



association for public service excellence

# The future of local authority education catering services



## Table of Contents

<b>1</b>	<b>Introduction.....</b>	<b>4</b>
<b>2</b>	<b>Survey Overview .....</b>	<b>4</b>
<b>3</b>	<b>Key Findings .....</b>	<b>4</b>
3.1	<i>Scope of Catering Services Provided .....</i>	4
3.2	<i>Service Reviews.....</i>	5
3.3	<i>What was the main drivers for undertaking the review .....</i>	6
3.4	<i>What has been the outcome of the review.....</i>	7
3.5	<i>What are the biggest challenges facing the service.....</i>	7
3.6	<i>Has the service seen an increase in the number of special diets that are been catered for in the past two years?</i> .....	8
<b>4</b>	<b>Key Insights.....</b>	<b>9</b>
<b>5</b>	<b>Implications of Local Authority Withdrawal.....</b>	<b>9</b>
<b>6</b>	<b>APSE Comment.....</b>	<b>10</b>
<b>7</b>	<b>How can APSE help? .....</b>	<b>12</b>
7.1	<i>Benchmarking.....</i>	12

## **The future of local authority education catering services**

This analysis was conducted by Vickie Hacking, APSE Principal Advisor for local authority catering.

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

Tel: 0161 772 1810

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

### **About APSE**

The Association for Public Service Excellence (APSE) is a not-for-profit local government body working with over 300 councils throughout the UK.

Promoting excellence in public services, APSE is the foremost specialist in local authority frontline services and operates one of the UK's largest research programmes in local government policy and frontline service delivery matters.

## 1 Introduction

Local authority catering services across the UK continue to experience significant pressure as financial, operational, and policy challenges affect the sustainability of school meal provision. Building on [APSE's 2023 report](#) on the national policy landscape for local authority caterers, this briefing provides an updated overview of the sector based on a national survey conducted in December 2025–January 2026 and a roundtable discussion of APSE Education Catering Network members in January 2026.

Respondents from England, Scotland and Wales reported sustained cost increases, rising demand and widening disparities between national funding and the true cost of delivering compliant, nutritious school meals and the current funding with the gap continuing to increase.

This report summarises the key challenges, drivers for service review, and implications for councils and communities.

## 2 Survey Overview

APSE received responses from local authority caterers across the UK:

- England: 50%
- Scotland: 37.5%
- Wales: 12.5%

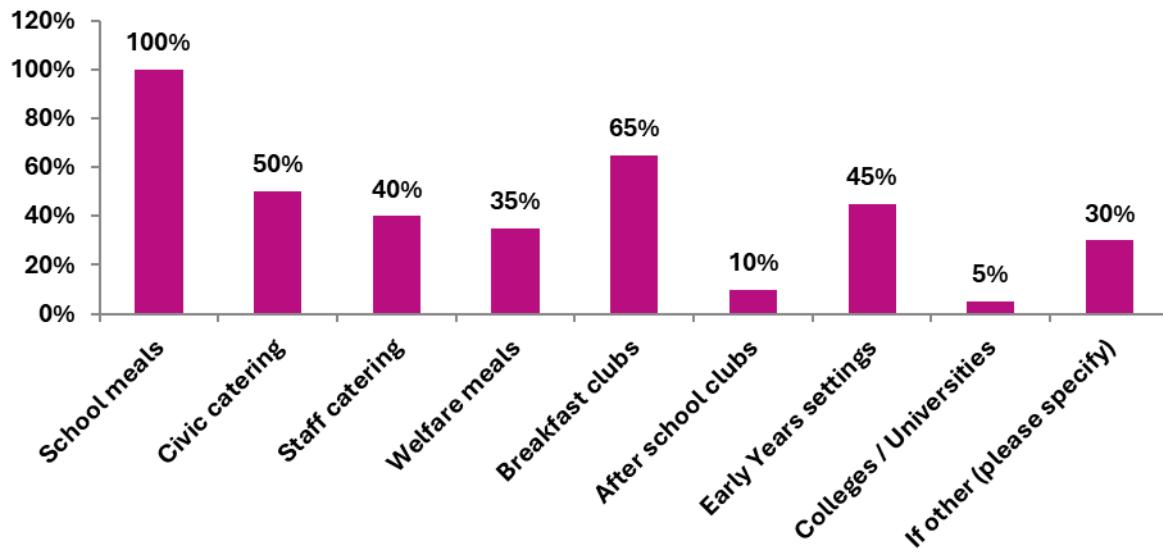
To complement the survey, APSE held a Roundtable discussion on 14 January 2026 with representatives from local authority catering services from across the UK.

