

<p><b>Individual Mayoral Decision Proforma</b></p> <p>Decision Log No: 196</p>	
<p><b>Report of:</b> James Thomas, Corporate Director Children's and Culture Directorate</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Contract Services Primary School Meal Price Increase for September 2020</b></p>	

<b>Is this a Key Decision?</b>	<b>No</b>
<b>Decision Notice Publication Date:</b>	14 <sup>th</sup> August 2020 individual notice
<b>General Exception or Urgency Notice published?</b>	<b>Not required</b>
<b>Restrictions:</b>	(If restricted state which of the exempt/confidential criteria applies)
<b>Reason for seeking an Individual Mayoral Decision</b>	This Individual Mayoral Decision is being sought because it is necessary for the 0.04p price increase to the Primary School meal price to be put place by September 2020 in time for the start of the academic year.

## EXECUTIVE SUMMARY

This IMD is required because since UIFSM were introduced in September 2014, the price of a Primary School meal in Tower Hamlets has been pegged to the UIFSM price of £2.30. Following an announcement on the 14<sup>th</sup> July 2020 by the Education and Skills Funding Agency (EFSA) schools will now be funded £2.34 for each meal served to young children under the universal infant free school meals (UIFSM) scheme. UIFSM's provides funding for all government funded schools to offer free school meals to pupils in reception, year 1, and year 2. As a result of this increase, this report sets out a request to increase the Tower Hamlets Primary School meal price from £2.30 to £2.34 in September 2020 for KS1 and KS2 pupils including Mayors free meals and all eligible free school meals.

Over the last six years labour, food, and energy costs have increased significantly. Contract Services have also had to absorb a Greater London Council two year pay deal in 2018 and 2019 where all lower paid employees working for Contract Services benefitted from a 20% pay increase. These rising costs have had a detrimental impact on the cost structure of all Contract services and has contributed to the deficit position that it now faces.

Various proposals have been put forward to the Primary Schools' Headteachers' Consultative forum to increase the meal price above £2.30.

However, these requests have been rejected on the grounds that schools would not be prepared to subsidise the Government UIFSM programme. It was also considered inappropriate to have a two-tier primary meal price for Mayors KS2 meals and eligible FSM pupils.

It is important to note that the requested 0.04p price increase will not result in any costs to schools or parents/pupils. The request for the increase simply enables the Service to claim all of the Government subsidy available.

Contract Services have introduced measures such as working closely with key suppliers, revising menus and introducing new technology to mitigate increases in staffing and food costs. However, against a background of an increasingly fragmented sector, the impact on the service from COVID-19 and the uncertainty brought about by Brexit, delivering a hot nutritious meal is becoming increasingly financially challenging.

It is understood that the EFSA will allocate the £0.04 increase at the beginning of the academic year 2020/21. Any increase in price will help manage some of the financial pressure in Contract Services. This also assumes that the Mayor's Free School Meal Programme for KS2 pupils also absorbs the £0.04p increase in the meal price from September 2020.

### **Risks**

1. If this recommendation is not accepted, then the additional £0.04p funding will accrue to those schools that have a Catering SLA with Contract Services.
2. If the recommendation set out in this report is not supported, then the 2020/21 budget deficit for Contract Services will continue to increase at a greater rate.

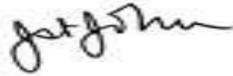
### **DECISION**

To approve the increase in Contract Catering Services Primary School meals price from September 2020 to £2.34 following the EFSA announcement to increase the UIFSM funding for KS1 pupils in all primary schools to £2.34.

**APPROVALS**

**1. (If applicable) Corporate Director proposing the decision or his/her deputy**

I approve the attached report and proposed decision above for submission to the Mayor. I confirm that the Mayor and/or Lead Member have agreed to this decision being taken using this process.



Signed: Judith St John for James Thomas Date: 24/08/2020

**2. Chief Finance Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed 

Date 20 August 2020

**3. Monitoring Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

(For Key Decision only – delete as applicable)

I confirm that this decision:-

- (a) has been published in advance on the Council’s Forward Plan OR
- (b) is urgent and subject to the ‘General Exception’ or ‘Special Urgency’ provision at paragraph 18 or 19 respectively of the Access to Information Procedure Rules.

Signed 

Date 20 August 2020

**4. Chief Executive**

I have been consulted on the content of the attached report which includes my comments where necessary.

Signed ..... Date .....

**5. Mayor**

I agree the decision proposed in the recommendations above for the reasons set out in paragraph 1.1 in the attached report.

Signed

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Date: 21/08/2020