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**Meeting:** Executive  
**Date:** 15 March 2011  
**Subject:** Review of the Centrally Commissioned and Managed School Meals Contract

**Report of:** Cllr Steve Male, Portfolio Holder for Customers, Systems and Assets

**Summary:** The report advises the Executive on the outcome of the consultation process undertaken with schools in respect of the Council managed school meals service and sets out the options for the service in the future.

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Advising Officer: Richard Ellis, Customer and Shared Services  
Contact Officer: Ian Brown, Assistant Director Assets (Interim)  
Public/Exempt: Public  
Wards Affected: All  
Function of: Executive  
Key Decision: Yes  
Reason for urgency/  
exemption from call-in  
(if appropriate): N/A

#### **CORPORATE IMPLICATIONS**

##### **Council Priorities:**

The outcomes from the consultation will allow the Council to balance the concerns raised by schools against the financial challenges facing the public sector, to ensure that the future service is provided in a cost effective manner aligned with the Council's overall priority to "educate, protect and provide opportunities for children and young people".

##### **Financial:**

As set out in the report there is a forecast pressure of £210k for 2010/11 in respect of the school meals contract. The pressure rises to £414.5k in 2011/12.

##### **Legal:**

The Council currently provides free meals to eligible pupils and paid lunches where parents request them, which complies with national nutritional standards. All schools budgets include an amount in respect of meals and other refreshments. The duty rests with the school's governing body for the provision of a meals service.

##### **References:**

• s.512 of the Education Act 1996, amended by s201 of the Education Act 2002

**Risk Management:**

An extension of the existing contract has been negotiated beyond 8 April 2011 until the end of the summer term 2011. The risks of leaving responsibility to schools for school meals provision would include: non compliance with CBC procurement rules, breach of EU procurement rules, failure of CBC to discharge its statutory responsibilities, lack of skill sets within schools to negotiate and manage contracts. These can be managed through the availability of support and advice for schools from the Procurement Team, and other Council departments, such as Environmental Health.

**Staffing (including Trades Unions):**

One CBC post would be 'at risk' should the current contract not be continued.

**Equalities/Human Rights:**

The Equality Act 2010 requires that any school meals provision will need to take into account the dietary requirements relating to children with disabilities, children from ethnic minority communities and religion and belief groups.

**Community Safety:**

None

**Sustainability:**

None

**RECOMMENDATIONS:****That the Executive:-**

- 1. notes that the current School meals contract has been extended up to the end of the summer term 2011;**
- 2. approves the cessation of a centrally negotiated school meals contract from the end of the Summer Term 2011, and notes that in consequence all schools will need to make their own arrangements to provide school meals, commencing at the beginning of the new academic year (Autumn term 2011);**
- 3. requires that officers work with schools to enable a smooth transition to schools making their own arrangements for the provision of school meals.**

*Reason for  
Recommendations:*

*So that arrangements can be made for school meals when the current contract comes to an end in July 2011 following the contract negotiated extension from March 2011.*

## **INTRODUCTION**

1. At the meeting of the Executive on 7 December 2010, the following recommendations were agreed:
  - 'that schools be consulted at the earliest opportunity on future options for delivery of the school meals service.
  - that a further report on options for the service be brought back to the Executive once consultation feedback is received from schools.
  - that following the outcome of the consultation with schools, the Director of Customer and Shared Services in consultation with the Portfolio Holder for Customers, Systems & Assets be authorised to agree to a negotiated extension of the school meals service with Eden Food Services until the end of the schools' summer term, 22 July 2011.'
2. During December 2010 and January 2011 Central Bedfordshire Council undertook consultation on the future of the school meals service across all Central Bedfordshire schools.
3. At present, the Council manages a contract which individual schools can opt into for the provision of their school meals. This ends on 8 April 2011. The contract arrangement meets current national nutritional standards, together with public and environmental health requirements. Any future arrangements will have to maintain these standards and health requirements.
4. The end of the Council-managed contract, without any re-provision, would require individual schools to make their own arrangements for school meals.
5. 100 Local Authority maintained schools<sup>1</sup> are currently using the Council's contract for the provision of school meals. A further 2 schools with Academy status have also opted into this arrangement.
6. 34 schools currently make their own arrangements for the provision of their own school meals.
7. All Central Bedfordshire schools (including those that have already opted out of the Council's contract) were asked for their views on the future following the end of the current contract. The questionnaire was made available to schools via an online link and in paper copy.
8. The consultation was publicised through the weekly schools magazine 'Central Essentials' and subsequently schools which did not reply were individually contacted by officers.

## **CONSULTATION FEEDBACK ANALYSIS**

9. Feedback from the consultation was analysed by overall result, phase of school (Lower, Middle and Upper) and size of school based on number of pupils on school roll.

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<sup>1</sup> Local Authority maintained schools are those funded by the local education authority.

10. The analysis reflects the views of 64 schools that use the centrally managed contract out of a total 102 users. The questionnaire details are set out at Appendix 1, together with significant responses to the key questions.
11. Two thirds of schools responding expressed some concerns at the proposal to end the centrally provided school meals service. These concerns related to largely three areas:-
  - Financial implications
  - Schools' individual capacity to make their own arrangements
  - Legislative requirements and compliance standards.
12. Many of the specific comments received as part of the feedback suggested that if schools' specific concerns or issues were resolved then they could be more positive about taking over arrangements for the provision of school meals.
13. The concerns or issues expressed within the consultation feedback need to be addressed to ensure a smooth transition to schools making their own arrangements, should the Council decide not to continue with the service. Officers of the Council will need to provide support on a range of issues in order to help schools either deliver a school meals service themselves or negotiate a supply contract with an external provider. A proposed transition support package is outlined at Appendix 2.

