

# State of the Market Survey 2021

## Local Authority Catering Services



The state of the market survey was conducted by Vickie Hacking, APSE Principal Advisor.

For any enquires in relation to the survey, Vickie may be contacted on:

Tel: 0161 772 1810

Email: [vhacking@apse.org.uk](mailto:vhacking@apse.org.uk)



### Association for Public Service Excellence

3<sup>rd</sup> Floor, Trafford House

Chester Road

Manchester, M2 0RS

Telephone: 0161 772 1810

Email: [enquiries@apse.org.uk](mailto:enquiries@apse.org.uk)

Web: [www.apse.org.uk](http://www.apse.org.uk)

# **Local Authority Catering Services**

## **State of the Market 2021**

APSE conducted an online survey in December 2020 and January 2021, which was sent out to local authority catering contacts throughout the UK and 74 responses were received.

A series of questions were asked covering attitudes to the issues currently facing catering, the operation of the catering organisation and challenges for the future. The majority of the questions have been surveyed since 2008 and trends are now apparent.

In addition, included in this briefing is an overview of the responses received to a survey conducted in November 2020 regarding the impact of COVID-19 on the delivery of local authority catering services.

The data collected through these surveys is intended to provide a snapshot of the perception of local authority caterers. For detailed and verifiable comparison of both financial and performance data, authorities should consider joining APSE performance networks.

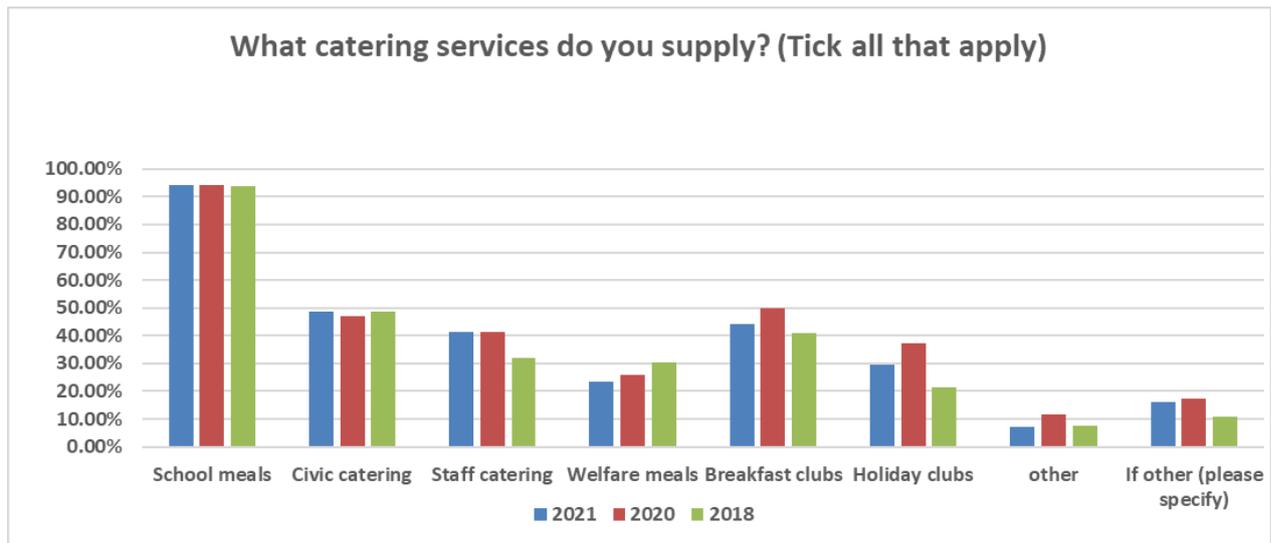
### **1. Results**

Respondents were UK wide with 56.75% of respondents from England, 22.97% from Scotland, 17.57% from Wales and 2.7% from Northern Ireland. The survey, therefore, reflects APSE's UK-wide membership and provides a national reflection of opinion.

### **2. Scope of the catering service**

#### **What catering services do you supply?**

The graph below outlines what catering services councils supply for 2021 and it also provides a comparison with the surveys undertaken in 2020 and 2018.

