

# Education, Children and Families Committee

10.00am., Tuesday 12 December 2017

## School Meals Update

|                            |         |
|----------------------------|---------|
| <b>Item number</b>         | 7.19    |
| <b>Report number</b>       |         |
| <b>Executive/routine</b>   | Routine |
| <b>Wards</b>               | All     |
| <b>Council Commitments</b> |         |

### Executive Summary

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This report provides an annual update on the school meals service including information on menu compilation, school meals uptake, Food for Life accreditation, online payment and cashless catering provision.

It also highlights the emerging challenges as school meal uptake continues to increase.

## School Meals Update

### 1. Recommendation

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#### 1.1 That Committee:-

- 1.1.1 Notes the update on school meals with particular regard to uptake trends and Food for Life accreditation; and
- 1.1.2 Notes the challenges ahead that the new service faces with rising school rolls and early year provision.

### 2. Background

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- 2.1 On 24 September 2015, the Finance and Resources Committee approved the Asset Management Strategy (AMS) for Property and Facilities Management. AMS is now a work stream within the wider Council Transformation Programme, aimed at achieving cost savings and delivering an improved service through a new operating model. The programme aims to create a credible, focused and sustainable delivery plan for property and facilities management to deliver a fit-for-purpose, right-sized and safe estate; provide an appropriate level of service at an acceptable and efficient cost; and in a commercial manner to maximise value for the Council. Overall the programme aims to deliver £6.2m of recurring savings by financial year 2019/20.
- 2.2 The Catering Service is part of the AMS, however a decision was taken not to subject the service to a formal review due to the increasing demand and new challenges, which are highlighted later in this report. In place, was a restructure of the management team and the transformation of the service into a single function, no longer aligned with building management, janitorial or cleaning services. Consequently, the new Catering Service management team is now in post and includes a new Catering Manager, and four Catering (locality) Team Leaders.
- 2.3 On 13 December 2016, Committee considered a School Meal Update report and noted the successful delivery of additional accommodation space in four schools to facilitate the implementation of the extended entitlement to free school meals for all P1 – P3 pupils; the successful retention of Food for Life Bronze catering mark across the school estate; and the achievement of Silver catering mark in two pilot schools, Currie High School and Buckstone Primary.
- 2.4 The purpose of this report is to provide Committee with an update on a wide range of activity across the school meals spectrum including menu design, school meals uptake, Food for Life accreditation and cashless catering. It also highlights the challenges ahead for the service principally as a result of increasing demand due to rising school rolls and additional early years provision.

### 3. Main Report

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#### Menu Design

- 3.1 Nutritional regulations for food in schools have been in place since the implementation of Hungry for Success in 2003. This was superseded by the Schools Health Promotion and Nutrition (Scotland) Act 2007.
- 3.2 In addition, the Nutritional Requirements for Food and Drink in Schools (Scotland) Regulations 2008 were introduced in primary schools in August 2008 and in secondary schools in August 2009. The regulations set strict nutritional standards for all food and drink being served in schools. Information on the implementation of the nutritional requirements for food and drink can be found at this link <http://www.gov.scot/Publications/2008/09/12090355/0>
- 3.3 The statutory nutrient standards are calculated to ensure that the school lunch provides a third of the daily nutritional requirements for primary and secondary school pupils. A portion size range is set under the Schools Health Promotion and Nutrition (Scotland) Act 2007 and catering providers ensure portions remain within this range.
- 3.4 For primary schools there were previously two sets of nutrient standards; one for children between 5 and 6 years, and the other for children between 7 and 10 years. With the implementation of the Schools Health Promotion and Nutrition (Scotland) Act 2007 there is now a combined nutrient standard for all primary schools pupils. There is a wide range of nutritional needs and appetites within the new age range and catering staff use their skills, knowledge and judgement to provide appropriately sized portions for individual pupils.
- 3.5 The nutrient standards for secondary pupils are calculated to be reflective of the age profile in Scotland, which is currently around 55% aged 11 to 14 years and 45% aged 15 to 18 years.
- 3.6 School lunch menus are designed for the majority of the school population to comply with the nutritional legislation above, creating a balanced menu across the week. The menu design process requires a significant amount of resource in considering:-
  - Recipe costing;
  - Nutritional & allergen analysis;
  - Effect of transport;
  - Equipment available in kitchens; and
  - Incorporation of seasonal/local produce.
- 3.7 Other children follow special diets for religious or medical reasons with school kitchens also seeing a significant increase in pupils with increasingly complex dietary needs and steps are taken to ensure these requirements are factored into the meal service.

