

<b>Meeting:</b>	Executive
<b>Meeting date:</b>	16/11/2023
<b>Report of:</b>	Assistant Director, Education and Skills
<b>Portfolio of:</b>	Cllr R Webb, Executive Member, Children's Services and Education

## **Decision Report: Delivery of KS2 Universal Free School Meals Pilot Project**

### **Subject of Report**

1. This report provides details on the work that is taking place to implement a pilot project to extend Universal Free School Meals (“**UFSM**”) to Key Stage 2 children. The project is designed to deliver on the Executive’s election manifesto commitment to create a cross city alliance to address disadvantage and the cost-of-living crisis. Findings from the pilot project will then be used to inform any full city roll out of UFSM.
2. A decision is needed on the scope and timing of the pilot project. Two potential pilot schools have been identified. Running the pilot with two schools of contrasting size and status would be beneficial to inform decisions about any future scale up of the project. As part of the pilot, it would be helpful to consider running a breakfast and a lunchtime offer to evaluate the impact on take up and on other indicators (e.g., school attendance). Executive are asked to approve the pilot project, subject to available funding, which would run between January and December 2024.

### **Benefits and Challenges**

3. Researchers from the Institute for Social and Economic Research (“**ISER**”) at the University of Essex have previously evaluated the impact of UFSM for infants (Reception to Year 2).

They found small but positive impacts on absence, obesity, and household expenditure.

4. The delivery of this pilot project in York has an additional level of complexity to consider, as unlike some other local authority areas York does not have an in-house school catering service. All school catering in York is delivered through contracts which are directly managed by schools and multi-academy trusts and are delivered by commercial providers. In order to progress the pilot, the next step will be to consult with the catering providers for the chosen pilot schools to secure their support for the pilot project.
5. The plan to deliver the pilot and any scale-up of the project through the development of a Community Fund has implications for the future governance of the project. In developing the project, the Council is exercising its convening role; however, any future extension of the project will be dependent on a city alliance of funders who would contribute through the Community Fund, and delivery would be through a number of third party agencies.
6. Managing expectations of schools and families is a key consideration, as is the closure of pilot project following evaluation, which may leave families in worse position after pilot. Clear communication with families in the pilot area will be vital from the outset of the project. During the pilot it is recommended that a consultation with all the city's headteachers is conducted to inform the evaluation of the pilot.

## Policy Basis for Decision

7. The pilot project will deliver the Council's corporate priorities listed below:
  - a. **Health** – the delivery of the pilot project will ensure that primary age children receive a healthy breakfast or school meal, contributing to public health priorities to reduce childhood obesity and improve dental health;
  - b. **Environment** – the delivery of the pilot project will reduce food waste and the assessment of school kitchens is being used to improve energy efficiency;

- c. **Affordability** – the provision of universal free school meals will ensure that children have access to a good quality meal regardless of their ability to pay; and
- d. **Human Rights and Equalities** – the pilot project will support the human right to education and reduce health inequalities through the provision of access to universal free school meals.

## Financial Strategy Implications

- 8. Insufficient seed funding from the Community Fund to deliver all costs including meal, staff and equipment costs would impact on the ability to successfully deliver the pilot project at sufficient scale.
- 9. A key risk for the pilot project is securing ongoing funding this will be crucial in working with the catering contractors, who may incur additional costs as part of the pilot e.g. need for additional staffing.

## Recommendation and Reasons

- 10. **Recommendation(s):**
  - a. that implementation of the pilot project that focuses on delivery of a lunchtime offer at Westfield Primary School, subject to the pilot remaining within available funding, between January 2024 and December 2024 is approved;
  - b. that subject to additional funding from the Community Fund being found, a breakfast offer for all pupils attending Burton Green Primary Academy is piloted for the period January 2024 to December 2024 is approved; and
  - c. to delegate authority to the Corporate Director for Children’s and Education,(and their delegated officers) in consultation with the Director of Governance and the Chief Finance Officer (and their respective delegated officers) to assist the pilot schools (and their respective Trusts) to negotiate, draft and conclude any necessary contractual arrangements with existing catering contractors at the schools to implement the pilot project, including (but not limited to) any necessary

amendments, changes, extensions, modifications, updates and/or variations to any existing contractual arrangements, in line with the Council's obligations under the Public Contract Regulations 2015 (the "**Procurement Regs**") and the Contract Procedure Rules set out in Appendix 11 of the Council's Constitution (the "**Council's CPRs**"), as well as any contract procedure rules and/or standing orders of the chosen schools and (where applicable) their Trusts; and