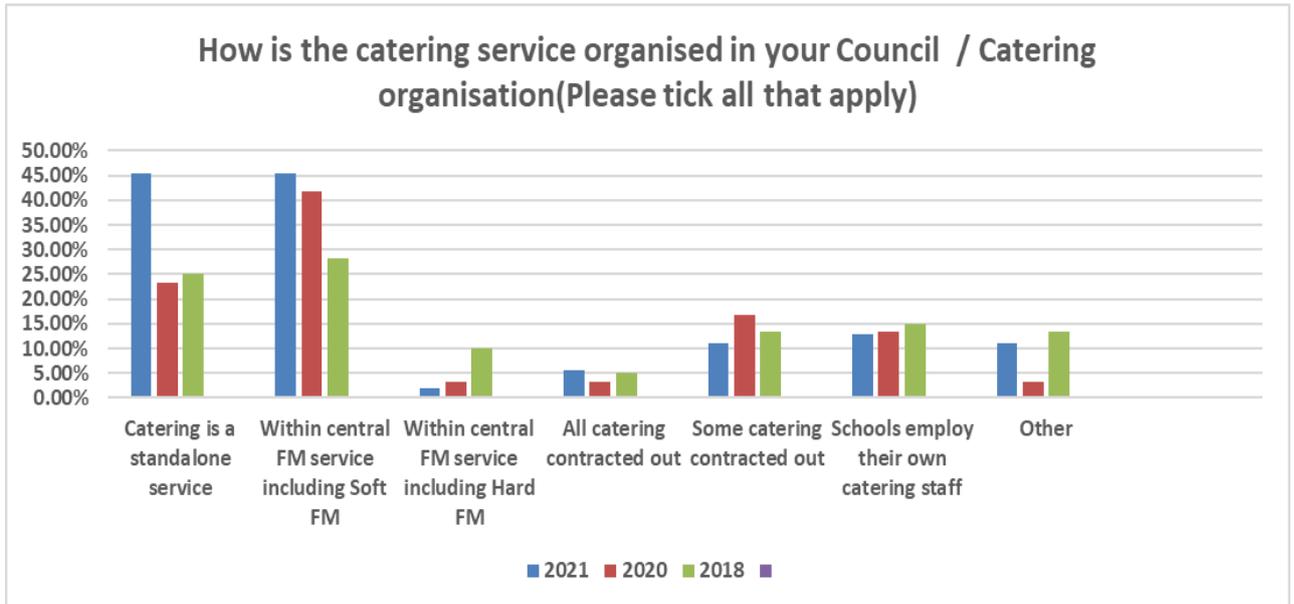


The responses to the 2021 survey show that the scope of the Catering Service remains consistent with the last two surveys and it is clear that school catering remains the dominant service with 94.12% of respondents advising that they provide this service. The number of respondents reporting that they provide welfare meals has decreased by 6.77% since 2018. Respondents also commented that they provided other types of catering services including: -

- Wrap around care
- Care homes
- Public and community cafes
- In parks

### **How is the catering service organised in your council / catering organisation?**

The survey sought to gain information regarding how the catering service was organised within the council. The graph below outlines the responses received and provides a comparison with the last two surveys conducted.



The 2021 survey states that 45.45% of respondents report that the catering service is either within a central FM service including soft FM or is a standalone service. The number of respondents advising that catering is a standalone service has seen the greatest increase of 22.12% from 2020. The highest decrease can be seen in respondents reporting that some catering is contracted out which has decreased from 16.67% in 2020 to 10.91% in 2021.

## Workload

### How do you expect workload to change over the next 12 months?

The survey asked how workload was expected to change over the next 12 months both personally and for the wider catering service.

The majority of respondents (75.76%) expected that their personal workload would increase, 19.70% thought it would stay the same and 4.54% believed their personal workload would decrease. When referring to the catering section, 50% of respondents expected that the workload would increase, 27.94% thought it would remain the same over the next year and just over 22.06% believed it would decrease.

### 3. Staffing

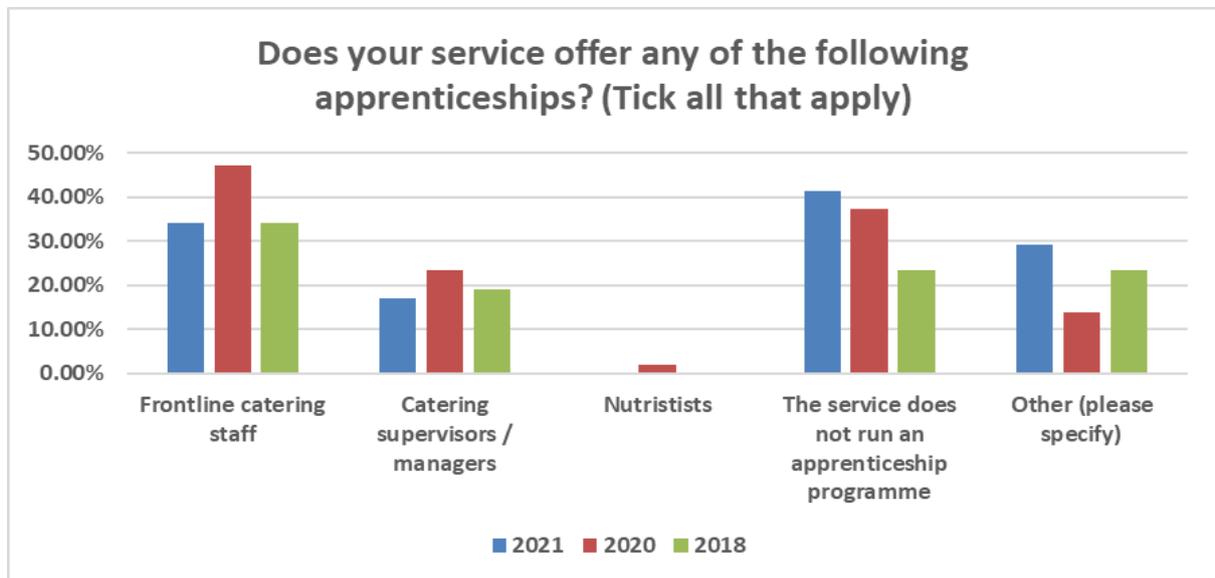
#### All employers must now pay the National Living Wage. However: Do you pay the higher Living Wage Foundation Living Wage?