3.8 The catering service are committed to sourcing from Scotland and the UK when possible. The service uses local suppliers for meat, vegetables and milk and all fish comes from sustainable sources, balancing cost and quality with the desire to purchase local goods:-

| Supplier                                       | Percentage Spend on Scottish Produce        |
|--|---|
| <b>Scottish Butcher</b>                        | 79%   |
| <b>Scottish Fruit &amp; Vegetable Supplier</b> | 39.6%<br>(increasing to 46.8% April/August) |
| <b>Dry &amp; Frozen Supplier</b>               | 20% UK Produce – 2% Scottish*               |
| <b>Dairy Supplier (Wiseman)</b>                | 99.3%                                       |

\*only 2% claimed as wholly Scottish due to supplier labelling, i.e., produced in Scotland but packaged throughout the UK

### Schools Meal Uptake

3.9 The Scottish Government Healthy Living Survey is undertaken every February. The 2017 survey was completed the week commencing 20 February for primary, secondary and special schools with the results showing comparative data across all Scottish Local Authorities:

#### Free and Paid Meal Uptake

|                  | 2014/2015 | 2015/2016 | 2016/2017 |
|------------------|-----------|-----------|-----------|
| <b>P1-3</b>      | 80%       | 84%       | 83.7%     |
| <b>P4-7</b>      | 42.2%     | 42.4%     | 40.9%     |
| <b>Secondary</b> | 21.3%     | 22.7%     | 17%       |

## Edinburgh Meal uptake against Scotland Average

|                  | <b>Scotland<br/>Average<br/>2016</b> | <b>Edinburgh<br/>2016</b> | <b>Scotland<br/>Average<br/>2017</b> | <b>Edinburgh<br/>2017</b> |
|------------------|--------------------------------------|---------------------------|--------------------------------------|---------------------------|
| <b>P1-3</b>      | 81.7                                 | 84                        | 81.2                                 | 83.7                      |
| <b>P4-7</b>      | 53.7                                 | 42.4                      | 52.4                                 | 40.9                      |
| <b>Secondary</b> | 45.8                                 | 22.7                      | 44.3                                 | 17                        |

3.10 Uptake in Edinburgh secondary schools continues to fall behind the national average. The service is continuing ongoing initiatives to improve uptake, building on the successful work completed in the revamped service styles at both the new Portobello and James Gillespie schools. Uptake at these schools has increased due to the new layout and more appealing dining space and the use of a biometrics cashless catering system at Portobello.

3.11 New products and menus have proved popular at both high schools; however replicating this serve style in the older schools estate is proving difficult due to the lack of modern equipment and facilities. There is also ongoing demand on the production facilities at these schools to transport meals to primaries.

Comparison of Edinburgh meal numbers 2015/2016 and 2016/2017

(Extracted from the annual school returns sent to Scottish Government)

| April15 - March 16 | Primary Schools |                  | Secondary Schools |                | Special Schools |               |
|--------------------|-----------------|------------------|-------------------|----------------|-----------------|---------------|
|                    | Paid            | Free             | Paid              | Free           | Paid            | Free          |
| <b>TOTALS</b>      | <b>574,244</b>  | <b>2,126,601</b> | <b>320,698</b>    | <b>184,821</b> | <b>24,765</b>   | <b>56,131</b> |