## 3 Key Findings

### 3.1 Scope of Catering Services Provided

To gain an understanding of the range of provision that the service provides, respondents were asked to specify what they provided. The graph below provides an overview of the responses.

## What catering services do you supply?



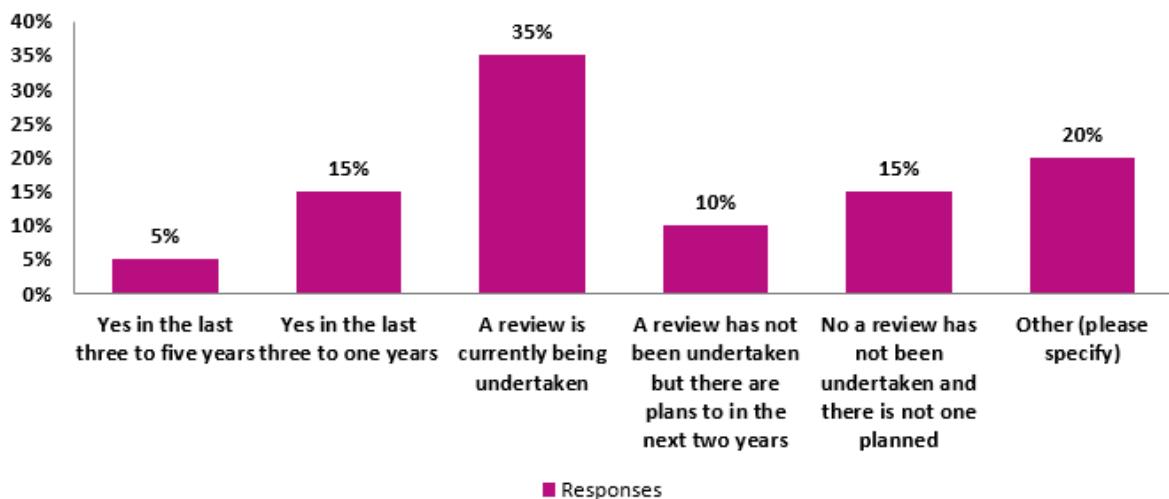
All respondents confirmed they deliver school meals. In addition, 65% of respondents report providing breakfast clubs and 50% deliver civic catering.

Some authorities also cater for leisure centres, care homes, and luncheon clubs. This reflects the broad role local authority caterers play within wider community services.

### 3.2 Service Reviews

The survey looked to ascertain if councils had or were reviewing that catering service. The graph below outlines the responses received.

