



# School meals

A trend analysis of local authority performance on cost, quality and productivity within the education catering service

## Key issues

Local authority education catering services provide school meals including lunches and breakfast clubs to the primary and secondary sector in the UK as well as a number of sure start centres and nurseries within primaries and schools catering for pupils with special needs.

APSE performance networks for education catering is now in its eighth year of data collection examining cost, quality and productivity

This briefing highlights the key findings and looks at the future direction of the school meals service in local authorities throughout the UK and highlights some key issues based on the funding streams provided by the Scottish Executive and through the DFES in England.

## 1. About performance networks for education catering:

The APSE performance networks programme for education catering provides performance indicators for price, service uptakes, key cost indicators, and productivity and qualitative measures for the service throughout the UK. The programme also collects a significant amount of management data to support more detailed 'process benchmarking' of the service. This briefing builds on the benchmarking information produced over the last seven years and aims to provide participating authorities with a picture of what the service trends are, what this infers and what further activity and analysis individual authorities and their benchmarking groups could consider.

The analysis in this briefing is based on 'Service Wide Averages' across all family groups for the past 7 years (from 1999/00 to 2005/06), and again, makes specific reference to Scotland, where the ongoing funding and focus on child health under 'Hungry for Success', continues to show divergence from England and Wales, despite the additional but more limited Government funding made available to local authorities and schools in England during the year.

## **2. Meal charges**

The average price of a primary (junior) meal and the 'Free Meal Allowance' for secondary pupils were £1.49 and £1.59 respectively for 2005/06. Against the previous trend to hold meal prices, this is the second year in which charges have been increased by more than inflation, perhaps reflecting the Governments belief that parents should contribute to service improvement (health) objectives.

The average price of a primary (junior) meal in Scotland remains below the national average at £1.44 for 2005/06, but again, against previous trends, reflects an above inflation increase (5 pence) on the previous year.

## **3. Service Uptakes**

Free meal uptakes in the primary and secondary sectors have fallen by 1.5% and 2.5% respectively in the last year, the 'all schools' figure for 2005/06 being circa 71%.

The same is true of Paid Meal uptakes, but with the Primary sector showing the larger fall, reversing the year on year improvements seen between 1999 and 2004. The average for 2005/06 now sits at 37.5% for primary and 39.3% for secondary schools.

## **3. Key Cost and productivity indicators**

With local, regional and Central Government investment in the service, the Total Service Cost/Meal (PI 12) has again risen by 26p (well above inflation) and averaged £2.11 in 2005/06.

Investment in Scotland continues to exceed that in England and Wales and now shows an average of £2.48 for 2005/06, some 38 pence up on the previous year.

In line with this investment, the primary food only costs (excluding drinking milk) has risen well above inflation for the second year running and averaged 59p for 2005/06. This continued and sharp rise in Scotland, where the average now sits at 68 pence, affects this national average, the figure for England and Wales being nearer 52 pence.

Direct costs (food and staff costs) for primary/special schools (PI 18) have also risen sharply, the average for 2005/06 being £1.58 for England and Wales and £1.93 in Scotland. These represent increases on the previous year of 9p and 23p respectively.

## **4. Productivity**

With the pressure to return to 'fresh food production' in schools, productivity (PI 15 - Meals served per Staff hour in the Primary Sector), has fallen for the second year from an average of 9.02 in 2003/04 to 7.89 in 2005/06. Staff cost ratios in the secondary sector have fallen slightly (improved on) 2004/05 figures but remain broadly in line with the 2000/01 figure, averaging 44.8% in 2005/06.

## 5. Investment

In the 5 years over which data has been collected, the average annual investment in catering facilities (by authorities returning this data) has increased from £129k to £204k, the increase in the last year alone exceeding 17%. As a percentage of the total, revenue funded investment has fallen from 37% in 2004/05 to 26% 2005/06, capital and grant aided funding making up the majority of the balance. Whilst only 2% of funding was reported to come from PFI/PPP or BSF sources, it is expected that this percentage will increase in subsequent years.

## 6. Nutrition and healthy eating

Data now collected indicates that only 3 authorities have all catering staff trained in food nutrition and health, the average across all authorities for 2005/06 being 32.8%

The percentage of schools holding a food safety / health award averages 49.2% for 2005/06, with only 3 Authorities reporting this attainment by all schools.

## 7. Interpretation of Data

Analysis of these trends and other data tends to support the following key observations:

Price increases, (higher than inflation in the last 2 years) are taken to be a reflection on the need for continued investment in this service and Central Governments desire to see Parents make a larger contribution to the child health agenda. (The UK is quoted as having the lowest school meal charges in Europe). Prices have however, fallen well short of the total investment in the service, the average subsidy (excluding the cost of free meals) rising in the last year by 17p in England and Wales to 34p, and by 21p to 89p per meal in Scotland.

As predicted last year, the effect of the Jamie Oliver programmes relating to school meals and parental perceptions, has no doubt contributed to the fall in school meal uptakes (and related cost PIs) reported this year. The relatively rapid re-introduction of 'fresh' (and removal of convenience foods) must however be equally significant, as evidenced in Scotland where average uptakes have not improved markedly, despite the more significant and sustained investment in food quality, delivery and the 'marketing' of the service.

Despite the absence of specific funding for schools in Wales, the Welsh Assembly's approach to 'giving Councils the freedom to invest in quality services' appears to have enabled most Welsh Authorities to invest in their services at a similar level to the additional (if limited) funding made available to/for schools in England.

## 8. Future focus

Last year, we commented that **"this service needs more than ever, to demonstrate to parents, schools and the wider community, that it does deliver 'value and efficiency' whilst making a significant contribution to child health and educational attainment"** and that **"we have yet to see measurable 'child health' outcomes, which it is hoped will support the levels of investment still being made in the Service (particularly in Scotland)"**

Many Local Authorities were already investing heavily (Pre 'Jamie Oliver'), but in the last year, the service in England and Wales has undergone significant change (moving towards those

developed in Scotland over a longer term) and there is some early evidence that pupils and parents are accepting and seeing benefits arising from the concentrated efforts being applied by a majority of good local authority providers, their staff, schools and other stakeholders.

Rising subsidies and meal charges will however focus demands on the service to demonstrate value for money, to a large extent, achieved and demonstrated by attracting higher usage of the service. Therefore, in addition to maintaining effective uptake / cost benchmarking data and managing stakeholder perceptions about the school meals service, we also see a clear need to develop new ways of measuring the contribution that better food and diet can make to wider pupil health and educational attainment outcomes.

To support these objectives, APSE will continue to focus on the collection and analysis of relevant data to enable the development of new 'outcome based' performance indicators, including cross over with other service areas and agencies engaged in the health, fitness and lifestyle of younger people.

In addition APSE will seek to work with the School Food Trust, The Welsh Assembly, Ofsted, the Scottish Executive and HMIE Scotland to support member authorities and cross-national objectives relating to the measurement, inspection and achievement of healthier children and communities.

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