The majority of respondents 76%, report that they pay the higher Living Wage which is an increase of 17.82% from 2020, a further 24% report that the higher foundation living wage is not paid.

The average hourly wage for a catering assistant was given as £8.65 which is a reduction from the rate of £9.25 reported in 2020 and is comparable with the average rate reported in 2018 of £8.62. The rates of pay range from a minimum of £8.72 to a maximum of £11.50.

#### Does your service offer any of the following apprenticeships?

From 2018, the APSE State of the Market survey introduced new questions focusing on apprenticeship programmes and if councils were offering apprenticeships in the catering service. The graph below highlights the areas of the service where apprenticeships are in place from the responses in 2018 and 2020.

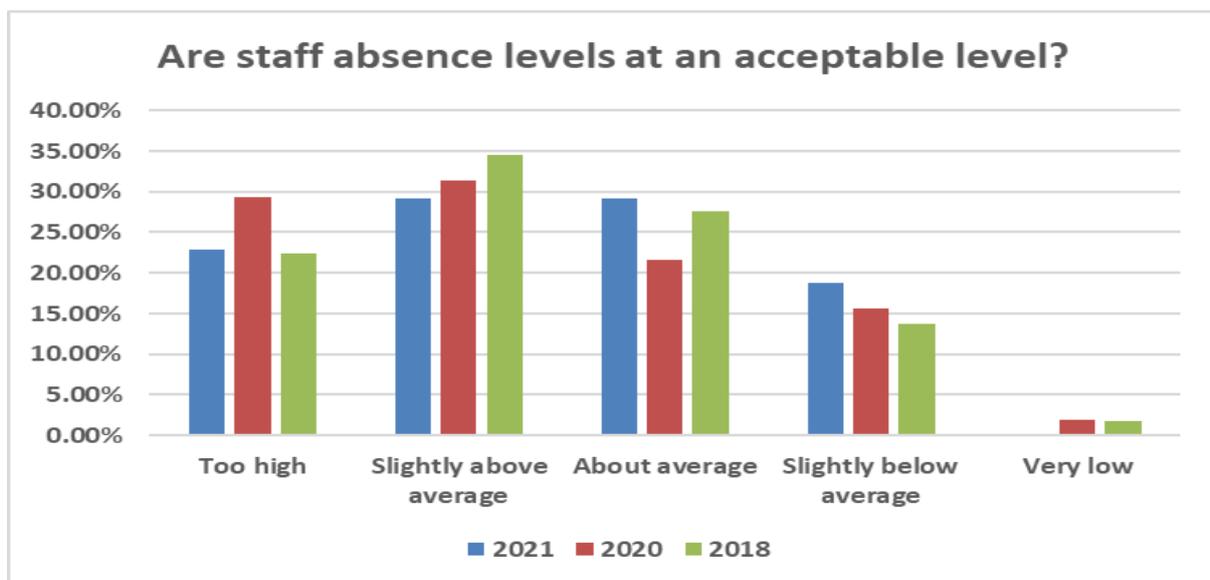


The responses highlight that the majority of respondents to the survey reported that they did not have an apprenticeship programme (41.46%). The most common apprenticeship offered continues to be for frontline catering staff. It is commented that the catering service also offers apprenticeships in business admin and data analysis. For those councils advising that they do not offer apprenticeships the

reasons provided included staff only being on 30 weeks per year contracts and that apprenticeships have been put on hold due to the COVID-19 pandemic.

### **Are staff absence levels at an acceptable level?**

The State of the Market survey sought to establish what the perception of the respondents was in relation to the level of staff absence. The graph below outlines the views of the respondents for 2021, 2020 and 2018.



The greatest percentage of respondents in 2021, (29.17%) perceived that staff absence was slightly above average or about average. No respondents stated that they thought the absence was very low. When making a comparison with 2020 there has been a 6.49% reduction in the number of respondents stating that they thought the staff absence was too high.

