



DERBY CITY COUNCIL

**COUNCIL CABINET**  
**4 September 2007**

Report of the Cabinet Member for Leisure and  
Direct Services

# ITEM 9

## PROPOSED INCREASES TO THE PRICE OF SCHOOL MEALS

### SUMMARY

- 1.1 School meals have become an important issue following the Jamie Oliver programme about what was happening in the London Borough of Greenwich, and the Government introducing higher standards for meals.
- 1.2 Whilst the Government has allocated additional finance for the higher standards this is also needed to improve dining rooms, introduce marketing initiatives to drive sales and promote healthy eating awareness.
- 1.3 The school meal price in Derby is competitive with surrounding Local Authorities, even though we provide a drink which isn't mandatory until September 2008.

### RECOMMENDATION

- 2.1 To approve an increase in the price of school meals with effect from 29 October 2007.
- 2.2 The price of school meals supplied by Environmental Services to schools will be as follows.

MEAL TYPE	CHARGE 2006/7	CHARGE 2007/8	INCREASE
Primary	£1.50	£1.55	5 pence
Secondary	£1.65	£1.70	5 pence
Adult	£2.15	£2.20	5 pence

### REASON FOR RECOMMENDATION

- 3.1 The price of the meals need to increase due to the additional nutritional standards, which cannot be maintained within the existing price framework.
- 3.2 Failure to increase the cost would result in a charge to the City's Council Tax.

**For more information contact:** Dave Pickering 01332 716401 e-mail [dave.pickering@derby.gov.uk](mailto:dave.pickering@derby.gov.uk)  
**Background papers:** Report of Interim Director of Environmental Services



DERBY CITY COUNCIL

## COUNCIL CABINET

4 September 2007

Report of the Interim Director of  
Environmental Services

# PROPOSED INCREASES TO THE PRICE OF SCHOOL MEALS

## SUPPORTING INFORMATION

- 1.1 The catering service has a financial forecast for 2007/08 as shown in Appendix 2. This assumes a 5p increase in the cost of school meals.
- 1.2 The budget for school meals is delegated to schools. Under the delegated powers they are able to determine the selling price of school meals.
- 1.3 Derby City Council issued a statement regarding the price of school meals that states: Derby City Council intends to set the price of school meals at a level that is **deemed affordable to all**. All **schools are** asked to have regard for this policy and not vary from it without good reason.
- 1.4 The price of school meals was last increased in September 2006.
- 1.5 The government has introduced new, higher standards for school meals from September 2007. This has increased the primary school meal ingredient cost to 71p per person, an increase of 19p on last year.
- 1.6 Primary school menu items for the autumn term include; Roast Chicken, Spaghetti Bolognese, Minced Beef Cobbler, Vegetable Jalfrezi, Salmon Steak with lemon and Parsley garnish, Pork Loin and apple sauce, Sweet and Sour Chicken, Mutton Paneer with Basmati Rice, Braised Steak and Yorkshire Pudding and many more healthy options for the children to eat.
- 1.7 School meals across the country have changed because of worries that many children eat too much food with lots of fat, salt and sugar. Our school meals offer healthier choices at lunchtime, including more local produced fresh food.
- 1.8 National Nutritional Standards, minimum number of portions to be served:

<b>Food Group</b>	<b>Primary School</b>	<b>Secondary School</b>
Fruit & Vegetables	2 of each per day. 1 should be vegetables or salad and 1 fruit  2 fruit based desserts per week	2 of each per day. 1 should be vegetables or salad and 1 fruit
Fish	1 per week. Oily fish once every 3 weeks	2 per week. Oily fish once every 3 weeks
Red Meat	2 per week	3 per week
Starchy Foods	1 daily	1 daily
Bread	1 daily	1 daily
Milk & Dairy	1 daily	1 daily