  

| Apr16-March17 | Primary Schools |                  | Secondary Schools |                | Special Schools |               |
|---------------|-----------------|------------------|-------------------|----------------|-----------------|---------------|
|               | Paid            | Free             | Paid              | Free           | Paid            | Free          |
| <b>TOTALS</b> | <b>666,648</b>  | <b>2,295,454</b> | <b>368,995</b>    | <b>186,709</b> | <b>23,226</b>   | <b>60,682</b> |

3.12 Over the last three years there have been significant increases in total meal returns. Primary meals have continued to rise with numbers up 261,257 meals between 15/16 and 16/17. The number of secondary meals has risen by 50,185 meals over the same period. These figures are in addition to the marked increase of 721,000 free meals which was recorded between 2014 and 2015 as a result of P1-3 Universal Free School Meals.

## **Food for Life (FFL) Accreditation**

- 3.13 In December 2014, Edinburgh Council became the first local authority in Scotland to achieve the Bronze Catering Mark Award across all its primary, secondary and special schools. This was achieved by all three catering providers; Council FM Catering, AMEY (PPP 1 schools) and Chartwells (PPP 2 schools). In May 2017, the Bronze Award was retained for a fourth consecutive year in all schools by all three catering providers. Also, in May 2017, the Council FM Catering pilot schools, Currie High and Buckstone Primary, retained the Silver Catering Mark Award for the second year.
- 3.14 The two silver pilot sites have implemented silver catering mark menus over a full year and two menu cycles; spring/ summer 2016 and autumn/ winter 2016/17.

To achieve the Silver Catering Mark catering must:

- Continue to meet ALL the bronze standards: (assurance certificates required for all meat, along with supplier declarations; other standards to be assessed during inspection);
  - Pick up an additional 150 points in total by:
    - (a) Spending at least 5% of total ingredient budget on organic produce 25 points (this is required);
    - (b) Sourcing ethical and environmentally friendly food (organic, free range, MSC, MCS 'fish to eat', Freedom Food, Fairtrade or LEAF). Min: 15 points;
  - Acting on the making healthy eating easy steps. Min: 20 points; and
  - Collect another 90 points from any of the three categories (including; reducing plate waste, meat free day, % local spend).
- 3.15 Achieving a minimum of 150 points at the pilot schools has been reached through several activities, which include making healthy choices easier and work with the schools to promote the school meals service and wider aspects of food work across education. To reach the required 5% of total ingredient budget on organic produce several products have been tested with varying success. Organic produce is, by its very nature, often significantly more expensive than the non-organic alternative.
- 3.16 As part of Committee discussions on the 2016 School Meals Update report, officers were requested to consider the practical and financial implications of seeking to achieve FFL Silver Catering mark across the entire school estate. This has been investigated with particular emphasis on sourcing, and the cost of, organic produce such as milk, baked potatoes/vegetables, pasta and meat or, as an alternative, a complete organic dish.

## **Milk**

- 3.17 Organic Milk is commonly used by many authorities to contribute towards organic spend. While this product is easy to substitute for cooking purposes it is not something that is used in large quantities and therefore the comparative value of spend is quite low.
- 3.18 Semi skimmed milk or water are the drinks options offered with a primary school lunch. Ordinarily, milk is provided in individual drinking cartons. However, organic milk is not available in individual carton portions. While this does reduce the amount of packaging being generated it poses problems in terms of service. For example, at Buckstone organic milk is used for pupils to drink. This is decanted into jugs and provided to pupils in beakers. This requires additional resource and there can be waste through spillages. Conversely, there has been a reduction in the number of pupils choosing milk as their drink since the cartons were removed at Buckstone.
- Current non-organic milk spend approx. £120,000 per annum;
  - Current non-organic semi- skimmed milk £0.69 per litre;
  - Organic semi-skimmed milk £0.95 per litre;
  - Predicted additional annual cost for organic milk £32,400.
  - Current suppliers have indicated that they do not have the capacity to provide the volumes required if all schools in Edinburgh were to make the change.