## Has a review of the service been undertaken?

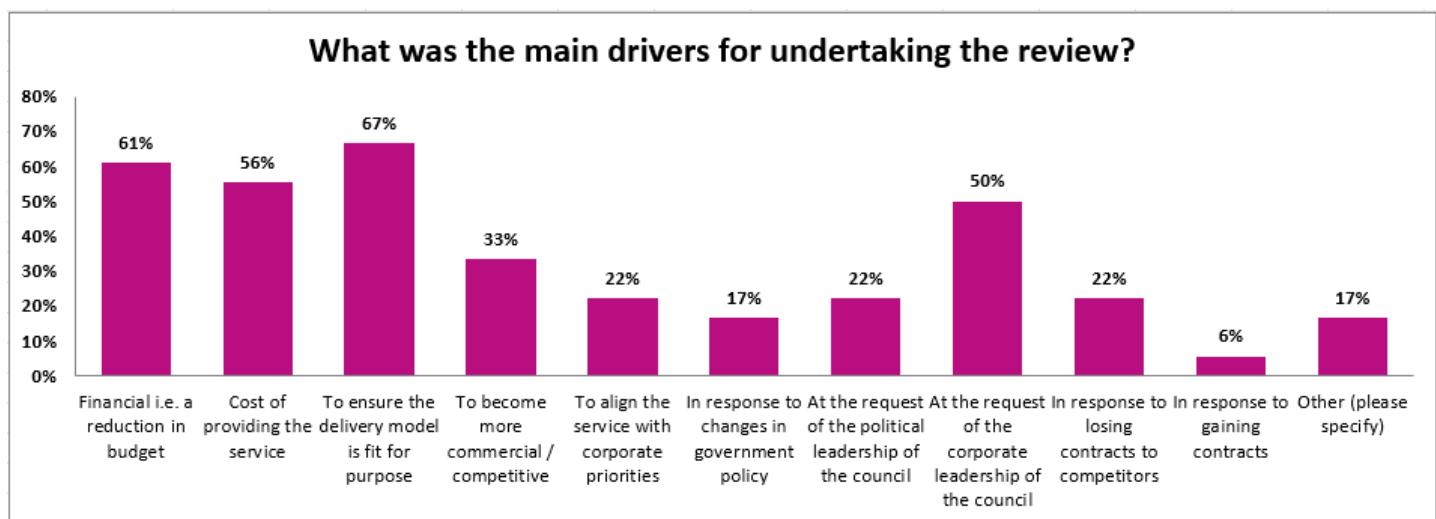


It is clear from the data that councils continue to review their catering operations in response to financial and structural pressures, with 35% of respondents reporting that they have recently undertaken a service review, 15% completed a review within the last three years and a further 10% of respondents plan to undertake one within the next two years

Many noted the service is subject to continuous review due to rising costs and financial uncertainty.

### 3.3 What are the main drivers for undertaking the review?

To further understand the reasons for councils undertaking a review the survey asked what the main drivers were and the graph below highlights what these are.



The most common reasons cited for conducting a review include:

- Escalating costs of food and staff
- Inadequate government funding
- Pressures on wider council budgets
- Challenges maintaining service standards across diverse school estates
- Increased requirements for specialist diets
- Market competition from private contractors
- Difficulties achieving economies of scale due to school-level autonomy, especially in England.

From the responses received, the current financial pressure is prevalent in the drivers for reviewing the catering services, with 61.11% of respondents reporting that the review was being undertaken due to the financial situation and 55.56% reporting that it was due to the cost of providing the service.

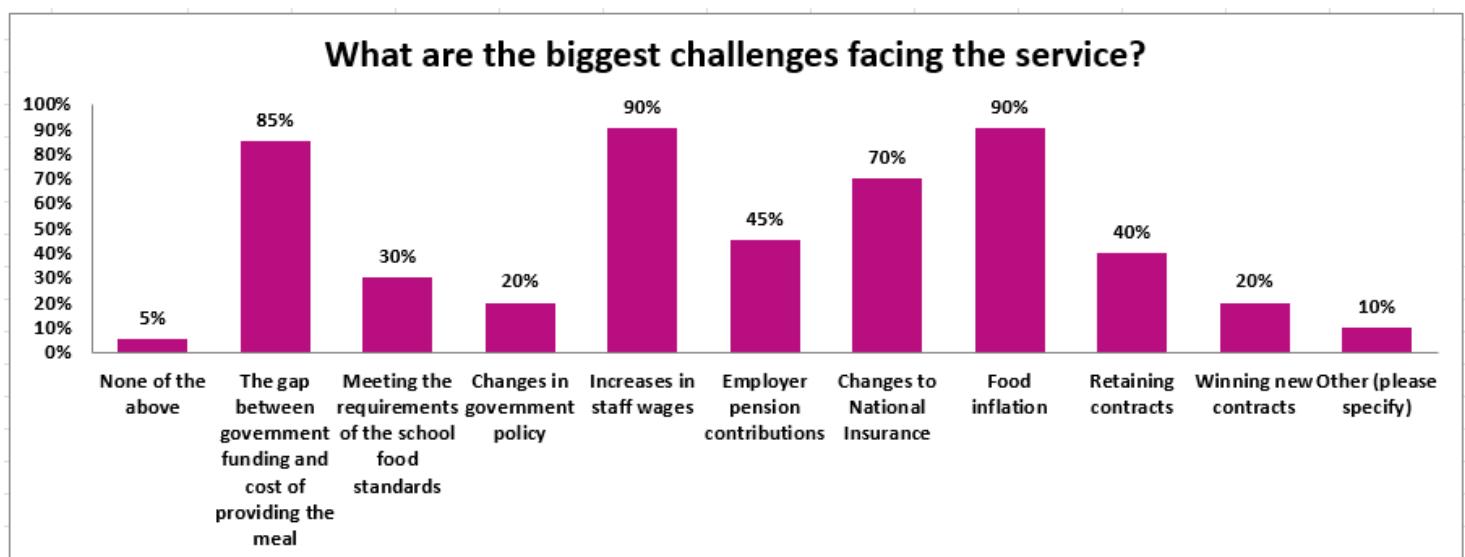
### 3.4 What has been the outcome of the review?

