

Report of:	Executive Member for Environment - Councillor Dennis McCabe Director of Environment and Community Services - Geoff Field
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Submitted to:	Executive - 17 March 2020
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Subject:	School Meal Price Increase
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Summary

Proposed decision(s)
That Executive agrees the proposed school meal price increase.

Report for:	Key decision:	Confidential:	Is the report urgent?¹
Decision	Yes impacts two or more wards.	No	No

Contribution to delivery of the 2020-23 Strategic Plan		
Business	Place	People
The proposed price increase is required to ensure that school meal prices are set at the appropriate level.	The proposals do not directly impact on the Councils Physical Regeneration strategic objectives and catering standards will remain fit for purpose.	The proposals impact all school children.

Ward(s) affected
The proposals impact across all wards.

¹ Remove for non-Executive reports

What is the purpose of this report?

1. That Executive agrees to increase school meal prices from April 2020 as outlined in the body of this report and notes that future year's increases will be processed in line with inflation.

Why does this report require a Member decision?

2. The proposed savings affect more than two wards and therefore considered a key decision requiring approval by the Executive.

Report Background

3. School catering operates in 33 Schools. There are 20 Academies we provide meals for, two of them are Secondary Schools.
4. Paid meal prices to Parents in both Primary and Secondary have not increased since 2009 and this has been one of our strengths in service delivery to date, however, with rising food costs and the commitment from the Council to support the Living Wage Foundation wage rates, we are now in danger of not being in a position to cover all associated costs within the service area.
5. At present the current meal prices for school meals are:
 - Primary is £1.90
 - Secondary is £2.00
6. Secondary Academies in Middlesbrough that have their own service in-house, the meal prices are below:

i. Kings	£2.40
ii. Macmillan	£2.20
iii. UCA	£2.20
iv. Nunthorpe	£2.20
7. Many of our paying Parents are from low income families, the council has made great efforts to keep prices as low as possible. It is acknowledged that if prices increase too much, the numbers of those taking up school meals could drop and unhealthy packed lunches would increase.
8. The school meals service provided to schools who choose to use Middlesbrough Council's service are of a high quality and always give a range of meal choices to children. Each day children have a choice of
 - Up to four hot main choices (depending on size of school)
 - Hot and Cold Desserts
 - Salad bar including cold cooked meats, eggs, tuna, cheese
 - Fresh fruit.

It is important that we maintain this quality and choice.

9. It should be noted that at present the service serves 537,000 free school meals, alongside 529,000 universal free school meals to primary schools and 74,000 free school meals to secondary schools. These will not be effected by these proposals.
10. The effect of the price increase is not thought to be significant in respect of those in receipt of Universal Credit. The present position is that those who are in receipt of Universal Credit could earn up to £7,500 before free school meal provision is affected.
11. We are seeking agreement to propose an increase in meal prices charged to Parents with effect from April 2020. The proposal is that school meal prices are set at the lowest level of the other Tees Valley Authorities and that moving forward the school meal price would track this level.
12. The meal price for other Tees Valley Authority areas are shown below.

13. Area	Primary	Secondary
REDCAR	£2.10	£2.20
HARTLEPOOL	£2.05	£2.25
STOCKTON	£2.05	£2.15
DARLINGTON	£2.05	£2.25
Proposed Charge	£2.05	£2.15

**Primary and Secondary Schools in Redcar use Private Providers for school meals or in-house Academy, meals are not provided by the LEA so we have took an average figure from a number of the schools.*

13. The financial effect of the increase are shown below.
 - i. An increase in price from £1.90 to £2.05 on Primary School paid meal price this would give an increased income of £61,355 per year.
 - ii. An increase in price from £2.00 to £2.15 on Secondary School paid meal price this would give an increased income of £13,154 per year.
14. The proposal was subject to a full consultation process. In addition to consultation as part of the budget setting process, universal consultation was undertaken with schools and Parents / Guardians. The targeted element of the consultation lasted for 10 weeks.
15. The outcome of the consultation was that 92 people responded to the targeted consultation. There are at present 9626 children in Middlesbrough Schools the council provides the school meals service to. The vast majority of responses came from parents, with a small number from school employees and carers. Again the vast majority of responders were from parents who currently use the service. The majority of respondents were opposed to the proposed increases.
16. 406 answered the question in relation to school meals in the wider budget consultation. Of these 29% were in favour of the proposal, 35% disagreed with it.

Recommended Options

17. While the consultation feedback is noted, given the disparity between current charging and other Tees Valley Authorities, it is recommended that Executive agree to increase school meal prices as set out at paragraph 12.

What decision(s) are being asked for?

18. That Executive agrees the school meal price increase from April 2020 and notes that future year's increases will be processed in line with inflation.

Why is this being recommended?

19. The proposed price increase ensures that school meal prices reflect increase costs associated with the provision of school meals and ensure the service is sustainable going forward.

Other potential decisions and why these have not been recommended

20. Not increasing the price could require a reduction in the quality of a school meal.

Impact(s) of recommended decision

Legal

21. The service is discretionary, changes to contract prices for delivery will be implemented with schools if the proposal is agreed.

Financial

22. The increase will support the financial position of Environment and Community Services and contribute towards the change programme 2020/21.

Policy Framework

23. The report sets out potential proposals in accordance with the Council's approach to the delivery of efficient services.

Equality and Diversity

24. An Impact Assessment (IA) has been carried out in respect of the proposals impact on children. The stage one impact assessment was completed prior to consultation being undertaken. Following completion of the consultation process, a stage two impact assessment was completed because the proposal is relevant to the age protected characteristic because of the nature of the service. This found that there was a perceived disproportionate impact on children.
25. In line with the Public Sector Equality Duty (PSED) consideration was given to whether this could be avoided. It is felt that it is not possible to continue to provide a nutritious midday meal to all children at current standards without increasing the cost of the meals that have not been increased since 2009.
26. Consideration was then given to whether the impact of the proposal could be mitigated to address the concerns. Given the need to maintain a viable level of

service, which schools are free to contract from elsewhere, it is not felt the Council could reduce the cost of the proposed increase. The Council has worked to minimise the increases proposed already to minimise the impact on families who have to pay for school meals, particularly larger families. Those that are entitled to free school meals will continue to receive them.

27. Consideration was then given to whether this proposed increase could be justified. Given the steps taken to minimise the increases, the fact that the increase is in line with the increases in living wage, and the length of time since costs were last increased, it is felt that the impact of the proposal on children and their families is justified.

Risk

28. Agreement of the recommendations will positively impact on the service's ability to operate within budget.

Actions to be taken to implement the decision(s)

29. Promotion of the new prices within Schools and to Parents / Carers with a view to implementation from April 2020.

Appendices

30. Appendix 1 Equality Impact Assessment Levels 1 and 2.

Background papers

31. October 2019 report to Executive – School Meals Price Increase.

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