## **Baked Potatoes/Vegetables**

- 3.19 Baked potatoes were chosen as an organic substitute product as they are on both primary and secondary menus daily. Initially, the price differential on this product was minimal and little change to preparation is required. However, this initial price was unsustainable and was only offered during a short period for one site. By exploring the opportunity further to scale this up to all sites the following transpired:
- Current spend is approx. £80,000 per annum on baked potatoes;
  - Our supplier advised that costs for organic potatoes (at current volume) would be at least 50% more than we are paying for the standard product.
  - To provide organic potatoes based on current volumes would require at least a three-year plan/commitment to organic producers to ensure that the demand could be sustained.
- 3.20 In conjunction with our contracted supplier, organic vegetables were sourced from an East Lothian farm. The supplier used their existing processor to take dirty vegetables from the farm and have these prepared in line with our existing non-organic product; soup mix, carrots and turnip. While this worked well as a finished product in the pilot kitchen, there are a number of issues which would need to be resolved to allow this to be rolled out:-
- Additional transport costs from farm to processor;
  - Viability of processing plants ability/ capacity/ desire to adapt their practises to allow for larger scale organic preparation;
  - Availability of supply should this be scaled up, which would likely to require at least a 3-year plan to implement;
  - Full final product costing.

3.21 Due to the inconsistency in supply of organic baked potatoes, alternative organic vegetables have been explored to ensure we meet the required 5% organic spend to maintain the silver award. Again, these can be difficult for our wholesaler to source and are delivered to the kitchens dirty. Using dirty vegetables requires additional storage, preparation time and staff resource. While this has been possible short term with a limited range in the pilot kitchen, it is not something which would be feasible in all kitchens due to volume of meals produced and physical space available; even if additional resource was provided.

### **Pasta**

3.22 Pasta is another staple product regularly featured on both the primary and secondary menus. Being a dried product, it is one which should be less susceptible to seasonal variations in cost or supply. As such, this is currently used to contribute to organic spend. Quality of product is comparable to non-organic product however price differences are again significant:

- Current non-organic pasta spend approx. £15,500 per annum;
- Current pasta £0.91 per kg;
- Organic pasta £1.58 per kg;
- Predicted additional annual cost for organic £8,990.

### **Meat**

3.23 Currently there is no organic meat available through our fresh meat contract, where fresh Quality Meat Scotland Assured product is used. A UK farm has been sourced for assured frozen organic mince, which is being used in the pilot sites.

- Current non-organic QMS mince spend approx. £15,145 per annum;
- Current non-organic QMS mince £5.01 per kg;
- Frozen Organic mince £8.05 per kg;
- Predicted additional annual cost for organic £9,190.

### **Organic Dish**

3.24 The addition of a fully organic dish on the menu was investigated as the idea was appealing in terms of true implementation of the organic principle. A number of basic dishes were explored including macaroni cheese, tomato pasta and beef bolognese. Whilst a few of the ingredients could be sourced through procurement contracts there were several which we are unable to purchase; these included cheese, margarine, tinned tomatoes and prepared vegetables. As such, the concept could not be implemented.

3.25 In summary, the range of organic products which are suitable for use in schools and available through our existing contracts and suppliers is limited. Generally, all organic items are at least 50% more expensive. In addition, through current food contracts prices are increasing for a number of everyday staples such as cheese, tuna and milk. The market predicts continuing increases within the food sector in the coming months which will put further pressure on existing budgets.

3.26 For the reasons above, the fact that there is no current budget allocation and the emerging challenges highlighted later in the report, it is recommended that the catering service continues to consolidate the FFL Bronze award across the estate and FFL Silver award in the pilot schools.

### **Edinburgh Food for Life Partnership**

3.27 The Edinburgh Food for Life Partnership (EFFLP) is an innovative public and third sector collaboration, working since 2012 to identify and tackle barriers to providing good food within publicly funded institutions.

3.28 This group shares the vision of Edible Edinburgh: to be a city where good food is available for all, making for healthy people, thriving communities and a sustainable environment.