- 1.9 In addition to the paid meal and free meal income stream, central government funding will help towards meeting the increased costs. This funding is known as the 'Jamie Oliver Money'. Derby's share will be allocated in September 2007 for 12 months and totals £249,462.00.
- 1.10 This allocation is not just being spent on ingredient cost; it will also be used for marketing initiatives to drive sales and promote healthy eating awareness.
- 1.11 As more fresh ingredients are prepared in the kitchens additional labour hours are required. Dining rooms have to be improved to make them more inviting and create a better dining experience. There will also be ongoing kitchen maintenance and equipment renewal costs.
- 1.12 The Derby City Healthy Schools Programme are in full support of the changes we have made to ensure healthier lunches are on the menu in Derby City schools and they continue to work alongside the school catering team to improve food in school and promote healthier eating.
- 1.13 Local Authority School Meal Price Comparisons:

Local authority price comparisons are shown below. The cost of providing a drink to meet the required nutritional standard is not included by some authorities. The costs in Appendix 2 include for the provision of a drink but this may need to be reviewed in subsequent years if budget pressures continue to increase.

The table below shows that charges in Derby City are the lowest for those authorities providing drinks and the second lowest in the region overall.

## **Primary School Meal Prices – Regional**

Authority	May 2006	Sep 2006	May 07	Sept 07	Comments
Nottingham City	1.40	1.40	1.40	1.50	No drink
Derby City Council	1.35	1.45	1.50	1.55	Drink
Tameside	1.45	1.55	1.55		
Sheffield City	1.48	1.60	1.60		Increase pending No drink
Rotherham	1.55	1.60	1.60		Increase pending
Derbyshire County Council	1.50	1.50	1.60	1.70	
Staffordshire County Council	1.65	1.65	1.65	1.75	No drink
North Lincolnshire	1.60	1.65	1.65	1.70	Drink
Shropshire	1.60	1.70	1.70		
Leicestershire	1.65	1.70	1.70	1.75	No drink
Nottinghamshire County Council	1.75	1.75	1.75	1.85	No drink
Cheshire	1.65	1.75	1.75		
Solihull			1.65	1.70	No drink
Wolverhampton			1.45	1.50	Milk only
Coventry			1.55	1.60	Drink
Cambridgeshire			1.75	1.85	Drink

- 1.14 There are indications that material costs may be higher than expected in the coming financial period due to inclement weather producing shortages.
- 1.15 Steps continue to be taken to increase overall operational efficiency and these have been included in the financial forecast in Appendix 2. During the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> week of September 2007, Primary and Secondary school labour hours will be compared against provided meals. The revised kitchen labour hours will be implemented after half-term week commencing 29 October 2007.
- 1.16 Derby City Council, Catering Services provide a drink with the primary school meal. Unlike many other local authorities this is included in the price. The pupils have a choice of a carton of milk, orange or apple juice or a beaker of water.
- 1.17 The estimated cost of providing a drink is £200,000 per annum, inclusive of a 'milk subsidy' of £30,000 per annum.
- 1.18 Inclusion of milk with the meal is necessary achieve the primary school 'Nutrient-Based Standards', which become mandatory in September 2008.

<p><b>For more information contact:</b> Dave Pickering 01332 716401 e-mail dave.pickering@derby.gov.uk</p> <p><b>Background papers:</b> Report of Cabinet Member responsible for Leisure and Direct Services</p>
--

<b>IMPLICATIONS</b>
---------------------

**Financial**

1. An increase of 5 pence on school meal prices will enable the catering service to deliver the financial performance as shown in Appendix 2 for 2007/08.

**Legal**

2. None.

**Personnel**

3. None.

**Equalities**

4. None.

## APPENDIX 2

### Financial Forecast.

#### Catering Forecast 07/08

<b>Income</b>	£000's
---------------	--------

Total Income	4841
--------------	------

#### Expenditure

Wages inc Overheads	2521
---------------------	------

Salaries inc Overheads	322
------------------------	-----

Food including Milk	1311
---------------------	------

Supplies and Services	496
-----------------------	-----

Support Services	209
------------------	-----

	4859
--	------

<b>Loss</b>	18
-------------	----