It is important to understand what the outcomes of service reviews have been. Several councils indicated that reviews have led to cost reduction plans, reassessment of service models and consideration of full or partial withdrawal from the market.

Some English councils reported decisions to exit education catering entirely due to unsustainable financial pressures.

### 3.5 What are the biggest challenges facing the service?

To gain an understanding of the biggest challenges facing the service, the survey sought to establish what these challenges were, and the graph below highlights the key responses.



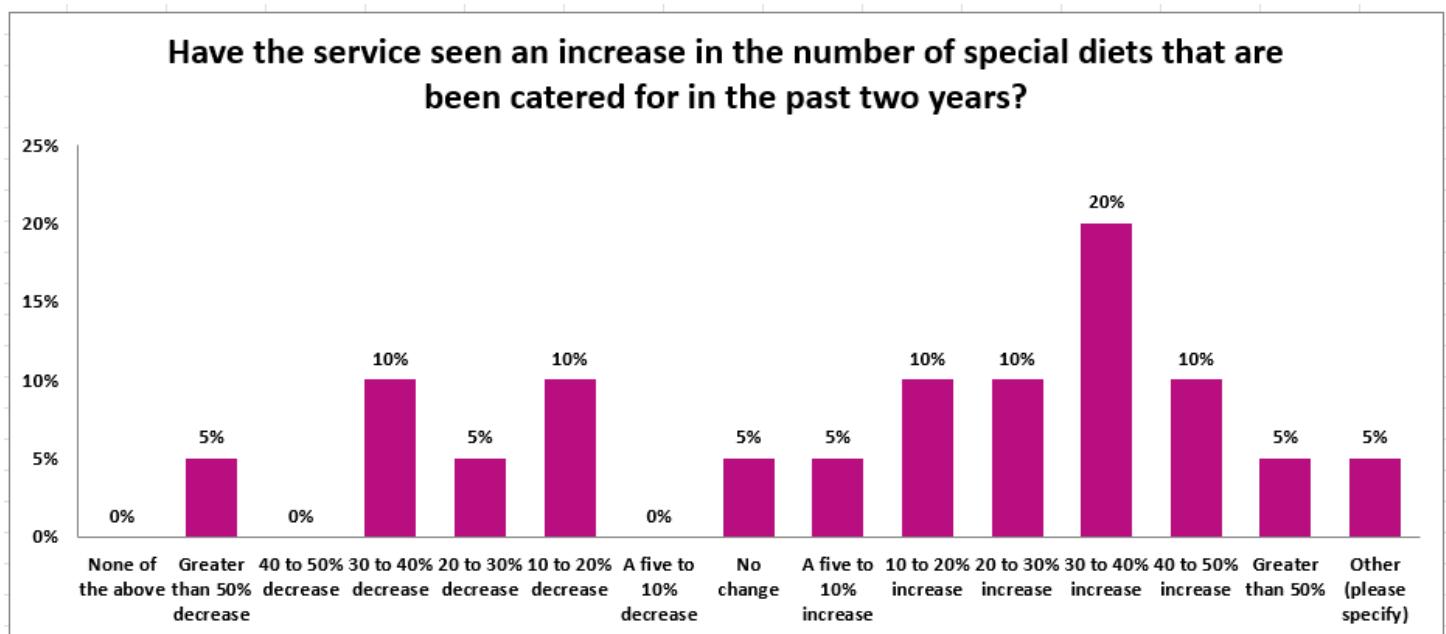
Respondents overwhelmingly reported that current government funding does not meet the actual cost of providing a school meal with 85% of respondents reporting this to be the case. The cost of the workforce features highly with 90% of respondents advising that increases in staff wages and the changes in National Insurance are a challenge. In addition, 90% of respondents report that food inflation is providing challenges for the services.

