

# **Report to Hartlepool Schools' Forum on 1<sup>st</sup> November 2017**

**From Jeff Mason – Strategic Policy and Facilities Management Manager**

**Agenda Item 9 – Centrally Retained School Meals Service Contribution**

## **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to provide information to aid the decision-making of the Forum with regard to the agreement to centrally retain the School Meals Service contribution.

## **2. BACKGROUND**

- 2.1 The Healthy Eating Grant was originally introduced by the Government around ten years ago following the national campaign led by Jamie Oliver to raise school food standards. As time progressed, this specific grant was merged into the wider school funding arrangements and the decision-making associated with this element of funding in Hartlepool became the responsibility of the Schools' Forum.
- 2.2 The centrally retained monies of around £150k have been forwarded to the Council's School Meals Service in recent years. This funding has been used to provide increasingly healthy and nutritionally balanced menu choices, including the introduction of salad bars in all schools that buy back the local authority's service. It has also increased the number of meals that are freshly prepared using high quality, locally sourced and traceable ingredients, and as a result the Ofsted-recognised Food for Life award has been consistently achieved.
- 2.3 Information received by the Council from children and young people during the 'Your Say Our Future' conversations highlighted concerns about the physical health of young people in the town. Investment in a good quality meals service is one way the Council in partnership with local schools can make a positive impact on the current and future health of young people.
- 2.4 The latest Index of Multiple Deprivation (IMD) figures show that 6 of the 11 wards in Hartlepool appear within the 10% of most deprived wards in England in terms of household income levels. It is not unreasonable to assume, therefore, that for some pupils the lunch provided in school is the only hot and highly nutritional meal they enjoy on a normal day.

## **3. FINANCIAL OVERVIEW**

- 3.1 The financial pressures currently faced by many parents in the town, along with the budget constraints upon schools themselves, were recognised in

recent pricing decisions made by the School Meals Service. Lunch prices were not increased for the 2017-18 academic year, and as such the Council has undertaken to absorb the inflationary costs of employee pay increases and food prices.

- 3.2 Should the Schools' Forum determine that the monies are not centrally retained and not passed on to the School Meals Service for 2018/19, the service would be facing a significant annual loss assuming present menu standards and staffing levels were maintained. Using a school by school analysis provided by the Corporate Finance team, it is anticipated that 18 schools in the town would move into a deficit position where the cost of providing meals at these sites would exceed the total income received. The 18 sites include large, medium and small schools from both primary and secondary phases. This would clearly not be a sustainable position for the Council. A comprehensive service review which examined ways to reduce the projected annual deficit, particularly at the uneconomical sites, would inevitably be required.

#### **4. CONCLUSION**

- 4.1 The current position where the school meals contribution is centrally retained and is passed on to the Council's School Meals Service supports the provision of a high quality and nutritionally balanced lunch service to pupils across the town. Given the levels of deprivation in terms of health and household income, this is clearly an important service which many children and young people benefit from.
- 4.2 The Council recognises the financial pressures on schools and is aware of alternative options headteachers can consider with regard to the provision of school meals. However a decision to withdraw the funding in 2018/19 would leave the Council facing a significant annual deficit on its school meals service.

#### **5. RECOMMENDATION**

- 5.1 It is recommended that the Schools' Forum notes the contents of this report and uses the information provided to help formulate its decision regarding the element of centrally retained funding which is passed onto the School Meals Service.
- 5.2 The Council recommends that Schools' Forum agree to centrally retain the School Meals Service contribution of £154,000.00 for 2018/19 enabling pupils in primary and secondary schools of all sizes to benefit from a consistent, high quality service.