

**FALKIRK COUNCIL**

**Subject: PROVISION OF FREE SCHOOL MEALS IN P1-3 IN PRIMARY SCHOOLS**  
**Meeting: EDUCATION EXECUTIVE**  
**Date: 9 SEPTEMBER 2014**  
**Author: DIRECTOR OF EDUCATION**

**1. BACKGROUND INFORMATION**

- The Scottish Government announced on 7 January 2014 that it is their intention that all children in P1-P3 will be eligible to receive a free school meal from January 2015.
- COSLA have been liaising with the Scottish Government to
  - get a better understanding of the underlying assumptions and calculations that have been used or assumed in the determination of overall resource requirements.
  - resolve some of the challenges and issues that are outlined in this report.

**2. PURPOSE OF REPORT**

This report seeks to provide Members with:

- our current plans to implement this Scottish Government initiative; and
- an update on where Falkirk Council are in terms of the challenges faced.

**3. CURRENT FALKIRK POSITION- MEAL PROVISION AND UPTAKE LEVELS**

- Falkirk Council currently provides an excellent school meal service across all of our Primary schools.
- Some of the key statistics surrounding the current provision are :-
  - a. Current meal take up - c3,000 (54%) of pupils in this age group take a school meal.
  - b. Current free meal eligibility - c1,000 (18%) of P1-3 primary school pupils are eligible for a free school meal.
  - c. Current free meal take up - 90% of those eligible for a free school meal regularly use the entitlement.
  - d. School Meal Prices - meal prices in primary schools is currently £1.80 per meal.
  - e. Cost of School Meal - cost to provide primary meal is £2.88.
  - f. Subsidy - we currently subsidise primary schools meals by £1.08 per meal.

**4. GOVERNMENT ASSUMPTIONS MADE IN ASSESSMENT OF RESOURCE REQUIREMENTS**

The following critical assumptions have been made by the Government in initial baseline calculations:

- School Meal Uptake Rate : **75%**

- That councils have or can provide the necessary infrastructure/capacity to deliver this initiative.

## **5. CHALLENGES FALKIRK COUNCIL FACE IN IMPLEMENTING THE PROPOSALS**

### **5.1 Estimated Additional Meals Required**

- Currently we have around **5,600** pupils in the P1-P3 cohort.
- Currently around **3,000** of P1-P 3 pupils take a school meal.
- Currently around **1,000** pupils (**18%**) are entitled to receive a free school meal.
- Approximately **90% (900)** of those pupils eligible to receive a free school meal take them currently.
- This means that the current P1-P3 take up of 3,000 (free and paid) could potentially increase to **5,600** if all P1-P3 pupils opt to take a free meal.
- We estimate that that meal numbers in P1-P3 will increase in January 2015 by:
  - 2,040 (68%) if 90% of those eligible take them; or
  - 2,320 (77%) if 95% of those eligible take them; or
  - 2,600 (87%) if all (100%) of those eligible taken them.

### **5.2 Meeting Increased Production Capacity**

Catering Services have advised Education Services that they face significant challenges and costs in producing the additional meals. These include:

- limitations in some existing kitchens
- additional staffing
- purchase of additional equipment
- meeting the needs of the special diets of those pupils who form part of the additional numbers
- increased transportation of meals.

### **5.3 Meeting Increased Dining Room Capacity**

- To implement these changes Education Services face significant infrastructure challenges across all of our primary school estate.
- We are currently undertaking an impact assessment on a school by school basis to assess the limiting factors within each school. These will include:
  - Schools with currently high occupancy rates
  - Schools with no internal space to expand dining room or kitchen areas
  - Additional equipment needs
  - Improvement to kitchens
  - Seating and table requirements.

Where limiting factors inhibit progression then alternative options for increasing capacity will have to be considered, namely:

- Improvements to dining hall facilities

- Investment in dining room & service related equipment
- Increasing kitchen capacities
- Transportation solutions
- Extending or internally reconfiguring school buildings

Included in this area will be significant challenges surrounding space availability, seating capacity, staggered lunch breaks, and supervision of pupils by Education staff.

#### 5.4 **Additional Challenges Faced**

A number of additional challenges are faced by implementing this policy including:

- increased costs in food waste removal
- increased energy costs
- loss of income resulting from meals being provided free of charge.

