

### **Update on school meal funding**

This briefing is to explain the funding details for school meals, including previous funding and an explanation of recent changes in school meal charges.

#### **Historic funding**

As you may already be aware, historically North Yorkshire County Council held a subsidy of around £1.3m to support primary and special schools with midday meals for pupils. This money was used to smooth out the cost of meals and enabled a universal price to be charged to parents, no matter the size of school, or the number of meals taken, as part of our commitment to overcome the diseconomies of scale faced by some of our smaller schools.

However from 2013/14, we were no longer able to do this and we added the £1.3m to school budgets. To continue to help deal with higher unit costs, we were able to allocate the money in a way which was more favourable to smaller schools (e.g. by adding a proportion to the lump sum). Every primary school received a share of that funding, which is still in core school budgets, and we have attached the split of the £1.3m and how it was allocated to schools in 2013/14.

#### **Current funding**

Since then, formula funding has increased by around 5%, and although the formula has changed (most recently in 2018/19), this has been to the further benefit of smaller schools. We have been able to provide individual schools with details of the amount allocated per pupil per day and per pupil per meal, depending on the take up of school meals.

Overall, assuming that every pupil on roll took a meal every day of the year, 100%, then on average schools received 17p contribution to the meal price, with the highest being £1.51 and the lowest 8p. On a 75% calculation, the average is 23p (with highest being £2.10 and lowest 11p).

It is difficult to give anything other than a notional amount in the formula for this (in the same way that we can only give a notional amount for teaching costs), but this illustrates that, in providing this subsidy, there was never any expectation that the full cost of a meal could only be met from charging parents and students. Equally, there is no expectation that you should contribute this amount to meeting your overall meal cost from your core budgets.

#### **School meal costs**

Our current school meal prices have needed to take account of recent cost increases, which have largely been driven by a need to cover costs for the national living wage, which came in for April 2018. The result has been a 9.25% increase in staffing costs for our operational catering teams working in schools. Overall, the average increase in costs, associated with staffing, was 6.8% across all schools. We have been able to provide details of costs for each school meal, which reflect these costs in provision.

The county council's school catering service has a long commitment to serving home-cooked, fresh, local and healthy foods to pupils and to supporting many local businesses across the county, with all suppliers based in the region – and the service has recently been awarded the Soil Association's prestigious Food for Life silver award. We continue to work with schools across the county to provide a cost-effective service and I hope that this briefing

explains the context around historic funding for school meals. If you have any further questions regarding this, please contact Shaun Mancrief, Head of Traded Services (email: [shaun.mancrief@northyorks.gov.uk](mailto:shaun.mancrief@northyorks.gov.uk)).