### **Which of the following staff training applies to your authority / organisation?**

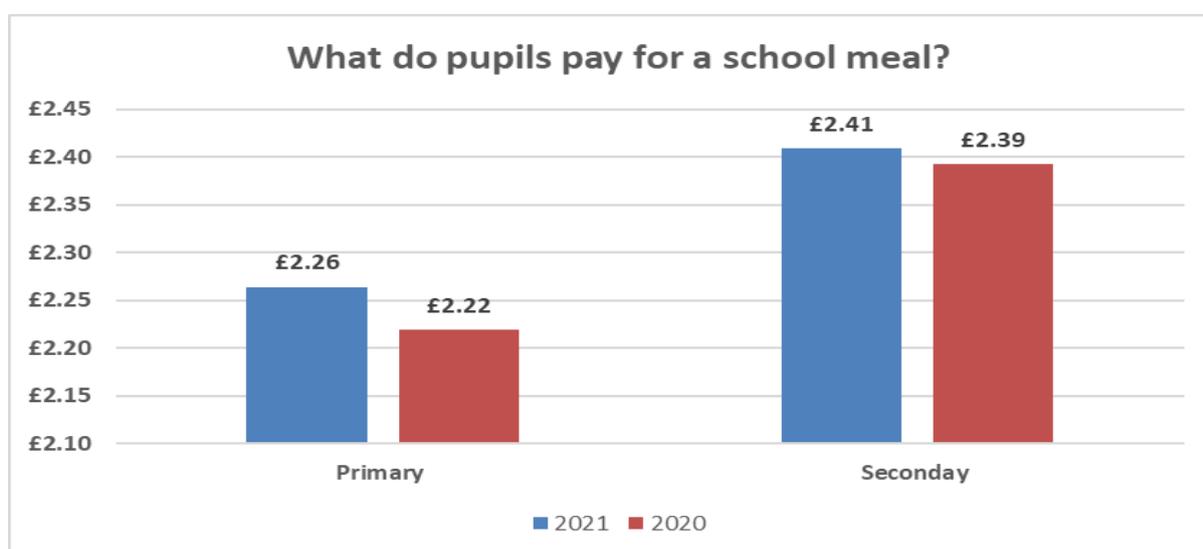
The vast majority of respondents, 95.56% report that the catering section holds regular staff training, 80% state they have regular staff appraisals and 64.44% advise that a catering section newsletter was circulated. The number of respondents reporting that the organisation holds Investors in People has increased by 11.11%. In addition, it was reported in the comments that councils had an accredited training centre and that they ran events for their catering staff.

## 4. School meals

### What do pupils pay for a school meal?

The survey asked respondents to state the amount pupils pay for a school meal. The lowest amount paid by pupils for a primary school meal is £1.60 and £1.80 for a secondary school meal. The highest price reported to be paid for primary schools is stated as being £3.00 and is slightly higher at £3.05 for secondary schools.

The graph below provides a comparison between 2021 and 2020 of the average prices paid in primary and secondary schools.



The average that a pupil pays for a primary school meal is £2.26 which is a slight increase of £0.04 from 2020. The secondary school average price is currently at £2.41 which is an increase of £0.02 from the last time the survey was conducted.

It should be noted that due to the nature of the school catering sector, there were a minority of respondents that reported the price paid for a school meal was dependent on the contractual arrangement with the individual school.

### What measures has the service taken to mitigate the impact of rising food costs? (Tick all that apply)

The table below provides a comparison of the measures that respondents have reported taking to mitigate the impact of rising food costs for both the 2021 survey and 2020.

	2021	2020
Worked with suppliers	87.04%	93.33%
Increased the use of seasonal produce	40.74%	46.67%
Introduced meat free days	38.89%	38.33%
Reduced the options available	33.33%	28.33%
Decreased portion sizes	3.7%	5.0%
Other (please specify)	14.81%	15.0%