- d. to delegate authority to the Corporate Director for Children's and Education, (and their delegated officers) in consultation with the Director of Governance and the Chief Finance Officer (and their respective delegated officers) to commission and negotiate, draft and conclude any necessary contractual arrangements (including (but not limited to) any necessary amendments, changes, extensions, modifications, updates and/or variations thereto) with the University of York to provide assistance with the collection and analysis of qualitative and quantitative data sets from the pilot project, in line with the Council's obligations under the Procurement Regs and the Council's CPRs, as well as any contract procedure rules and/or standing orders of the chosen schools and (where applicable) their Trusts.

**Reason(s):**

The reason for this is that it will provide more detailed information to inform the planning of any future scale up of the project due to the contrast in circumstances of the proposed pilot schools. The pilot will also be used to explore the financial sustainability of the delivery of the school meals offer, both at Westfield Primary School and to fully understand the implications and benefits of any future full city implementation.

## **Background**

11. The Emergency Council budget meeting in July 2023 confirmed that c. £100,000 of Council funding would be ring-fenced to support the delivery of the UFSM pilot. This, however, should be used as seed funding in order to deliver a meaningful pilot, and additional funding will be needed through the development of the Community Fund.

12. Currently there are 46 Primary schools with a catering contracted out service, and 6 with an in-house provision. Most Trusts have allocated 1 single source supplier for their school meals service, which may also include the secondary provision.
13. A meeting with the Council's Legal Services team identified a number of contractual issues that would need to be explored and possibly negotiated with both Trusts and catering contractors. Some contracts for example may have exclusivity clauses for the use of the kitchen and provision of meals within a Trust/school.
14. More detailed scoping of the financial implications of the extension of universal infant free school meals ("**UIFSM**") will also need to be developed through the pilot. As school budgets are stretched to capacity, there is little room for subsidising their school meals service. The Institute for Fiscal Studies recent findings stated that if the funding for UIFSMs had kept pace with the annual living wage increases and inflationary increases on food prices, the value of government funding should be in the region of £2.87 per meal.
15. On 5<sup>th</sup> July 2023, the Department for Education announced that the UIFSM subsidy would increase from £2.43 per meal to £2.53 per meal. This equates to a 10% funding rate increase since the UIFSM scheme launched in 2013 however, this is not meeting the full costs of the delivery of the meals. As a result, there are growing tensions related to the delivery of school meals, with a number of local authority and commercial catering firms being forced to increase the costs of paid for school meals from September 2023.
16. Schools in York are currently having to consider the choices between increasing the KS2 meal cost to parents or accepting invoiced additional charges from the contractors for the deficit balance on income due to spiralling costs. In practice, this has meant that an average price of £3.00 per meal is now being charged for school meals, with prices in York schools and academies ranging between £2.50 per meal and £3.40 per meal. This situation is unsustainable longer term, particularly as the delivery of free school meals in KS2 is part of the schools funding formula, and a separate subsidy is not paid. Some headteachers have advised they are "reluctant" to promote the

meal services when it creates further budget pressures for them for every child that takes a meal, whether KS1 or KS2.