In the comments associated with this question, respondents emphasised that funding must reflect increasing food prices, pay uplifts and regulatory requirements and in England as the funding is not ringfenced, funding allocated for school meals is often used to subsidise other pressures within schools resulting in catering providers not receiving the full funding amount.

80% of respondents to the survey, strongly agreed or agreed that school meals funding should be ringfenced for the caterer.

### **3.6 Has the service seen an increase in the number of special diets that are been catered for in the past two years?**

Catering for special diets has become an issue increasingly cited by local authority caterers and the survey sought to gain an understanding of how the numbers of special diets catered for had changed over the last couple of years. The graph below provides an overview of the responses received.



Although a small percentage of respondents (25%) have reported a decrease in the number of special diets. Most authorities have seen a rise in the number and complexity of special diets over the past two years, with 60% of respondents highlighting that numbers have increased and concerning 15% or respondents advise that the increase has been greater than 40%.

The comments associated with this question report that the rise in the number of special diets has resulted in:

- Increased staffing and administrative workload
- Greater need for training and quality assurance
- Additional costs for ingredients and menu development

All of which place an additional financial burden on the service and several respondents called for dedicated funding to support them in providing special diets.

## 4 Key Insights

The comments made in addition to the survey questions and the points raised at the roundtable held on 14 January 2026, can be summarised as follows:

- Local food sourcing commitments, particularly in Scotland require additional investment.
- Private consultancy firms supporting contract procurement were reported, in some cases, to prioritise contract turnover over stability.
- Regulatory frameworks, especially in Scotland, are becoming increasingly complex to implement.
- Structural issues within local authority corporate services (e.g., HR, finance, procurement, IT) can hinder the commercial agility needed by catering teams.
- Concerns were raised that, without intervention, some councils may be unable to continue delivering school meals within the next 2–5 years.
- Schools do not always fully understand the long-term implications of transferring services to private providers.
- Workforce challenges persist, with reduced pay differentials between assistant and cook roles making it difficult to recruit skilled kitchen staff.

## 5 Implications of Local Authority Withdrawal

It is clear that local authority caterers from across the UK are facing severe financial pressures, with the situation in England being particularly precarious and leading to councils making the difficult decision to cease providing school meals services or outsourcing to a private contractor.

The following English local authorities have recently ceased or announced plans to end their school meal services:

- **Leicestershire County Council:** Voted to axe its school meals service, run by Leicestershire Traded Services (LTS), by July 2026 after it was deemed unviable in the long term.
- **Leicester City Council:** Closed its own school catering service in March 2025.
- **Stoke-on-Trent City Council:** Announced in January 2026 that it is ending its in-house catering service, with Chartwells identified as the preferred external provider.
- **Plymouth City Council:** Its co-operative trading company, CATERed, which is jointly owned with schools, will cease trading in July 2026 due to the "challenging" financial climate.

- **Cheshire East Council:** Decided to close its loss-making service, "Fresh," by April 2025 after requiring a £500,000 subsidy.
- **Hampshire County Council:** Confirmed plans in late 2024 to stop producing school meals in-house.
- **North Tyneside Council:** Withdrew from its school catering provision on 31 March 2024, outsourcing the service to the private sector.
- **Halton Borough Council:** Agreed to remove its school meals service provision by 31 March 2025, allowing schools to procure alternative providers.

This list may not be exhaustive, and there could well be other councils in England who are currently reviewing their school meals provision that will take the decision to cease their school meals service.

Through the survey and the Roundtable local authority caterers have identified several risks to councils ceasing to provide a school meals service:

- Reduced access to provision for small or rural schools which are seen as unattractive to commercial operators.
- Increased inequality, particularly for vulnerable children
- Loss of public value, including local procurement, sustainability benefits, and fair employment practices
- Fragmented service quality, as private providers may prioritise commercial returns over public health and other community commitments.
- Undermining of wider policy aims around cost-of-living support, nutrition, and child wellbeing.
- Loss of capacity in innovations such as providing catering in community and civic venues, festivals and parks events and social kitchens to counteract loneliness and isolation amongst older people and vulnerable households.

In addition, concern was expressed that as local authority caterers, not-for-profit providers and smaller companies exit the school meal sector, a small number of for-profit companies are filling the gap, reducing competition on the market.

