

State of the Market Survey 2015

Local Authority Catering Services





The state of the market survey was conducted by Rob Bailey, APSE Principal Advisor with assistance from Garry Lee, Research & Coordination Officer.

For any enquires in relation to the survey, Rob may be contacted on:

Tel: 0161 772 1810

Email: rbailey@apse.org.uk

LOCAL SERVICES
LOCAL SOLUTIONS



Association for Public Service Excellence

2nd floor Washbrook House

Lancastrian Office Centre

Talbot Road, Old Trafford

Manchester M32 0FP

telephone: 0161 772 1810

fax: 0161 772 1811

email: enquiries@apse.org.uk

web: www.apse.org.uk

Local Authority Catering Services

State of the Market 2015

APSE conducted an online survey during May 2015, sent out to over 1000 local authority catering contacts throughout the UK. 108 responses were received representing a statistically significant response rate of approximately 10%.

A series of questions were asked covering attitudes to the issues currently facing catering, the operation of the catering organisation and challenges for the future. The same questions were surveyed since 2008 and trends are now apparent.

Main highlights are:

- Expectations for school meal uptake and subsequent catering income to increase slightly, alongside expectations that the personal workload of catering managers and departments will also increase
- Only 25.5% of respondents expected reduced hours and only 19.4% expected reductions in catering staff to be part of anticipated actions to make savings (a 25% and 13.3% drop respectively in expectations from the 2013 survey)

The data collected through this survey is intended to provide a snapshot of the perception of local authority caterers. For detailed and verifiable comparison of both financial and performance data, authorities should consider joining APSE performance networks which covers education, civic and welfare catering.

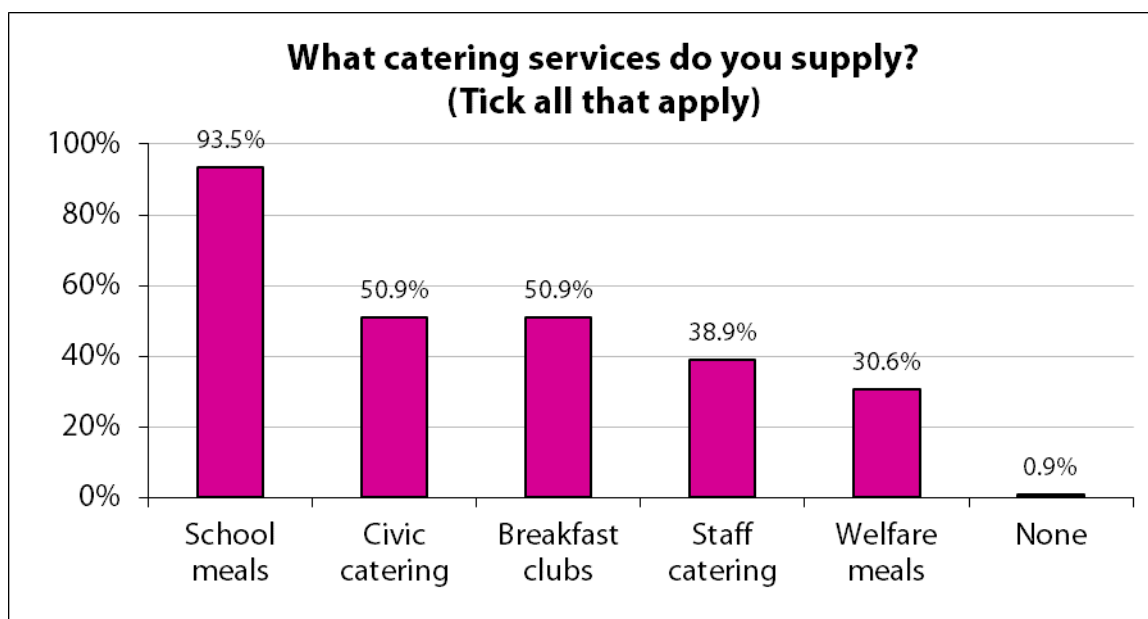
Results

Respondents were UK wide with 63.0% from England, 23.1% from Scotland, 13.0% from Wales and 0.9% from Northern Ireland. The survey therefore reflects APSE's UK wide membership and provides a truly national reflection of opinion.

Of those completing the survey, 91.3% were in-house service providers and 60.6% expected to remain within local authority control in 2 years time; 12.5% expect to move to a Council owned arms length wholly owned company and 6.7% expect to move to a joint service with another Council.