The associated costs involved in managing these challenges have been included in our costings.

### 6. **GOVERNMENT FUNDING AVAILABLE**

#### **Revenue Funding**

6.1 The Government have confirmed (17 July 2014) that they will provide additional revenue funding of **£70.5m** over 2 years 2014/15 and 2015/16. This represents an increase of **£15.5m** over their initial commitment and follows representations from and discussions with COSLA and ADES.

6.2 Falkirk's share of the Revenue funding is:

|                | <b>Scotland</b> | <b>Falkirk</b> | <b>Falkirk%</b> |
|----------------|-----------------|----------------|-----------------|
| <b>2014/15</b> | £16.5m          | £0.534m        | 3.2             |
| <b>2015/16</b> | £54.0m          | £1.749m        | 3.2             |
|                | <b>£70.5m</b>   | <b>£2.283m</b> | <b>3.2</b>      |

#### 6.3 **Revision of Initial Estimate of Take Up**

Although the government initial cost estimates were based on a **75%** uptake the additional **£15.5m** funding provision allows Falkirk to address the funding gap we initially had identified, as we expect to have an actual take up rate of between 90%-95%.

#### **Capital Funding**

6.4 The Government are still in the process of discussing the level and distribution methodology of capital investment needed with COSLA currently. It is hoped a decision/agreement on this will be made soon.

## 7. ESTIMATED ADDITIONAL COSTS

### 7.1 Additional Annual Revenue Costs

We estimate our additional revenue costs to be:

|   | Total<br>£000s | 2014/15<br>£000s | 2015/16<br>£000s |
|---|----------------|------------------|------------------|
| <ul style="list-style-type: none"> <li>Catering Services (Additional Costs/ Production of 2,320 @ £2.88 per meal additional meals/day)<br/><u>Includes</u> <ul style="list-style-type: none"> <li>Staff Costs</li> <li>Meal Productions and Food Costs</li> </ul> </li> </ul> | 1,270          | 297              | 973              |
| <ul style="list-style-type: none"> <li>School Staff - Dining Room Supervisors <ul style="list-style-type: none"> <li>Additional 65 hours/day (inc cover)</li> </ul> </li> </ul>   | 170            | 40               | 130              |
| <ul style="list-style-type: none"> <li>Transport/Waste/Recycling Costs</li> </ul>   | 100            | 23               | 77               |
| <ul style="list-style-type: none"> <li>Energy Costs</li> </ul>  | 50             | 12               | 38               |
| <ul style="list-style-type: none"> <li><u>Loss of Income</u><br/>Total Primary School Meal Income £1.130m<br/>P1-P3 = 45% of pupil cohort = £0.510m</li> </ul>  | 510            | 119              | 391              |
| <ul style="list-style-type: none"> <li>Inflation (2015/16) and Contingency Provision</li> </ul>   | 183            | 43               | 140              |
|   | <b>£2,283</b>  | <b>534</b>       | <b>1,749</b>     |

#### Note

1. Estimated costs are based on a 95% uptake rate.
2. Financial year split is based on Scottish Government Allocation (23.4% 2014/15 and 76.6% 2015/16).

### 7.2 Additional Capital Costs - Asset and School Capacity Infrastructure Expansion

#### (i) **Equipment**

We estimate we would need to purchase the following:

|  | £ms                     |
|--|-------------------------|
| <ul style="list-style-type: none"> <li>Production Kitchen Equipment</li> <li>Dining Furniture</li> <li>Serveries and Transportation Equipment</li> </ul> | £0.15<br>£0.15<br>£0.10 |

**Total additional Capital Costs (Equipment) is estimated at** **£0.40m**

**(ii) School Estate Infrastructure**

- Work assessing the potential limiting factors within schools around current capacity/space is underway and will require to be aligned to the capital resources once confirmation of these is received.
- } Not yet known

**Note:** Timescales will be extremely challenging to deliver any significant kitchen/servery improvement work by January 2015.

**8. RECOMMENDATION**

**8.1 That Education Executive:**

- (i) note the content of the report; and**
- (ii) agree that Education Services progress the rollout and implementation of free school meals for all P1-P3 pupils from January 2015, within the revenue and capital resources available.**

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**Director of Education**

**Date:** 28 August 2014

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**LIST OF BACKGROUND PAPERS**

NIL