

EAST AYRSHIRE COUNCIL

CABINET – 17 JUNE 2009

CHARGES FOR MEALS

Report by Executive Director of Educational and Social Services

1. PURPOSE OF REPORT

The Council's financial regulations require departments annually to review internally set charges and to propose adjustments. This report proposes the revised charges for school meals and other catering services to be implemented from Monday 3rd August 2009.

2. BACKGROUND

- 2.1 In the progress of construction of the Council's budget for 2009/10, the upgrade to the figure representing anticipated income from school meals has been determined by the department in conjunction with Finance at 3.12% to reflect inflation and by 3.86% for other catering including staff restaurants. This increase is essential to mitigate toward the effect of increasing food cost and the budgeted wage award.
- 2.2 In order to maintain the purchasing power of pupils entitled to free meals, the cash equivalent of a free meal should also be increased accordingly.
- 2.3 Currently East Ayrshire's school meal price is comparable against Local Authorities in the surrounding area, the table below shows the current prices for both primary and secondary school meal prices. The gross economic price of a 2 course school meal is £2.70 without abatement of cash income or Hungry for Success funding.

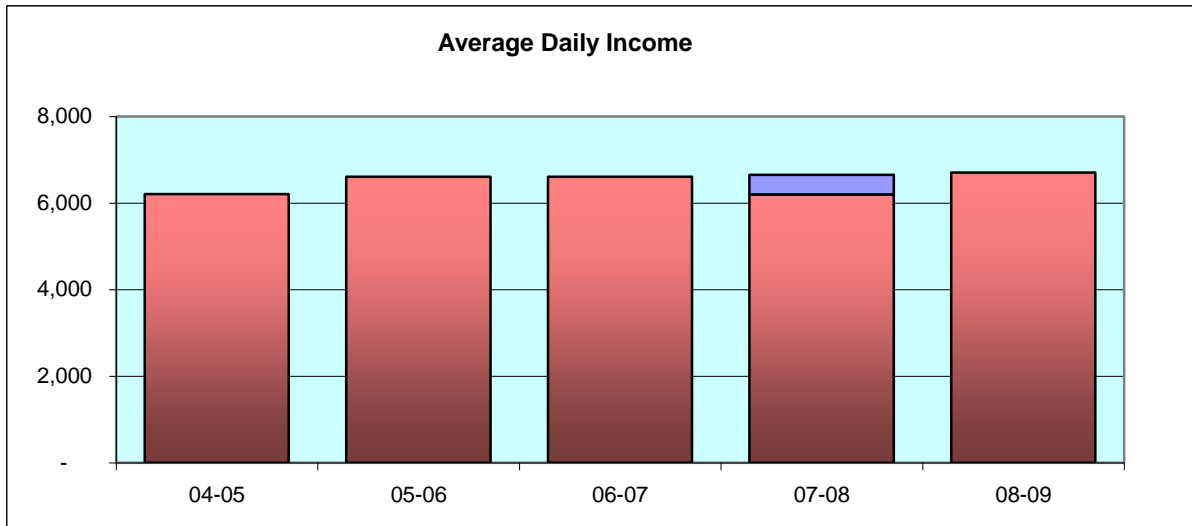
Authority	Primary meal price	Secondary Meal price
South Lanarkshire	1.20	1.20
Inverclyde	1.55	1.70
East Ayrshire	1.60	1.60
East Renfrewshire	1.65	1.75
North Ayrshire	1.70	1.70
South Ayrshire	1.82	1.82
North Lanarkshire	1.60	1.65
Dumfries and Galloway	1.60	1.65
Clackmannan	1.60	1.60

Prices based on April 2009.

- 2.4 The income level in school meals has over the past 4 years maintained a consistent level of around £6,500 per day. This is against a backdrop of reducing school roll and significant changes in the approach to school meals

required through the School (Health Promotion and Nutrition) Scotland Act 2007.

- 2.5** School meals represent excellent value for money. The East Ayrshire approach for the majority of schools involves contracting with local food producers and farmers reinvesting money in the local economy. The service achieved national recognition with the Gold Standard in the Soil Association's Food for Life Scheme which requires 70% of the food to be locally sourced, 90% unprocessed and 30% organic produce.



- 2.6** Due to the introduction of the free meals pilot during 2007/08 the actual income was reduced as Primary 1 to 3 pupils received free meals as part of a trial. This was fully funded by the Scottish Government.

3. EXTENDED ENTITLEMENT TO FREE MEALS

- 3.1** An additional 44,000 young people across Scotland will be eligible for free school meals following the introduction of new legislation brought before the Scottish Parliament in May of this year. It is anticipated based on this national figure that in the region of 1,100 additional children will now benefit in East Ayrshire.
- 3.2** All pupils whose parents receive both maximum Child Tax Credit and maximum Working Tax Credit will become eligible for free school meals, honouring a commitment in the Scottish Government's Concordat with local authorities.
- 3.3** Plans to provide all Primary 1 to Primary 3 pupils in Scotland with free school lunches will come into effect from August 2010, helping to encourage healthy eating habits from a young age.

4. PROPOSAL

- 4.1** In order to remain within the revised education budget for 2010/11 taking into account inflation, the price of a set meal for pupils, and the value of a free meal, will require to be increased from £1.60 to £1.65 with effect from 3 August 2009.
- 4.2** All other meals drinks and snacks provided in each cafeteria will be increased by an equivalent average amount.
- 4.3** Lunch Club and Day Care Meals will increase from £2.40 to £2.50 to cover the economic cost of providing a meal.

5. FINANCIAL IMPLICATIONS

- 5.1** This action fulfils the Council's financial regulations to review annually internally set charges and propose the necessary adjustments.
- 5.2** As part of the review of charges the 'managing charges – service manager's checklist' was completed in line with necessary procedures.
- 5.3** Provision has been made by the Department of Finance and Asset Management to meet the Scottish Government's Concordat commitment to extend entitlement to free school meals from August 2009. This additional cost will be included in the Revenue Estimates for this service according to the actual uptake of meals.

6. LEGAL IMPLICATIONS

- 6.1** Nil.

7. COMMUNITY PLAN IMPLICATIONS

- 7.1** The provision of nutritious and affordable school meals Improves Health and is a factor in Eliminating Poverty.

8. RECOMMENDATIONS

- 8.1** Members are asked to agree:
- (i) the annual increase in charges to pupils, and for the equivalent value of free meals which is increased to £1.65 for implementation from 3 August 2009;
 - (ii) Lunch Club and Day Care meals increase to £2.50 from 3rd August 2009
 - (iii) other catering charges increase by 3.86%
 - (iv) all other food and drink provided in each cafeteria will be increased by a similar amount.
 - (v) otherwise to note the content of the report.

Graham Short
Executive Director of Educational and Social Services

GS/RG
14 May 2009

LIST OF BACKGROUND PAPERS

Nil

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IMPLEMENTATION OFFICER

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