Amongst the respondents, school catering remains the largest area with 93.5% of caterers delivering this service, 50.9% of civic catering, 38.9% staff catering and 30.6% welfare meals.

Scope of the Catering Service



Wage costs

The average hourly wage for a catering assistant was given as £7.45 (median £7.30), but ranges from a minimum of £6.40 to a maximum of £9.35. This represents a 6.4% increase over the 2013 figure.

45.5% of those who responded were subject to a living wage, 12.1% said it was imminent and 42.4% said they are not. This represents an increase of 3.4% from the last survey of those expecting a living wage to be brought in.

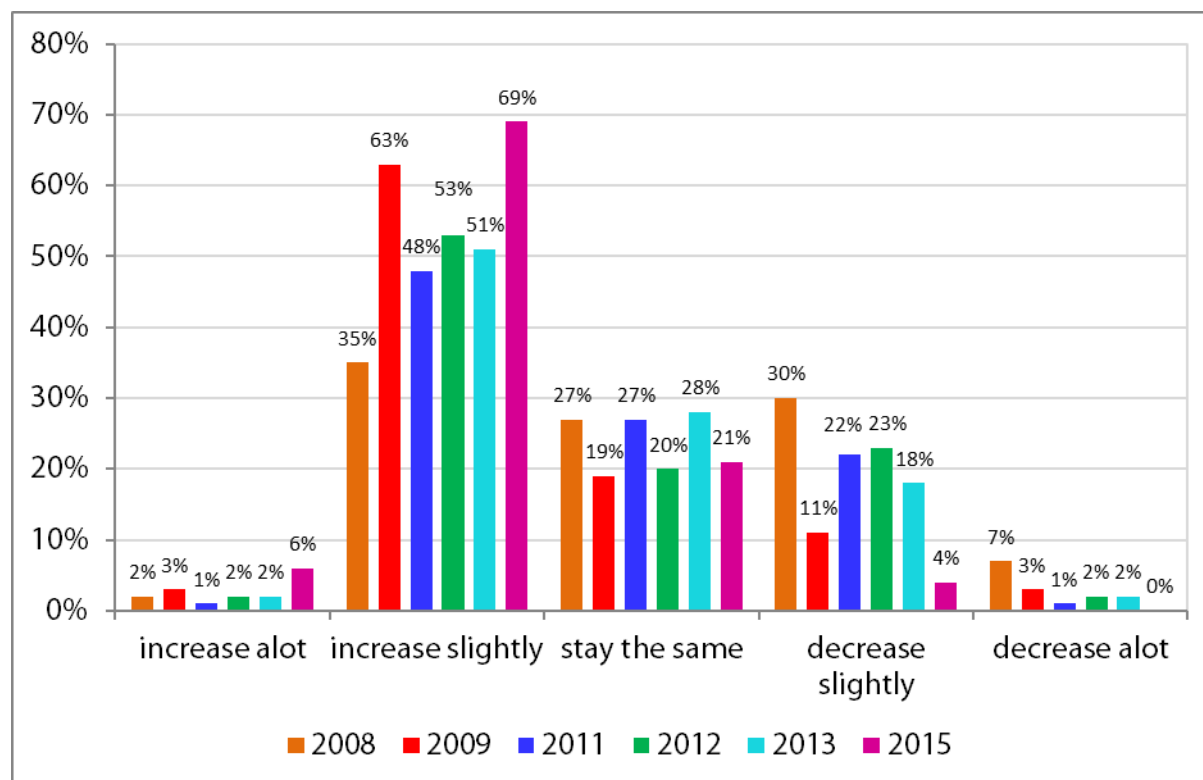
This year we looked at local authority structures and found 43.6% operate within a central FM service including Soft FM, 37.2% have a separation between education, civic and care catering, 26.6% have a standalone catering service, 24.5% have some catering contracted out, 16.0% have schools employing their own catering staff, 5.3% have all catering contracted out and 4.3% have this within a central FM service including Hard FM.

In-house providers have no separate legal status to the rest of the authority so typically use service level agreements as a substitute to contracts with the schools they supply. The majority (77.8%) have SLAs in place across their client base, although worryingly 10.1% have no agreement at all.