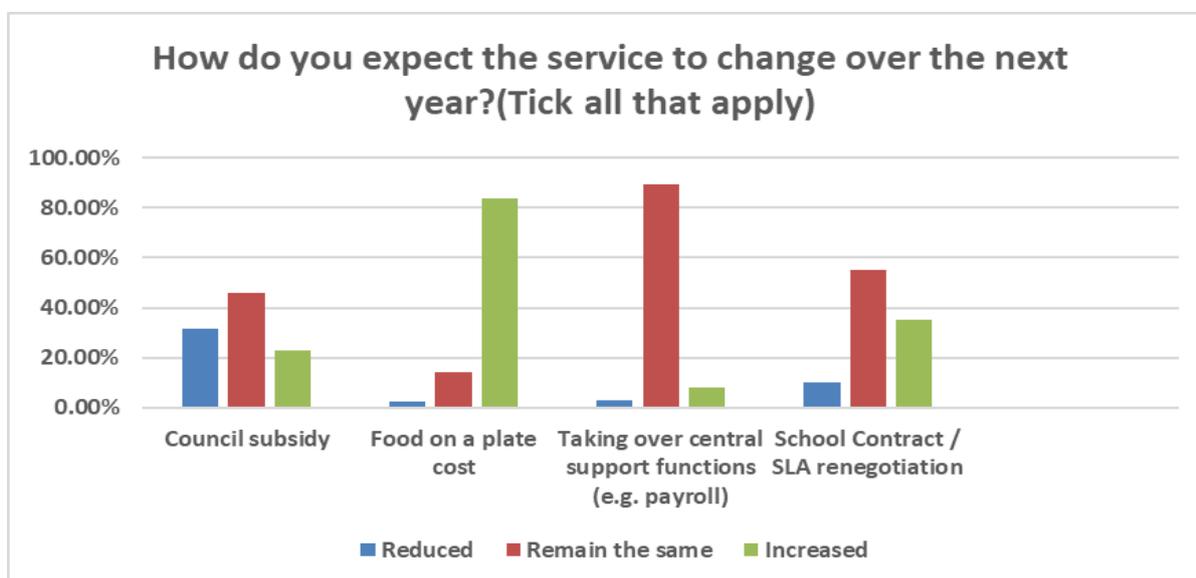
In addition to the response choices outlined in the above table, respondents to the 2021 survey also reported that they had taken the following measures: -

- Introduced pre-ordering systems to reduce food waste and over production
- Adapted recipes to include less costly ingredients
- Removed the use of agency staff

## 5. The catering service

**Overall, how do you expect the following to change over the next year?**

The survey sought to gain an understanding of the expectations for catering service over the next 12 months. The graph below highlights the responses received.

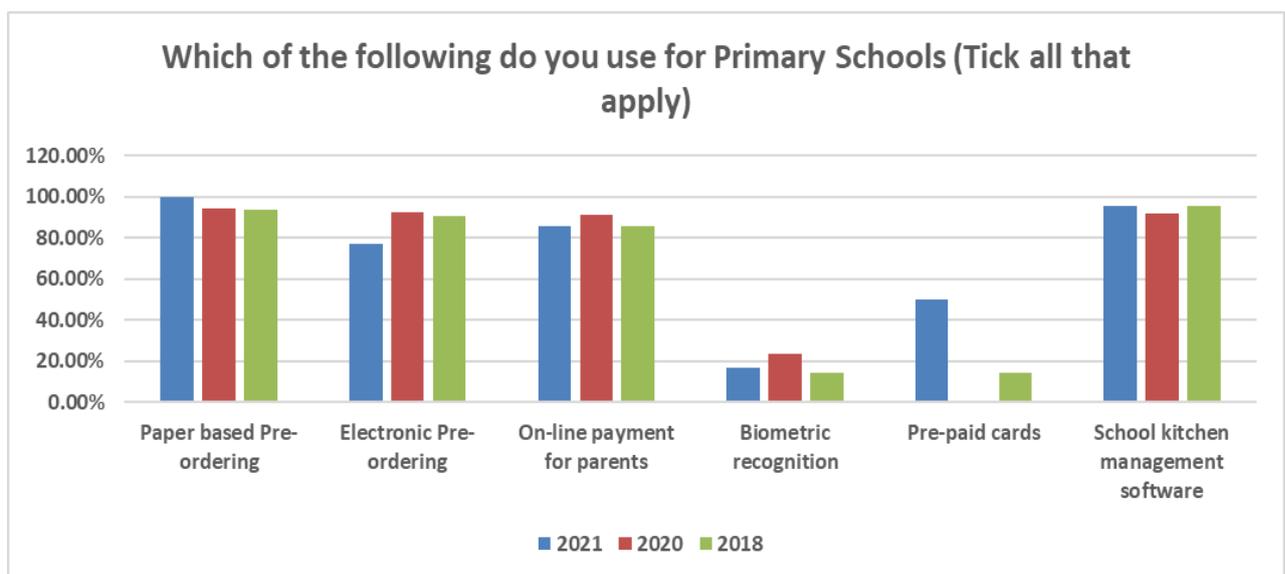


The survey highlighted that the majority of respondents predicted that council subsidy, central support function and contract/SLA renegotiation would remain the same. However, over 83.72% of respondents believe that the food on the plate cost would increase. Although no comments were submitted to advise why respondents

thought this to be the case it could be attributed to the increases seen in the last two years and the impact of Brexit.

