

School Meal Pricing 2022-23

Key Messages

Forum members are asked to:

- Note the increase in Consumer Price Inflation (CPI) and the resultant increase in school meal prices from September 2022.
- Decide on their preferred option, as set out below, or consider if wider consultation is required.

1. Introduction/background

- 1.1. Schools' governing bodies have a statutory duty to ensure nutritious food is available which meets stringent school food standards. The council manages a central catering contract on behalf of 96 schools in the city to enable schools to meet this duty, getting value for money whilst retaining high standards. This involves over 3 million meals per year.
- 1.2. Under the terms of the contract, the provider can request an annual increase in line with CPI in December and is also able to request a higher increase in exceptional circumstances. The council – acting as the Client on behalf of schools – considers any such requests.
- 1.3. The following outlines the contract price per meal for academic year 2022-23, and options around the cost/meal to parent/carers of children in KS2.

2. Contract price per meal 2022-23

- 2.1. The current Contractor (Taylor Shaw) has requested an overall increase of 7.0%, which is higher than CPI in December 2021 (5.4%). The rationale presented for this included a sharp increase in CPI, and exceptionally high rises in the cost of foods and other provisions required.
- 2.2. After a detailed review and analysis of costs breakdown, the following increases are felt to be reasonable in relation to each aspect:
 - Food 7.0%
 - Staffing (4.21% Foundation Living Wage plus some agreed differentials for other staff)
 - Overheads 5.4%

Considering the relative value of each element, this equates to an overall increase of 6.62%. In addition, a number of agreed permanent contract variations have increased the primary price very slightly.

- 2.3. The primary contract price has risen by 15p, and the secondary (FSM notional) price by 14p:

	Previous contract price (2020-21)	Year 1 of current contract (2021-22)	Year 2 of current contract (2022-23)
Primary	£2.30	£2.05	£2.20
Secondary	£2.36	£2.10	£2.24

It should be noted that the new contract prices remain lower than the price in the previous catering contract.

Due to Universal Infant Free School Meals, the paid primary meals relate only to KS2 children (who are not eligible for low income FSM).

3. Cost to KS2 parents

- 3.1. The price to parents in KS2 has been held at £2.00/meal since 2016, with schools funding the difference. This is not charged directly, but is factored into the annual charge to schools in the catering contract.

4. Recommendations

Schools Forum to consider the following options with regard to inflation, rising food and energy costs, and school budgets and consider whether this needs wider school consultation, or to otherwise agree a price for KS2 parents from September 2022.

4.1. Price to parents to remain at £2.00/meal.

As stated above, the difference between contract price and price to parents does not result in any direct charges to schools. *The additional costs would be met from the central catering contract budget.*

4.2. Parents to pay the full cost per meal.

This would be an increase of 20p/meal/child. For a family with two children in KS2 who are not eligible for FSM, this would be a direct increase in cost of **£76** p.a.

The estimated financial benefit to the majority of schools in the contract would be between **£250** and **£600** p.a.

4.3. Split costs.

Various permutations are possible, however, to simply split this in half would equate to **£38** p.a. for a family with two children in KS2, with no impact on schools.