3.29 As part of the Council's commitment to the partnership, the school meals service has signed up to a number of EFFLP activities and objectives. These aim to develop and embed the FFL principles allowing the service to focus on communication with stakeholders, improving quality and consistency and developing staff.

3.30 Edible Edinburgh is a cross sector group which has developed the Edible Edinburgh Sustainable Food City Plan following city wide consultation. The plan is a tool to help Edinburgh develop as a sustainable food city. It recognises a cultural shift to deliver healthier, fresh and sustainable food is produced, that fewer people live in poverty and our natural environment is protected.

3.31 Procurement is one strand in the plan and is considered when awarding contracts with the following aims:

- To develop a thriving local food economy based on public and private sector businesses procuring more sustainable food;
- Improve the amount of sustainable food procured;
- Establish better communication and links between producers, processors, retailers and customers;
- Support ongoing delivery of the Edinburgh Food for Life Partnership project; and
- Expanding catering mark in settings beyond schools and care homes.

3.32 Next steps include achieving the Sustainable Food Cities Network Bronze award. Continuing to develop sustainable food procurement within the delivery of school meals provision will play an important role in this.

3.33 By maintaining the Bronze catering mark across all schools, work will continue with suppliers to source produce from Scotland and the UK where possible and work will continue with the supply chain to increase the range of local produce available.

## **Online Payments and Cashless Catering**

- 3.34 Following a tender process, ParentPay is the new Online Payments system which enables parents to pay for lunches, trips and other items securely by credit or debit card.
- 3.35 The upgrade to the cashless catering systems across the secondary estate is complete. The new system allows the use of a pin number or biometrics for pupils uploading money to their accounts or making payments at tills. The system speeds up service and is proving popular at Portobello High. The roll out programme for biometrics is also currently underway.

## **Other Initiatives**

- 3.36 In order to promote healthier choices and encourage pupils to increase their consumption of fruit, vegetables and salad items, freshly prepared fruit pots/ fruit platters are now on offer and many schools have a salad bar where pupils can help themselves. These have been very popular with pupils, showing a significant increase in the amount of salad and vegetables being consumed.
- 3.37 Portobello High school hosted the launch a national campaign for secondary schools aimed at tackling obesity using social media. Pupils were treated to a demonstration of healthy, easy to make recipes as well as taking part in a Hula Hoop challenge and testing their physical reactions with a Batak Machine. Further details can be found on [Newsbeat](#)
- 3.38 Following on from the award winning intergenerational work between Liberton High and Inchview care home reported to Committee [13 December 2016](#), this project continues with pupils hosting a Harvest Lunch on the 6 October 2017. Pupils planned, prepared and served a two-course lunch as well as decorating tables and providing the entertainment.

## **Challenges**

### **Rising Rolls**

- 3.39 Primary school rolls are projected to rise to an estimated 31,700 pupils by 2020, an increase of 13.2%. Five new primary schools have been initiated through planning to be completed within the next five-year period. Based on the 2016 uptake figures, this would equate to 3,070,059 free meals by 2020. The impact of high births will ultimately be reflected in a high primary intake.
- 3.40 The need for increased dining accommodation, prior to the implementation of free school meals was detailed in a report to Committee on the 9<sup>th</sup> December 2014 and subsequently delivered
- 3.41 Communities and Families have since conducted further analysis on the need for additional classrooms to accommodate the rising roll in pressure areas. For example, Ballgreen, East Craig's, Ferryhill, Fox Covert and St Mary's were all highlighted for additional classrooms, but with no additional kitchen or severy.

