£2.88	tbc
Derby City Council	External contractors	External contractors	External contractors