
PROVISION OF P1 TO P3 FREE SCHOOL MEALS – UPDATE

1. EXECUTIVE SUMMARY

- 1.1 The Council was required as part of the Children and Young People (Scotland) Act 2014 to provide free school meals for all pupils in P1 to P3 from January 2015. There have been both revenue and capital cost implications of expanding the catering service to deliver this. The estimated costs were outlined in reports to Council on 26 June 2014 and to the Policy and Resources Committee on 21 August 2014 and 18 December 2014. This report provides an update on the progress being made following implementation and the approach being taken to evaluate this policy.
- 1.2 The Scottish Government announced on 17 July 2014 the allocation of revenue funding to individual councils, the updated estimated revenue costs and funding allocation for revenue costs are outlined in the table below:

	2014-15	2015-16
Total Estimated Costs	£315,158	£785,751
Scottish Government Funding Allocation	£264,000	£863,000
Net (cost)/surplus	(£51,158)	£77,249

The overall costs for 2015/16 are likely to be within the total funding allocation from the Scottish Government.

- 1.3 The Scottish Government announced on 25 November 2014 the allocation of capital funding to individual councils. The update estimated capital costs and funding allocation is outlined in the table below:

Capital Cost Element	2014-15	2015-16
Total Estimated Costs	£122,517	£427,000
Scottish Government Funding Allocation	£550,000	£0
Net (cost)/surplus	£427,483	(£427,000)

The kitchen upgrade work has been completed over the summer of 2015. While final outcome costs are awaited, it is understood that the overall costs are likely to be within the total funding allocation from the Scottish Government.

- 1.4 The uptake of free school meals for P1-P3 pupils is being closely monitored on a weekly basis, and current uptake is around 81%. Initial evaluation has been undertaken to ascertain the reasons why pupils are not opting for meals, and

to measure any positive impact that this policy may be having in schools. Further evaluation will be undertaken over the coming months. The Council has also participated in the national evaluation of this policy, and initial results are likely to be available later in 2015.

1.7 **Recommendations:** Members are asked to note:

- (1) The uptake levels of free school meals for P1-P3 pupils during the period January – June 2015.
- (2) The updated actual 2014/15 revenue costs and 2015/16 estimated revenue costs to Council, compared with the revenue allocation already confirmed by the Scottish Government.
- (3) The updated actual 2014/15 capital costs and 2015/16 estimated capital costs to the Council, compared with the capital funding allocation confirmed by the Scottish Government on 25 November 2014.
- (4) The approach being taken to evaluate the implementation of this policy.

PROVISION OF P1 TO P3 FREE SCHOOL MEALS – FUNDING UPDATE

2. INTRODUCTION

- 2.1 The Council was required as part of the Children and Young People (Scotland) Act 2014 to provide free school meals for all pupils in P1 to P3 from January 2015. There have been both revenue and capital cost implications of expanding the catering service to deliver this. The estimated costs were outlined in reports to Council on 26 June 2014 and to the Policy and Resources Committee on 21 August 2014. And 18 December 2014. This report provides an update on the progress being made following implementation and the approach being taken to evaluate this policy.

3. RECOMMENDATIONS

- 3.1 Members are asked to note:

- (1) The uptake levels of free school meals for P1-P3 pupils during the period January – June 2015.
- (2) The updated actual 2014/15 revenue costs and 2015/16 estimated revenue costs to Council, compared with the revenue allocation already confirmed by the Scottish Government.
- (3) The updated actual 2014/15 capital costs and 2015/16 estimated capital costs to the Council, compared with the capital funding allocation confirmed by the Scottish Government on 25 November 2014.
- (4) The approach being taken to evaluate the implementation of this policy.

4. DETAIL**4.1 Revenue Costs and Funding**

- 4.1.1 The current revenue costs and funding are outlined below:

Cost Element	Actual Part Year Cost for 2014/15	Estimated Full Year Cost for 2015/16
Food Purchases	£64,128	£256,512
Staffing Kitchens	£29,514	£118,056
Staffing Education	£9,213	£36,855

Equipment	£92,803	£30,405
Loss of Income	£101,500	£343,923
Pilot costs	£18,000	£0
Total Revenue Costs	£315,158	£785,751
Scottish Government Funding Allocation	£264,000	£863,000
Net (cost)/surplus	(£51,158)	£77,249

- 4.1.2 These costs were initially based on a number of assumptions including expected level of uptake, and updated following the pilot that took place in November 2014. An Implementation Group has overseen the safe implementation of this policy, and the estimated figures for 2015/16 are continually reviewed and updated by the group for any significant changes. However, it is unlikely that there will be further significant change to those outlined in the table above.
- 4.1.3 The Scottish Government announced the revenue funding allocation to individual Councils on 17 July 2014, with a commitment to fully fund the costs. The additional funding is being paid as part of revenue support grant with the funds being allocated across Councils based on the overall number of primary school pupils not registered for free school meals within the Primary 1- 3 cohort. This allocation mechanism was approved by COSLA Leaders at their meeting of 30 May 2014. It is assumed that this level of funding will be carried forward into the 2016-17 financial settlement with the underlying distribution share varying slightly due to fluctuations in pupil numbers.
- 4.1.4 The Council allocation of revenue funding has been confirmed as £264,000 for 2014-15 and £863,000 for 2015-16. These allocations are in line with the expected level of funding. The table above notes a funding shortfall in 2014-15 of £51,158, and excess funding of £77,249 in 2015-16, the surplus in 2015-16 has reduced slightly due to some of the one-off equipment purchases being delayed until 2015-16.
- 4.1.5 The Council's estimated costs for equipment increased from the £98,747 reported to the Policy and Resources Committee in December 2014 to £123,208. This additional £24,461 was largely as a result of additional equipment identified following the pilot that took place in all schools during November 2014. In addition the estimated additional cost in respect of the loss of income for 2015-16 has increased from the £333,000 originally estimated to £343,923, this is due to an increase in school rolls in the P1 to P3 group from August 2015.