- 3.42 A provision of £19.9m was allocated to Communities and Families Capital Investment Programme to respond to the challenges faced by rising school rolls; further investment into ensuring the catering service can accommodate the additional numbers is currently being reviewed. In addition, the secondary school roll is forecast to rise by 9% by 2020 with a projected roll of 20,664 by 2020, with an additional high school planned in West Edinburgh, and replacements to Queensferry and Castlebrae.
- 3.43 Universal free schools meals were introduced to all P1-P3's within Scotland in January 2015. Findings by the Scottish Government highlight the uptake in school meals increased to 78.9% from 53.2% in 2015. Within Edinburgh, there has been an increase of 737,000 free meals between 2014/2015 and 2015/2016 sessions. A further study conducted by the Association of Public Sector Excellence (ASPE) highlights the growing pressures on school caterers nationally, with 64.9% of authorities expecting an increase on catering service demands and 88.3% of service managers, anticipating a significant increase in workload.
- 3.44 Additional employees were recruited to manage the service with a 6% uplift in wage costs. The vast majority of kitchen staff work Monday to Thursday providing on average 18,000 meals per day, which is an increase of 50% prior to the introduction of free school meals. In addition, free P1-P3 meals on a Friday has now increased to 10,000 packed lunches.

#### **Early Years Provision**

- 3.45 The expansion of the Scottish Government's 1140 hours for extended nursery places for children, will lead to additional demand on the catering service. The Scottish Government has published a blue print for the expansion of 1140 places and subsequently the uptake in meals. Many of these settings will operate for 52 weeks per year, as opposed to the current school staffing model of 38 weeks. The catering service is currently providing Early Years meals to 27 settings with an additional 940 meals daily, from school production kitchens. Currently these meals are produced at school production kitchens and transported to nursery settings. By 2020/21 session, the number of Early Years meals forecasted by Communities and Families is an additional 15,913 daily equating to an estimated 414,000 meals annually. The catering service has submitted a resource requirement to the Scottish Government detailing an additional financial requirement of £5.9m (capital and revenue), of which £610,000 is to invest in upgrading kitchens and converting existing dining centres back into production kitchens to accommodate the additional meals. Consultation is continuing with Communities and Families to provide kitchens within new build nurseries.
- 3.46 The catering service also provides for 31 lunch clubs throughout the city. The majority of these provide meals to day centres and groups in deprived areas. The menus are agreed in advance with local centres and production kitchens and tend to cater for groups with complex dietary needs therefore generating additional work for the kitchen teams.

### Current Catering Contracts

3.47 The catering service employ a small number of staff on 52 week contracts, with the remainder predominately 38 week contracts. These contracts are to cover the growing holiday feeding, currently serviced from three locations across Edinburgh: Wester Hailes Education Centre which provides between 250 and 280 meals daily to 16 lunch clubs and nurseries.

3.48 Oaklands Special School which provides 40 to 80 meals daily to 6 lunch clubs and nurseries. Leith Academy provides 165 to 180 meals daily to 9 lunch clubs and nurseries.

3.49 In order to provide a more flexible workforce for holiday feeding there is further pressure to recruit additional numbers of 52 week contractually bound staff.

3.50 Currently there are only 10 Supervisors/Assistant Cook have 52 week contracts out of a total of 673 catering employees. Staffing of holiday feeding is currently reliant on staff volunteering to work overtime.

| Session | 52 week demand | Current 52 week contracted staff | Proposed 52 week contracted staff | Number of locality production kitchens | Daily Meal numbers - current 2017/18 expected 2018-2020 |
|---------|----------------|----------------------------------|-----------------------------------|--|---|
| 2017/18 | 17 nurseries   | 10 s/visors                      |                                   | 3                                      | 1,172   |
| 2018/19 | 27 nurseries   |                                  | 10 s/visors<br>10 GA's            | 4                                      | 2,419   |
| 2019/20 | 71 nurseries   |                                  | 12 s/visors<br>20 GA's            | 6                                      | 4,993   |

3.51 Communities and Families advised Committee on the 12 October 2017 that an application was being submitted to the Big Lottery for funding to support holiday activities with free meals for children P1 to S4 experiencing poverty. Should this bid be successful the Holiday Hunger initiative may compound the need for additional 52-week staff. Communities and Families are currently in discussions with the Scottish Government & National Lottery funding to secure funds to open centres across the 4 localities in Edinburgh. The initiative aims to:

- Reduce holiday hunger amongst children from low income families;
- Reduce the social isolation which can result, for children, young people and parents during school holidays;

- Increase opportunities for low income children, young people and parents to take part in a range of physical and cultural activities which are fun and educational; and
- Building Collaboration and partnership working across organisations delivering school holiday provision in locality areas.