17. A Trust Primary school in a York outlying village is currently facing a c.£8,000 deficit in their 23/24 school meals budget and considering having to increase their current £3.00 per KS2 meal charge, which may impact uptake, whilst Westfield Primary (one of the potential pilot schools) is facing a 23/24 deficit in the region of c. £25,000 just to operate their current service even before the pilot is launched. In addition, the catering contractor at Westfield Primary has stipulated that the KS1 and KS2 meal protein portion should remain the same to further manage food costs given they are funded for the same amount (current £2.50 per meal charge to KS2 parents)
18. In order to provide a more realistic costing for the pilot project, the catering contractor, North Yorkshire Catering Services, has established that the cost of extending the meals at Westfield Primary would be a price per meal of £2.94. The cost quoted includes the costs of extra staffing, equipment and other sundry costs to deliver the pilot.
19. The pilot project could also be used to consider the benefits of providing a breakfast rather than a midday meal. As a result the extension of the pilot to provide a universal breakfast offer has been scoped with Burton Green Primary Academy. Should additional funding become available this would allow the pilot to be extended to support the delivery of a breakfast offer at Burton Green.
20. Eating a healthy breakfast provides fuel for the brain in the form of glucose which comes from carbohydrates. This is essential to replace glycogen stores and increase blood sugar levels which are depleted during overnight fasting, ensuring that children and young people have adequate energy throughout the school morning and leading to improved cognitive function and educational achievement. Research shows that providing a healthy school breakfast is a cost-effective way to increasing attainment, bringing 2-months of additional progress in an academic year for KS1 pupils (Crawford et al. 2016) and two grades higher at GCSE (Adolphus et al. 2019). Providing healthy school breakfast provision also may also contribute towards improved pupil behaviour and concentration. Schools

with provision also reported fewer absences (Crawford et al. 2016).

## Consultation Analysis

21. In order to implement the pilot project, consultation is to taking place with the pilot schools and their catering contractors.

## Options Analysis and Evidential Basis

22. The pilot scheme could be:-

- Option 1: Universal Primary Lunch Time Meal Offer** – this would provide a lunch main and dessert offer to all KS2 children who are not currently covered by benefits related free school meals with a possible pilot school of Westfield Community School. 100% take up of this offer would incur costs outlined below:

Year Group	Total number of pupils	No of FSM pupils	No of non-FSM pupils	Cost per day £2.94 per meal	Total cost for school year (x190 days)
Y3	79	28	51	£149.94	£28,488.60
Y4	67	27	40	£117.60	£22,344.00
Y5	66	22	44	£129.36	£24,578.40
Y6	74	21	43	£126.42	£24,019.80
<b>Total</b>	<b>286</b>	<b>98</b>	<b>178</b>	<b>£523.32</b>	<b>£99,430.88</b>

It is suggested that a **c. £4,000 contingency** is added to these costs to allow for the purchase of additional equipment to support the scale up in the take-up of meals during the pilot.

23. **Option 2: Primary Breakfast Meal Offer** – this would provide a breakfast offer to all Primary age children (KS1 and KS2). A possible pilot school could be Burton Green Primary School with a kitchen and service that may require reasonable adjustments to deliver the service. The delivery of a breakfast offer to all 135 children on roll has been priced at **£1.00 per meal**. This would cover the costs of the meal, plus labour and sundry costs. 100% take up of this offer would incur a total cost of **£25,650**.
24. Three potential pilot schools (Westfield Primary, Tang Hall Primary and Burton Green Primary) have been assessed for their readiness to deliver UFSMs. The assessment tool used has identified how kitchens are currently managing with meal numbers, whether they could manage with increased meal numbers and what may be required in order to deliver anticipated additional meal numbers such as extra staffing, light and heavy equipment, additional serving time, suitable premises space and operational working conditions to take on extra meals capacity.
25. Following the completed assessment, the initial indication is that Westfield Primary School is the most prepared and equipped to be included within the pilot. Westfield Primary would be the most suitable school to pilot the delivery of UFSM for the following reasons:
- It is the largest of the three schools and is the largest primary school in the city;
  - Ward data shows that Westfield has the highest level of children living in low income households of any ward in York;
  - Westfield ward has the lowest level of life expectancy of any ward in York and has high levels of childhood obesity;
  - Educational outcomes and school attendance are all considerably lower than the York and national averages. This is an embedded trend over time.
  - The school is local authority maintained and has school meals provided by the North Yorkshire Council Catering Service
  - The school will require additional staffing and equipment, but it is capable of delivery with minimum adjustments. The



school also has a dedicated dining hall which makes the required in-school adjustments minimal.