## **FINANCIAL IMPLICATIONS**

14.
  - The school meals costs to the Council this year are forecast to be £1,322k; against a budget of £1,112k.
  - This results in the service being subsidised generating a total budget pressure of £210k in 2010/11. Given the known position in respect of grants being transferred to the schools the financial position of the Council will deteriorate further in 2011/12 to £414.5k of pressure.
  - One employee post will be 'at risk' should the service not be continued, the costs of which are included in the above costs.

## **OPTIONS**

15. The following are the options for the future provision of the school meals service:
  - (a) Continue a Council provided service with the re-tendering of a contract for Central Bedfordshire Schools. The implication would be that the centrally funded service would continue with significantly increased financial pressures as a result of Government grant changes.
  - (b) Cease the centrally provided school meals service and allow schools to make their own arrangements. A number of transition support measures have been identified which can be offered to schools. If agreed this option will eliminate any future financial pressure (from September 2011) on the Council's school meals budget.

## **CONCLUSIONS**

16. The Council has consulted on future provision of the school meals service and, whilst some concerns have been raised, the overall feedback suggests that schools would be able to make their own arrangements to provide school meals, given the necessary support during the transition in order to resolve their issues.

### **Appendices:**

Appendix 1: Consultation questionnaire details and responses

Appendix 2: Proposed Transition Support Package

**Background Papers:** Responses to the questionnaire

**Location of papers:** Priory House

## APPENDIX 1

### Centrally Commissioned and Managed School Meals Contract

#### Consultation questionnaire details and responses

Questions 1-6 were designed to gather details of the school, who completed the questionnaire, their current arrangements and their provider.

Questions 7-10 contain the service specific related questions. These and responses of significance from the consultation are set out below.

*Question 7 - Central Bedfordshire Council is proposing to end the centrally provided school meals service as of July 22nd 2011 and allow all schools to make their own arrangements. How far do you agree or disagree with this proposal?*

- Less than one third of schools responding agreed with the proposal to end the centrally provided school meals service with all schools making their own arrangements (29%, 23 schools). 46% of schools disagreed with the proposal (36 schools).
- Levels of agreement with the proposal to end the centrally managed contract was strongest among Middle and Special schools (46% and 100% respectively), with Lower schools most likely to disagree (55%).
- 19 schools neither agree nor disagree with the proposal.

*Question 8 - If you disagree with the proposal, please indicate why.*

- Of the 36 schools that disagreed with the proposal, 13 were concerned by the financial implications, 11 had reservations regarding their capacity to make arrangements, 10 wished to keep arrangements as they are, 9 were concerned at the increased workload, 2 commented that there was insufficient time to make new arrangements and 1 needed more information to set up a new contract.

*Question 9 - If your school were to make its own arrangements for school meals in the future, either by providing your own service or by contracting the service out to an external provider, do you envisage any problems with compliance with the legislation regarding food in schools?*

- 32 schools currently using the contract envisaged problems with compliance with legislation.
- 34 schools commented about problems they envisage in complying with food standards legislation.

*Question 10 - As a requirement of the Equality Act 2010, school meal provision must take into account the dietary requirements relating to children with disabilities, children from ethnic minority communities, religion and belief groups.*

*Do you envisage any problems with this in your schools provision of school meals?*

- 23 schools said they envisage problems with meeting the requirements of the Equality Act. Lower schools and those with less than 500 pupils were more likely to envisage problems with meeting the requirements.
- 22 schools currently using the contract said they envisage problems with meeting the requirements of the Equality Act in their provision of school meals.
- 19 schools made a comment around problems with meeting the requirements around dietary requirements relating to children with disabilities, children from ethnic minority communities, religion and belief groups.

## Appendix 2

### Centrally Commissioned and Managed School Meals Contract

#### Proposed Transition Support Package

##### Financial

Measures could include, but are not limited to, ensuring that schools:

- Have a good understanding of how the school meals budget is set out, in particular the issues surrounding the school meals grant.
- Are aware of the energy element of the budget that is currently retained by schools. This is between 15% and 20% of the school meals budget and is based on custom and practice. (Improved energy management in Kitchens could produce savings.)
- Meet other Central Bedfordshire schools that are successfully managing their own services. The Council can facilitate this.

##### Capacity

- Have access to alternative arrangements, such as a School Meals Framework contract, facilitated by the Council to enable schools to choose their own meals provider.
- Are provided with details of a range of professional catering companies and other neighbouring local authority catering providers that are active in the school meals market that will have been briefed on the situation across the Council's schools regarding school meals provision.
- Have access to a Catering Toolkit that will provide a range of contact details, advice and guidance on a range of school meals issues.
- Those schools with limited or no kitchen facilities are provided with information as to their options.
- Are aware that they can enter into discussion with Eden Food Services to continue their existing school meals provision.

##### Legislation and Training

- Ensure that there is support available from both Environmental and Public Health colleagues to provide the appropriate training on Food Hygiene and Nutritional Standards. (Initial meetings have taken place to prepare the ground for any changes to school meals delivery.)
- Ensure that the appropriate procurement advice is available as to what processes schools will need to adopt to secure a provider.
- Ensure that appropriate HR advice is available with regard to any TUPE transfers of staff.

##### Communication

- Ensure all schools in the current contract have the opportunity to attend a proposed Catering Workshop planned for the last week of the spring term (April 7<sup>th</sup>).

The key task will be to give schools the confidence and the tools to successfully either deliver their own service by managing it themselves or contact with a provider to deliver a service.