3.52 If the Council proceeds with the above consideration needs to be given to the financial implications as there is currently no staff budget to allow the move of all staff from 38 to 52 week contracts. Further, staff working 52 week contracts to accommodate holiday feeding will need to take holidays within term time.

### **Transportation**

3.53 51% of primary meals are transported throughout Edinburgh from 54 primary production kitchens and nine high school kitchens. Transport costs continue to rise with additional transport runs both for new settings (i.e. early years) and additional settings for rising numbers.

| <b>Year</b>           | <b>2014/15</b> | <b>2015/16</b> | <b>2016/17</b> |
|-----------------------|----------------|----------------|----------------|
| <b>Transport Cost</b> | £287,000       | £279,000       | £310,000       |

3.54 Due to the large number of school kitchens without production kitchen facilities, it is necessary to transport prepared meals across the city. Dining centres strive to achieve the same standard as those within production kitchens. As numbers continue to rise, the pressure on production kitchens will increase; therefore the following considerations require to be taken into account;

- Menu development and suitability of products for transport - work will continue with suppliers to improve upon products to enable them to transport better. For example, recent work with McCain's tested the ability of potato products to transport resulting in a change of product;
- Geographical spread of dining centres, remote areas such as Ratho and Currie prove difficult to supply and staff;
- Travel time and distance between production kitchens and dining centres; and
- Feasibility of increasing the amount of vans used to transport meals, reducing the length of time food is transported on multi-drop runs.

3.55 The need for additional transport must be weighed up against the environmental concerns on putting more vans on the road. Due to their design and/or location, it is not feasible for many schools to have a production kitchen on site. New build sites will include production kitchens but additional consideration needs to be given to a large-scale capital works programme to re-open mothballed production sites.

## **Estate/Equipment**

- 3.56 From a total of 54 production kitchens 85% are over 20 years old. Maintenance calls /jobs logged with the Customer Helpdesk continue to increase as equipment ages, becomes defective or fails completely demonstrating the increasing need to programme capital expenditure against equipment life expectancy. There is no budget for planned, preventative maintenance programme in place. Analysis of the Helpdesk calls estimate an average of 127 calls per month relating to catering breakdowns, which impact upon service.
- 3.57 The Government Legislation entitling all P1 – P3's a free school meal has exasperated the challenge to the existing, ageing equipment further. Some investment was provided to supply the additional meals but this was insufficient to cope with the significant rise in meals. In addition, there is a large investment required to cope with the future growth.
- 3.58 Around 25% of the energy used in catering is expended in the preparation, cooking and serving of food. By far the largest proportion of this energy is consumed by cooking apparatus and much of this is wasted through inefficient, ageing equipment.
- 3.59 Catering is a relatively labour intensive activity, much of the potential energy savings relate to working practise. The efficient use of equipment in the kitchen will not only save energy and money but will contribute to a better managed catering operation, a more pleasant environment in the kitchen and in some instances better standards of food.
- 3.60 As a result of the above, an audit/condition survey of all equipment will be commissioned to highlight the investment need to meet current and future the meal numbers.

## **Food Inflation**

- 3.61 UK inflation has risen since June's Brexit vote to the highest level for two years, however the greater risk surrounds the longer term headline Consumer Price Inflation (3% is likely in 2017). Dairy supplies are likely to see the largest increase in inflation, with growing pressure on supply chains. Throughout 2018, it is expected to see combinations of market forces and currency devaluation heralding the return of inflation to the foodservice supply chain.
- 3.62 Falling milk production, currently 7% down year on year, is also a driver. This is caused by a combination of two factors. Firstly, a reduction in the dairy herds and secondly, adverse weather conditions. Wholesale milk is increasing in price by 5% and as a consequence so is cheddar cheese by 44%, butter by 38% and cream by 42%. These economic circumstances will put further pressure on existing budgets.
- 3.63 In summary, the main focus of the service will be to concentrate on the statutory obligation to provide school meals while continuing to prepare for the challenges outlined above.

