

North Tyneside Council

Report to Cabinet

Date: 14th May 2012

ITEM 6 (h)(ii)(e)

Title: School Meals and
Meals on Wheels Charges

Portfolio(s): Children Young People &
Learning

Cabinet Member(s): Councillor David
Lilly

Report from Directorate: Children Young People and Learning

Report Author: Mark Longstaff (Tel: 0191 643 8089)
Head of Commissioning and Resources

Wards affected: All

PART 1

1.1 Purpose

The purpose of this report is to provide information in order to allow Cabinet to consider the options available in relation to setting fees and charges for School Meals and Meals on Wheels as reported to Cabinet on 28 March 2012.

1.2 Recommendation(s)

It is recommended that Cabinet consider the options available in relation to the fees and charges outlined within this report.

1.3 Forward Plan

This report is included in the Forward Plan for the period 1st May 2012 to 31st August 2012.

1.4 Council Plan and Policy Framework

This report relates to an item included in the Council's Implementation Plan and agreed Budget for the Financial year 2012/13.

1.5 Information

- 1.5.1 The setting for fees and charges, in respect of school meals and community meals was subject to a report to Cabinet on 2 December 2003. That set out a framework within which all fees and charges would be set. The report, which was approved by Cabinet at that time (minute reference CAB190/12/03) granted delegated authority for the Head of Services responsible for School Meals and Meals on Wheels (as so designated at that time) to set fees and charges, in conjunction with the relevant Service Director and Cabinet member taking into consideration:

- The requirements of the Council's budget setting process;
- The prevailing market situation, including the level of competition and charges levied within other nearby local authorities/service providers;
- The Council's corporate priorities; and
- Current legislation and directives governing the setting of fees and charges.

1.5.2 At the meeting of Cabinet of 28 March 2012 a draft Implementation Plan was agreed in relation to the Council Strategic Plan 2012-15 and Budget for 2012-13. The draft Implementation Plan required a report to be submitted to Cabinet in May to consider alternative options for the setting of fees and charges in respect of School Meals and Meals on Wheels.

There are therefore two options for Cabinet to consider:

- 1) Agree to freeze School Meals and Meals on Wheels prices as set out in the Budget agreed by Council on 1 March 2012; or
- 2) Increase the fees in line with Cabinet's original Budget proposals in respect of these services.

1.5.3 The table below sets out the total estimated additional income for Community Meals and School Meals as outlined in the Cabinet's original proposals.

1.5.4

Service	Estimated Additional Income based on Cabinet's Proposal
School Meals	£178,000
Meals on Wheels	£17,000
Total	£195,000

The figures as set out above, assume the same level of business and user numbers as in 2011/12 and are based upon increasing prices from 1 September 2012. The level of actual income achieved would be dependent upon the agreed implementation date.

Background papers, together with the business plans (E17) that informed Cabinet's original budget proposals are available.

1.5.5 A general description of each service area affected by this report is set out below, together with Cabinet's original proposals.

(a) School Meals

This refers to school meal prices for all Primary, First, Middle, Special and High Schools in relation to a standard 2-course school lunch.

Cabinet's original proposals were to increase the current price of a school lunch from £1.80 to £1.95 from September 2012.

The proposed price increase took into account price inflation and information provided on prices charged by neighbouring local authorities.

(b) Community Meals Service

This refers to the price for a home delivered 2-course lunch.

Cabinet's original proposals were to increase the current price of Meals on Wheels by 40p from £2.55 to £2.95 from September 2012.

The proposed price increase took into account price inflation and information provided on prices charged by neighbouring local authorities.

1.6 Decision Options

The options for Cabinet to consider are as follows:

Option 1

Freeze fees and charges for School Meals and Meals on Wheels as set out in the Council's agreed Budget for 2012/13.

With this option the price of a 2 course school lunch would remain at £1.80 and the price of a 2 course home delivered meal via the Council's Meals on Wheels service would remain at £2.55.

Option 2

Increase fees and charges in line with Cabinet's original proposals.

The fees and charges would increase in line with the original proposals agreed by Cabinet outlined in this report, generating an estimated additional £195,000 of revenue. This figure assumes the same level of business and user numbers as in 2011/12 and is based upon increasing prices from 1 September 2012. The level of actual income achieved would be dependent upon the agreed implementation date.

1.7 Reasons for Recommended Option

There is no preferred option. Cabinet is requested to consider and make a determination as between the options set out above.

1.8 Appendices

None

1.9 Contact Officers

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1.10 Background Information

- Report to Cabinet on 2 December 2003: Fees and Charges (CAB190/12/03);
- 2012/13 Budget Business Cases;
- Briefing Note to all Members – Local Authority Governance and Decision Making – 26 March 2012; and
- Addendum Note dated 16 April 2012 to the Briefing Note to all Members– Local Authority Governance and Decision Making – 26 March 2012

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and Other Resources

The original Cabinet budget proposals assumed increases totalling £195,000 which have now been excluded from the alternative Budget agreed by Council.

Any decision to increase prices above the level specified in the Council budget would generate additional resources. Unless an alternative proposal is agreed, any such amount would be added to the Strategic Reserve and its future use will be determined in accordance with the Reserves and Balances Policy.

2.2 Legal

The responsibility for the determination of the fees and charges that are the subject of this report is a matter for Cabinet.

The Council's budget is essentially a financial envelope which is not in itself prescriptive on a line by line basis and is governed by the requirements of the law in relation to the separation of powers between the Council and Cabinet. However, whilst the determination of the fees and charges that are the subject of this report are a matter for Cabinet, Cabinet are bound to take the Council's views in relation to this matter into account as a relevant consideration in its decision making. These issues are identified in the main body of the report.

2.3 Consultation/Community Engagement

2.3.1 Internal consultation on fees and charges was carried out in accordance with the consultation process agreed for the Strategic Plan and Budget for 2012-13.

2.3.2 External consultation took place during December 2011/January 2012 as part of the Council Plan and Budget setting process, there were no formal responses in relation to these proposals.

2.4 Human Rights

There are no human rights implications directly arising from this report.

2.5 Equalities and Diversity

There are a number of Children who are currently eligible for Free School Meals and any change in price will not adversely affect this position.

2.6 Risk Management

There are no relevant risk management implications arising from this report.

2.7 Crime and Disorder

There are no relevant crime and disorder implications arising from this report.

2.8 Environment and Sustainability

There are no relevant environment and sustainability implications arising directly from this report.

PART 3 - SIGN OFF

- Strategic Director(s)
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Strategic Manager for Policy and Partnerships