26. Burton Green is the smallest of the schools, but currently the least well prepared for scale up. However, given the size of the school and its state of readiness this would provide valuable learning for any future city-wide scale up of the pilot project. Burton Green is an academy school, part of the Hope Sentamu Learning Trust, and has meals provided by a commercial catering company, so again would provide a useful context for any future city-wide scale up of the project and would provide a contrast in evaluating the benefits of a breakfast rather than a lunchtime offer. The percentage of FSM in the school is higher than Westfield.

## 27. **Benefits of a Healthy Breakfast**

Providing a breakfast for children is expected to have the following benefits:

- a. improve cognitive function, particularly memory, attention, reaction time and executive function for the school day;
- b. improve academic performance, including school achievement and attainment;
- c. improved attendance; and
- d. better weight management.

## 28. **Benefit of a healthy lunch time meal**

Providing a healthy lunch time meal for children is expected to have the following benefits:

- a. improve cognitive function, particularly memory, attention, reaction time and executive function after lunch;
- b. improve academic performance, including school achievement and attainment;
- c. Improved attendance;
- d. Better weight management; and

- e. a healthy balanced lunch time meal can assist to stave of negative health effects.
29. The University of York have offered to supply assistance with the evaluation of the pilot project, as this fits in with their “Fix Our Food” project and the Food Foundation. In order to ensure that the burden of the evaluation does not lie with the two pilot schools, it would be beneficial to draw on support from the University of York to assist with the collection and analysis of qualitative and quantitative data sets.
  30. Evaluation of the lunchtime meal offer at Westfield will focus on gaining evidence about:
    - a. the difference the project makes to the take up of meals;
    - b. how much healthy food is going in to children as a result based on their menu choices and food waste;
    - c. any changes in readiness to learn in the afternoons;
    - d. any changes in absence due to illness and any changes to school attendance.
  31. The pilot project will involve pre and post pilot interviews with parents and carers, children and teachers to provide qualitative evidence about concerns about food provision pre pilot and to gauge the impact of the pilot.

## **Organisational Impact and Implications**

31.

- ***Financial***  
Detailed financial information in relation to the costs of the proposed pilots and the potential implications for individual schools’ budgets is included in the main body of the report. A one-off budget of £100k is available to support the implementation of the pilots. The estimated cost of the pilots for a 12 month period is £129k. There are also likely to be other costs associated with establishing and evaluating the pilots. It is expected that the pilots will not commence until full funding has been identified and confirmed through the Community Fund.

- **Human Resources (HR)**  
Staffing implications will be assessed as part of the delivering the pilot project and HR processes and policies will be followed accordingly. Scope of staffing requirements, including additional staff or reassigning staff will be defined further and relevant HR advisors will be involved in the discussions
- **Legal**
  - Any funding granted to the chosen pilot schools from the proposed Community Fund (or any other funder) will need to be subject to a grant funding agreement between the Community Fund (or the relevant funder) and the school/Trust. Further, the grants will need to comply with the rules set out within the Subsidy Control Act 2022. Advice should be sought from the Council's Legal Services regarding the drafting and/or negotiation of any agreement between the Community Fund and the school/Trust, including any advice and/or assessment of how the rules under 2022 act will apply.
  - The current catering contracts at the chosen pilot schools will need to be modified in line with their existing terms and conditions and the requirements of Reg. 72 of the Procurement Regs on the modification of public contracts, and the Council's CPRs, as well as any contract procedure rules and/or standing orders of the chosen schools and (where applicable) their Trusts. Advice should be sought from the Council's Legal Services and Commercial Procurement Teams on how best to proceed to ensure compliance.
  - Any consultant services provided by the University of York in relation to the evaluation of the results and datasets of the pilot project must be procured in line with the Council's obligations under the Procurement Regs and the Council's CPRs. Advice should be sought from the Council's Legal Services and Commercial Procurement Teams where appropriate.
- **Procurement,**  
All current, active catering contracts that have been through a procurement process will need to be appropriately modified to