## 6 APSE Comment

Local authority catering plays a significant role in delivering better health, wellbeing and social outcomes for children and communities. During the cost-of-living crisis, council caterers have provided vital support to families and vulnerable groups.

However, the market-driven model in England, combined with fragmented school governance, continues to create instability, undermine long-term planning and is

essentially resulting in what should be a service delivered for the benefit of children and the community being overwhelmingly dominated by a very small number of large profit driven companies.

Scotland and Wales, by contrast, demonstrate stronger alignment between school food policy, health outcomes, and publicly funded provision albeit that caterers across the UK have faced similar pressures on food price inflation, wage costs and overall service pressures.

APSE remains concerned about the widening gap, between government funding and the genuine cost of provision, and the sustainability of local authority catering services under current arrangements.

The school meals provision is the latest in a range of council services that have ceased to be provided, such as the meals on wheels service, resulting in the erosion of wider social, economic, and environmental value that council-run services contribute. Once, a council makes the decision to ceases services such as the school meals service, under the current conditions it is extremely difficult to reinstate as the capacity, skills and expertise are lost.

APSE continues to advocate for policy change, including funding reform, strengthened national standards and greater recognition of the value school meals bring to communities.

The All-Party-Parliamentary-Group on School Food is due to commence an inquiry into school food in the immediate future, which will bring together experts and stakeholders from across the sector, with the aim of reporting its findings by the parliamentary summer recess. APSE will be providing secretariat support to the inquiry including calls for evidence in both oral and written form. APSE has also called for greater collaboration between the DFE and MHCLG given the funding routes to schools directly and the call on subsidy from direct council funds given the inadequacy of the school meals funding formulae.

APSE is calling for local authorities to provide evidence, case studies and contribute to the inquiry and will be communicating the mechanisms in which this can be done in due course. However, if you would like to express an interest in being involved in the process, please contact Vickie Hacking on [vhacking@apse.org.uk](mailto:vhacking@apse.org.uk).

**Vickie Hacking**  
**Principal Advisor**

## 7 How can APSE help?

All APSE members can sign up to APSE's Catering Network, which is an online network providing four learning events across the year, with expert speakers from across local government and the wider parks and greenspace sector. You can sign up to the network using [this link](#).

### 7.1 Benchmarking

APSE Performance Networks is the largest voluntary public sector benchmarking organisation in the UK. With over 200 authorities in membership, Performance Networks assists local councils by:

- Demonstrating progression on carbon reduction/ecological actions
- Helping to set a clear baseline on which competitiveness, efficiency and value for money can be measured in a systematic manner.
- Identifying the impact of service changes and interventions for your own local authorities and for others.
- Assessing the quality, cost and competitiveness of the services that councils provide on a regular basis.
- Helping to report data in meaningful ways to both elected members and the public.
- Identifying direction of travel and pace of change with regard to service delivery.
- Identifying inefficiencies such as poor productivity and high cost.
- Supporting service improvement through process benchmarking and sharing best practice examples.

For more information about how your parks service can benefit from Performance Networks membership, click [here](#).

## Sign up for APSE membership to enjoy a whole range of benefits

APSE member authorities have access to a range of membership resources to assist in delivering council services. This includes our regular network meetings, 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 networks are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Networks are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE Network 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 networks include: -

- FM and Building cleaning
- Catering (School Meals)
- Cemeteries and Crematoria
- Highways and Street Lighting
- Housing, Construction and Building Maintenance
- Social Value, Procurement and Commercialisation Network
- Local Government Reorganisation Network
- Parks, Horticulture and Grounds Maintenance
- Renewables and Climate Change
- Roads, highways and street lighting
- Sports and Leisure Management
- Vehicle Maintenance and Transport
- Veterans and Military Champions Network
- Waste Management, Refuse Collection and Street Cleansing

Visit [www.apse.org.uk](http://www.apse.org.uk) for more details.

**Carbon Literate  
Organisation**  
Platinum

**INVESTORS IN PEOPLE™**  
We invest in people Gold

Association for Public Service Excellence  
3rd floor,  
Trafford House,  
Chester Road, Manchester M32 0RS.  
telephone: 0161 772 1810  
fax: 0161 772 1811  
web: [www.apse.org.uk](http://www.apse.org.uk)

**NEW MUNICIPALISM**  
Delivering for local people and local economies