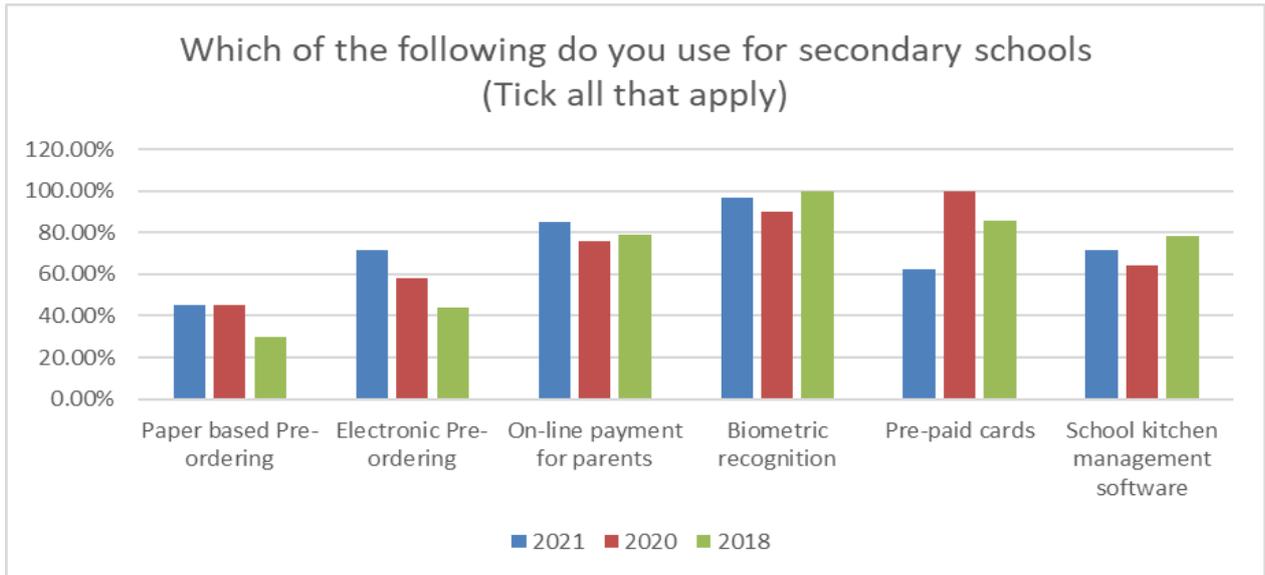
### Which of the following do you use?

Many Councils use a catering software package to comply with nutritional requirements. Several systems exist to assist with productivity to reduce queuing, waste and the requirement to handle cash. The graphs below outline the percentage of respondents that report the systems that are utilised in at least one school for both primary and secondary schools.



For primary schools the use of paper-based pre-ordering and school kitchen management software has remained consistent over the last three years.

The use of electronic pre-ordering has seen the greatest decrease in 2021, with 14.92% of respondents reporting that they had this system in place. The use of prepaid cards has seen the largest increase of 35.71% from 2018.

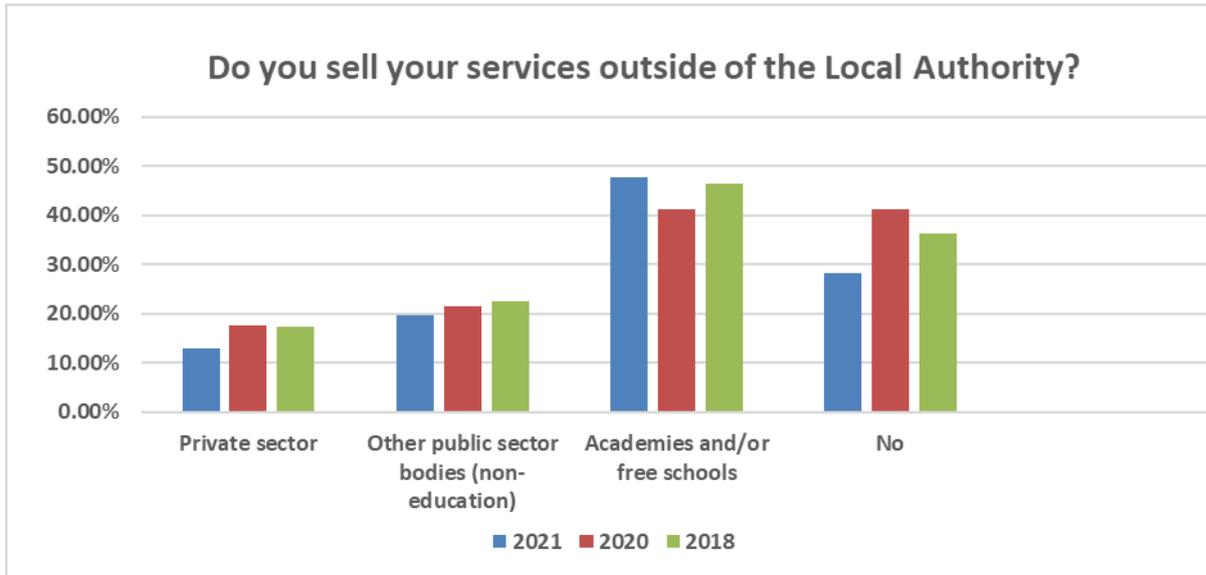


In secondary schools the responses outlined that there has been an increase of 13.54% in the number of respondents advising they utilised electronic pre-ordering from 2020. On-line payments have also increased by 9.28% from 2018. However, the use of pre-paid cards has seen the greatest decrease of 23.21% when compared with the responses from 2018.