4.2 Capital Costs and Funding

4.2.1 The current estimated capital costs and funding are outlined below:

Cost Element	Actual Cost for 2014-15	Estimated Cost for 2015-16
Dishwashers	£122,477	£0
Storage	£40,000	£12,000
Kitchen Refits	£0	£415,000
Total Capital Costs	£122,517	£427,000
Scottish Government Funding Allocation	£550,000	£0
Net (cost)/surplus	£427,483	(£427,000)

4.2.2 On 25 November 2014 it was confirmed by the Scottish Government that the Council's share of capital funding would be £550,000 to ensure the safe implementation of this policy. Work began immediately on the design and specification of kitchens, to allow for the actual work to take place in summer 2015.

4.2.3 The kitchen upgrade work has been completed over the summer of 2015. While final outcome costs are awaited, it is understood that the overall costs are likely to be within the total funding allocation from the Scottish Government.

4.3 Implementation and Evaluation

4.3.1 Full implementation of this policy took place from 5 January 2015. During the first three weeks in particular, uptake was adversely affected by school closures due to weather in some locations. During the first four weeks, uptake was around 75%, which was lower than anticipated.

In early February, an on-line survey was circulated to both Head Teachers and Catering Managers to establish the following:

- If there were any on-going issues with regards to implementing this policy
- Reasons why some pupils were not opting for a free school lunch
- If any early benefits have been derived from the policy's implementation.

Only one school reported on-going implementation difficulties, which are as a result of the availability of dining facilities.

There were various reasons for pupils not opting for school lunch: most were due to the pupils having limited food preferences, while others preferred to go home for lunch or have a packed lunch. Most head teachers reported that it was too early to tell if this policy was delivering tangible benefits such as better

attention or behaviour in afternoon lessons, but others reported a positive improvement for some pupils.

A second on-line survey was circulated to both Head Teachers and Catering Managers in June. In their responses, no schools reported any on-going implementation difficulties, and some head teachers noted a positive impact on pupil concentration and attention in afternoon classes.

This survey will be repeated during the 2015/16 academic year, to see if improvements have been identified over a longer period of time.

- 4.3.2 Uptake of P1-P3 free meals has been monitored on a weekly basis since January, and there has been a slightly increasing trend of uptake during this period. The average uptake over the first six months of implementation has been 81%, which is higher than the average uptake across Scotland, which has been reported at 75%.
- 4.3.3 It also appears that there has been a slight increase in the uptake of paid meals for pupils in Primary 4- 7, perhaps as a result of younger siblings now being entitled to free meals.
- 4.3.4 The Implementation Group has also participated in the first phase of the Scottish Government's evaluation of this policy, by completing a survey that has been produced by the Universities of Stirling and Glasgow and funded by NHS Scotland. This survey was designed to gather information about the whole implementation process, from planning through to full implementation. The initial phase of results of this evaluation is due to be published in late 2015. Uptake information for January – March 2015 was submitted to COSLA earlier this year, and information for January – June 2015 is also being submitted.

5. CONCLUSION

- 5.1 The Council has implemented the provision of free school meals to all P1 to P3 pupils from January 2015. This has required significant investment both in terms of revenue and capital costs. The Scottish Government have advised on the level of additional revenue funding to be provided across the two financial years (2014-15 and 2015-16) and the funding offsets the estimated additional costs across these two years.
- 5.2 The Scottish Government has also confirmed capital funding of £550,000 and this is likely to be sufficient to cover the required capital spend to ensure the safe delivery of the free school meals expansion.
- 5.3 Uptake of P1 to P3 free school meals is currently around 81% The Implementation Group is closely monitoring and updating the levels of uptake, and will continue to work with catering staff and head teachers to evaluate and measure the impact of this policy.

6. IMPLICATIONS

- 6.1 Policy – The Scottish Government required the Council to implement the Children and Young People (Scotland) Act 2014, one of the requirements of which is to deliver free school meals to P1 to P3 pupils.
- 6.2 Financial – The Scottish Government have announced revenue funding for financial years 2014-15 and 2015-16 which offsets the total estimated costs for these years. The capital funding allocation of £550,000 is sufficient to cover most of the required capital works to ensure the safe delivery of this policy.
- 6.3 Legal – none
- 6.4 HR – none
- 6.5 Equalities – Delivery of the policy ensures that all P1 to P3 pupils will receive a free school lunch.
- 6.6 Risk – Revenue and capital costs will be updated as actual costs are known.
- 6.7 Customer Service – none

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11 September 2015

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