

ITEM 6



DERBY CITY COUNCIL

SCRUTINY MANAGEMENT COMMISSION 28 SEPTEMBER 2009

Report of the Director of Environmental Services

Review of the School Meals Service

SUMMARY

- 1.1 A review is being carried out into how best to provide a cost effective school meals service in the City. This review is being undertaken by Officers in partnership with a specialist catering company. The review is due to be completed by October 2009. A Cabinet report will be submitted which will set out the various options.
- 1.2 The key aims of the review are to identify ways to deliver school meals within the allocated budget. The options considered will include new catering methods which will deliver operational improvements, widen choice available to customers (in line with community demands) and ensure consistent food quality through a number of standardisation mechanisms. Also to improve meals provision to schools which do not have a production kitchen.

BACKGROUND INFORMATION

- 2.1 The City Council school meals service has returned a deficit between £80,000 and £370,000 for the last four years. The financial projection for 2009/10 is estimated to be £80,000 deficit.
- 2.2 55 school kitchens prepare and cook meals on site. 15 of these kitchens send meals to a further 17 sites across the city. Many of the existing kitchens are in a poor state with old outdated and outmoded equipment.
- 2.3 Customer feedback has highlighted that the current service delivered across the city is inconsistent and the food quality fluctuates from site to site.
- 2.4 Customer feedback has shown a desire for a wider range of 'choice of menu' to be made available. This cannot be delivered within the existing constraints of the school meal service kitchens.
- 2.5 The current set-up within school kitchens means that kitchens are unable to respond to the increasing requests from the City's diverse ethnic communities to provide culturally appropriate options.
- 2.6 A school meal is the only hot meal that many children from areas high in poverty and social deprivation may receive. It is vitally important that the City Council actively ensures all pupils entitled to the 'free school meals' provision receive their meal.

SUPPORTING INFORMATION

- 3.1 Every school meal sold costs the City Council approximately £2.75 to provide, while the charge to parents is only £1.85. Therefore it is costing the City Council 90p for every paid meal provided. From October 2009 the price will rise to £2 per meal, which will still mean that the actual price will not be covered by the selling price.
- 3.2 The financial data demonstrates that if the school meals service is to remain within its current operational format then the City Council will need to agree to either subsidise the provision, or to raise the price of meal with potential loss of customers, or to consider a reduction in provision.
- 3.3 The 'Food Based Standards for School Lunches' legislation has meant that there has been a move away from re-heating convenience food products, towards the creation of homemade dishes. While this addresses both health and nutrition issues, it is more labour intensive to deliver and has resulted in increased food and labour costs.
- 3.4 The review will consider all alternatives for school meal provision. These will be costed and compared.
- 3.5 One option being considered is a Central Production Kitchen which would allow the City Council to provide seasonal menus and a wider variety of choice because of the food production and cooking processes adopted.
- 3.6 A Central Production Kitchen will ensure that the quality and consistency of all food provided is of the same high standard and will link with defined purchasing specifications, recipes and production methods, which will provide economies of scale.
- 3.7 Currently schools without a kitchen facility have quality and temperature problems which affect the overall quality of the meal. New methods and processes will be utilised to ensure current quality deficiencies will be eliminated under the new ways of working.

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None
Appendix 1 - Implications

IMPLICATIONS

Financial

- 1.1 A Cabinet Report will be submitted with detailed options and indicative cases.
- 1.2 On 17 February 2009 Council Cabinet approved the Council's General Fund Revenue Budget. This included a three-year budget plan, with projected savings of £50,000 for 2010/11 and a further £300,000 of savings for 2011/12 from a review of school meal preparation procedures. Further savings in 2012/13 are anticipated as part of this review.

Legal

- 2.1 Any changes to provision will be delivered in accordance with all Food Safety legislation

Personnel

- 3.1 If staff numbers are affected by the proposals the Council's procedures and policies will be followed including Trade Union consultation.

Equalities Impact

- 4.1 A key aim of the review is to produce culturally appropriate food in line with Derby City Council's Equalities and Diversity statement

Corporate objectives and priorities for change

- 5.1 The review will ensure that Derby City Council school meals service fulfils two key Corporate priorities:
 - Improving the health and well-being of our communities.
 - Increasing value for money.