## **6. Selling services outside the council**

### **Do you sell your services outside of the Local Authority?**

As councils seek opportunities to commercialise and safeguard the service budget, APSE was keen to establish where local authorities were selling their services. The graph below highlights the results from the 2021 survey and provides a comparison with the responses from 2020 and 2018.

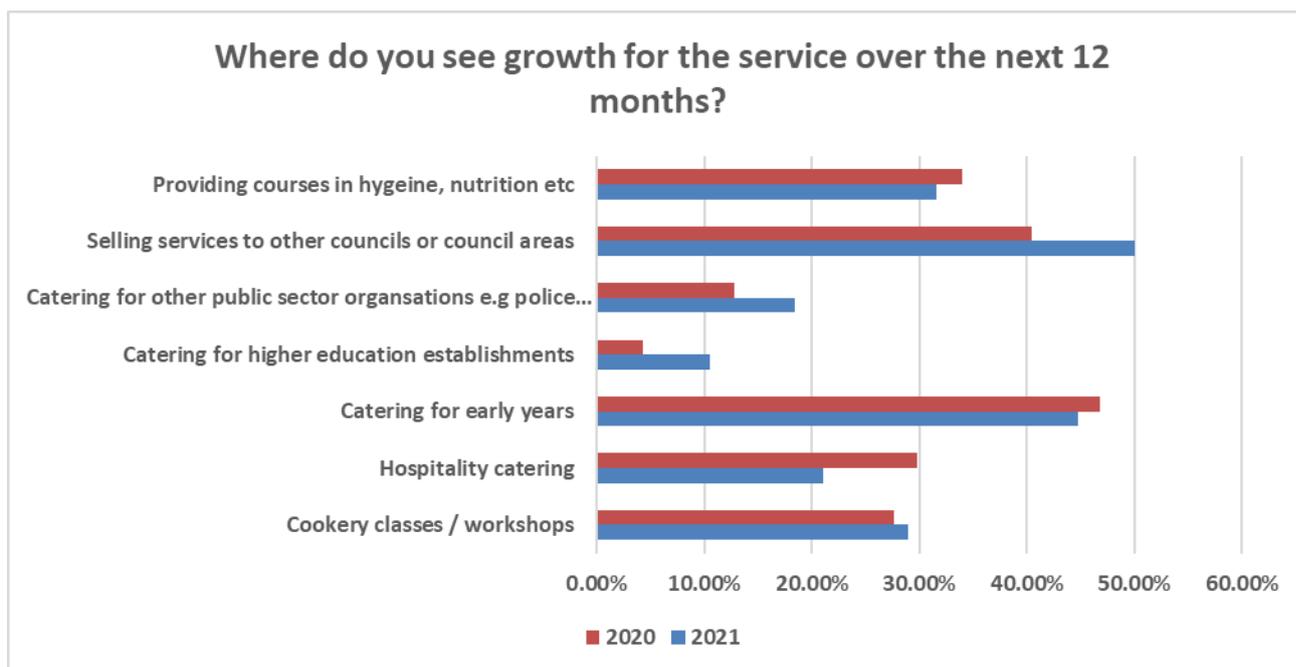


The highest percentage of respondents (47.83%) state that they sold services to Academies / Free Schools which is an increase of 6.65% from 2020. A further 19.57% sell to other public sector bodies which has remained consistently around 20% of respondents reporting this to be the case. Providing services for the private sector has seen a reduction since 2020 of 4.61% to 13.04%. In addition, the number of respondents reporting that they do not sell services outside the local authority has decreased by 12.92% to 28.26% from the responses to the survey in 2020.

## 7. Comments on the future

### Growth areas

Clearly, there will be some variance in answers between the authorities responding to this question. The graph below highlights the areas where respondents anticipated growth in 2021 and 2020.