## **4. Measures of success**

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- 4.1 The delivery of approx. 18,000 meals Mon-Thurs and 10,000 pack lunches on a Friday to the appropriate standard.
- 4.2 Continuation of FFL bronze award across the estate and silver award in the pilot schools.

## **5. Financial impact**

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- 5.1 FFL Bronze award has been in place for four full menu cycles. As the initial implementation of the Bronze Award and Free School Meals P1 to P3 ran concurrently, it is difficult to separated associated costs.
- 5.2 FFL Silver has been in place for two full menu cycle in two pilot sites.
- 5.3 As outlined in this report, implementation of the Silver Award across all schools could cost in the region of an additional £90,000 per annum. The assumption being milk, pasta, baked potatoes and mince continue to be used to achieve the required 5% spend.
- 5.4 Inflation is estimated to have a 3% increase on our total food spend – estimated £71,000 increase,
- 5.5 Staffing levels are likely to rise to accommodate the rising roll and additional Early Years meals, the full impact of which has not yet been forecast,
- 5.6 Transport costs are estimated to rise by 10% year on year to accommodate additional Early Year settings.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 None identified.

## **7. Equalities impact**

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- 7.1 There are no negative equality or human rights impacts arising from this report.

## **8. Sustainability impact**

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- 8.1 Edinburgh Catering Services will continuously access and improve its environmental performance and endeavours to operate in harmony with the environment, with particular emphasis on the following objectives:-
  - To utilise raw materials and processes which make minimum demands on the environment and which produce minimum waste.

- To carry out our service using environmentally friendly materials and equipment, which are energy efficient and produce minimal harmful waste when disposed of.
- To minimise waste produced through the catering activities to improve waste management practices,
- To utilise (where applicable) efficient deliveries minimising carbon foot-print and reducing the number of deliveries to site where possible,
- To provide all the information necessary to enable products to be properly used, stored and disposed of so as to avoid damage to the environment.
- Whilst food & packaging waste continues to be an issue across the industry as a whole ECS has taken the below steps to combat food waste and reduce packaging waste.
- The integration of ParentPay allows school kitchens to effectively forecast the number of meals they produce on a daily basis, reducing over production and food waste. Although in early an stage the system should also encourage greater uptake in school meals and the ability to analyse the menu more effectively.
- A daily diary is issued to each school kitchen to communicate with production kitchens on items that prove popular and flag dishes which have proved less popular are then reviewed across the estate to remove or re-visit recipes on future menu's.
- ECS continue to work with suppliers to reduce the packaging on packed lunch items such as water bottles which utilise tetra-pak FSC paperboard.
- ECS have changed the supplier of their disposable cutlery to a UK based supplier to reduce the environmental impact on shipping.
- All school kitchens are tasked with promoting pupils to eat in on crockery rather than use disposable packaging, analysis on the estates catering trading accounts show that consumable purchases (cleaning products and disposables) represent 1.62% of total income in primary schools and 2.39% in secondary schools, which is significantly below industry average.

## 9. Consultation and engagement

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- 9.1 We provide regular updates to primary parents through our biannual menu leaflet and through the food in schools web page on the CEC website.
- 9.2 Parents, pupils and schools can get in touch for additional information or provide feedback to our food in schools email ([foodinschools@edinburgh.gov.uk](mailto:foodinschools@edinburgh.gov.uk)).
- 9.3 As part of a review of the service across our secondary schools we have consulted with pupils on the style of service, food offering and branding, as well as providing taster sessions, promotions and supporting schools assemblies.

9.4 Our staff sit on pupil food groups within a number of schools and we are keen to extend this where possible. Recent work within this new catering team has increased engagement with schools and parents.

## 10. Background reading/external references

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10.1 None.

### **Stephen S. Moir**

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## 11. Appendices

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11.1 None.