capture the new objectives. Any variations and modifications will need to be made in line with the current PCR's and CPR's and both Commercial Procurement and Legal Services will need to be consulted. Any additional works or services will need to be commissioned via a compliant procurement route under the Council's Contract Procedure Rules and where applicable, the Public Contract Regulations 2015. All tenders will need to be conducted in an open, fair, and transparent way to capture the key principles of procurement and to achieve all required outcomes of the project and/or pilots. Further advice regarding the procurement routes, strategies and markets must be sought from the Commercial Procurement team.

- ***Affordability***

Given that the average cost of school meal is £2.94 and a breakfast is £1.00 this will mean that for some families that will help with saving money on food bills as they prioritise what little they have in a cost of living crisis particularly in the pilot areas where the impacts felt by the crisis are hitting hard.

To proceed with both pilot schools then the funding campaign needs to have raised another £30k. Any future scale up of the project will be dependent on the success of fund raising via the community fund.

- ***Equalities and Human Rights***

The Council recognises, and needs to take into account its Public Sector Equality Duty under Section 149 of the Equality Act 2010 (to have due regard to the need to eliminate discrimination, harassment, victimisation and any other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it in the exercise of a public authority's functions).

- **Communications**

Communications Service staff are already engaged in planning communications support for the delivery of the pilots and have designed and delivered materials designed to inform and engage the relevant school communities. Further support may be required both in relation to the school partners, and in relation to managing media interest both as the pilot moves forward, and at its end. The Communications Service is not expected to be involved in the cross city alliance to address disadvantage and the cost-of-living crisis.

- **Health and Wellbeing**

Providing universal free school meals (FSMs) can have a positive impact on the health and wellbeing of our children. Evidence from four local authorities in London, which implemented universal FSM provision in primary schools, found a reduction in the prevalence of obesity in reception and year 6 children and that this effect was cumulative.

Universal free school meal provision may also contribute to reducing health inequalities as children from the most deprived areas are more likely to be living with obesity and the associated co-morbidities than those from the least deprived areas (The Food Foundation, 2022).

Food insecurity in households with children is rising, with 26% of all UK households affected by food insecurity and impacting 4 million children (The Food Foundation, 2022). Children from families that are food insecure are more likely to suffer from poor mental health.

Evaluation of the pilot project will be key and we would recommend that a Health Impact Assessment is completed. Public Health can also support with evaluation as we can draw data from the National Child Measurement Programme (NCMP), which collects the heights and weights of children in reception and year six annually to calculate Body Mass Index (BMI). Also, the bi-annual health and wellbeing school survey can be used to assess the health and wellbeing outcomes over time of children who receive a free school meal.

An Equalities Impact Assessment has been carried out and is annexed to this report at **Annex A**.

## **Risks and Mitigations**

24. A key risk for the project is securing ongoing funding this will be crucial in working with the catering contractors who may incur additional costs as part of the pilot e.g. need for additional staffing. The costs of delivering the meals is a fixed cost of the project and this needs to be covered regardless of the take up of meals. Careful financial due diligence of the Westfield project will need to be maintained throughout the implementation to ensure that costs of delivery remain within the available budget.
25. Contractual arrangements may need contract variations to facilitate the pilot project. This will involve clear communication

regarding who is responsible for project delivery and where adjustments should be made within each school.

26. Communication with parents and carers in the pilot schools will be necessary in advance of the start of the pilot and also at the end of the pilot if a decision is taken not to maintain universal free school meals or if a decision is taken to continue with a targeted rather than a whole city roll out.

## **Wards Impacted**

Westfield and Clifton

## **Contact details**

For further information please contact the authors of this Decision Report.

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<b>Date:</b>	6/11/23

## **Annexes**

Annex A: Equalities Impact Assessment