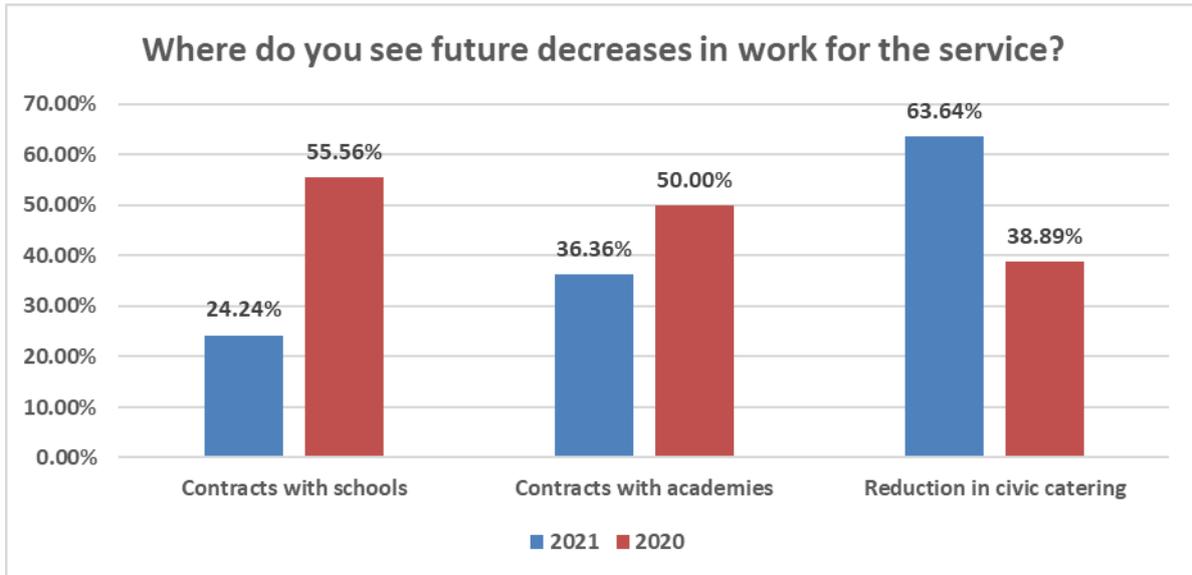


The responses are comparable for both surveys, with the exception of selling service to other councils or council areas which has seen an increase of circa 10% of respondents seeing this as an area of growth, and there has been an increase of around 6% in the number of respondents that saw growth in catering for education establishments and catering for other public sector organisations.

When comparing with 2020, there has been an 8.74% decrease in the number of respondents who state that they foresee growth in hospitality catering.

### Areas of future decrease

Many local authorities responding to this question reported that they do not expect any areas of decrease in their service. However, where respondents commented on where they anticipated that there would be a decrease in work for the service is summarised in the graph below:-



In the main there has been a significant reduction from 2020 of the number of respondents stating that there would be a decrease in contracts with schools and contracts with academies. However, the 2021 survey highlights that a majority of the respondents, 63.64%, believed that there would be a decrease in civic catering.

### Impact of COVID-19

The State of the Market survey for 2021 has been conducted against the backdrop of the COVID-19 pandemic and associated restrictions. Therefore, this will have undoubtedly had an impact on how respondents answered the survey.

During November 2020, APSE conducted a survey to gain an insight into the impact of COVID-19 on service delivery for 3 key areas finances; staffing and recovery of service delivery levels. The tables below outline the responses received to the survey:-

#### Impact on finances

We have seen further cost pressures on the service	100.00%
We have not noticed any difference in our financial position	0.00%
Our service may not financially survive the impact of further restrictions	0.00%

#### Impact on staffing

We have more staff now self-isolating / unable to work	50.00%
We have noticed an increase in staff absence	12.50%
Staffing levels have stayed at a reasonable level and are manageable	37.50%
Staff are being deployed differently to cope with the impact of the further restrictions and the pandemic across other council services	37.50%

### **Recovery of service delivery levels**

We managed to recover our services to pre-pandemic levels and the further restrictions have had no impact on this	25.00%
We are still trying to recover our service levels and the further restrictions have hindered our recovery	50.00%
Our services were not impacted too severely by either the first or second wave of restrictions	12.50%

## **The Association for Public Service Excellence**

APSE member authorities have access to a wide range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific

issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area please email [enquiries@apse.org.uk](mailto:enquiries@apse.org.uk).

Our national advisory groups include: -

- Building Cleaning
- Catering
- Cemeteries and Crematoria
- Environmental Health Advisory Group
- Housing, Construction and Building Maintenance
- Local Authorities Commercialisation, Income and Trading Network
- Parks, Horticulture and Grounds Maintenance
- Renewables and Climate Change Network
- Roads, Highways and Street Lighting
- Sports and Leisure Management
- Vehicle Maintenance and Transport
- Waste Management, Refuse Collection and Street Cleansing

If you require any further information on the findings of this State of the Market survey 2021 please contact Vickie Hacking at [vhacking@apse.org.uk](mailto:vhacking@apse.org.uk) or by phone at 0161 772 1810.