Rating the introduction of services

Answer options	1 (Low)	2	3	4	5 (High)	Rating average
Universal Infant Free School Meals	2.3%	0.0%	4.6%	17.2%	75.9%	4.6
Revised School Food Standards	5.9%	2.4%	13.1%	32.2%	45.2%	4.1
Food Allergen Labelling	1.9%	3.8%	14.4%	29.8%	50.0%	4.2

Expectations for school meal uptake



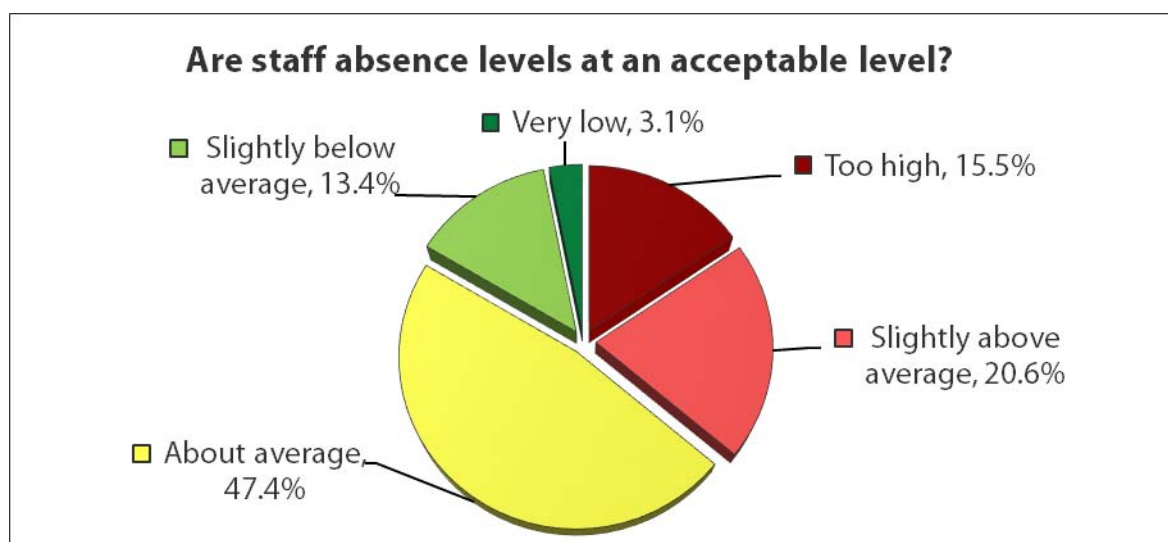
Expectations for school meal uptake have continued their volatility in the post introduction period of Universal Free School Meals, with a noticeable growth in those expecting increased numbers (76% increase and 4% decrease in 2015, compared to 53% increase and 20% decrease in 2013).

The most frequently quoted sale price for a school meal is currently £2.00 (up 5p on last year) although meals range from £1.50 to £2.50. The overall average has risen to £2.01.

APSE performance networks during the financial year 2013/14 showed a price range from £1.00 to £2.26 with an average of £1.87.

Answer options	Increase A Lot	Increase Slightly	Stay The Same	Decrease Slightly	Decrease A Lot
Catering Income	4.8%	59.6%	19.2%	14.4%	1.9%

Attitude to absence



Personally 90.1% (82.9% in 2013) of catering managers anticipated an increase in their workload over the next 12 months, against a 75.0% (61.9% in 2013) increase in that of the catering section as a whole; this is likely due to the continued implementation and fine tuning of Universal Free School Meals. Attitudes to absence have stayed roughly static with 47.4% regarding it as above average. 92.7% have regular staff training, 83.3% regular appraisals and 42.7% holding Investors In People (continuing a downward trend from 46.1% in 2013 and 62.0% in 2011). 56.3% have a regular catering section newsletter.

Data collected by APSE performance networks for 2013/14 across more than 50 authorities shows an average absence rate of 4.1% in catering services, with 1.5% being the lowest and 8.9% being the highest.

Efficiencies

This survey took place against a continuing pressure on local authority budgets. Anticipating the drive for value for money and efficiency we gauged the anticipated actions to realise savings:

Answer options	Response	Response in 2013	Change
Reductions in management	33.7%	39.6%	-5.9%
Renegotiation of meal charging methodology	32.7%	23.8%	+8.9%
Reduction in Council subsidy	28.6%	28.7%	-0.1%
Reduced hours	25.5%	50.5%	-25.0%
Reductions in catering staff	19.4%	32.7%	-13.3%
Reduction of food on plate cost	12.2%	14.9%	+2.9%
Reduced use of agency labour	10.2%	12.9%	-2.7%
Taking over central support functions (e.g. payroll)	5.1%	5.0%	+0.1%

Increased use of agency labour	3.1%	1.0%	+2.1%
--------------------------------	------	------	-------

Healthy eating agenda

Caterers were asked to provide their opinion on a range of statements shown below:

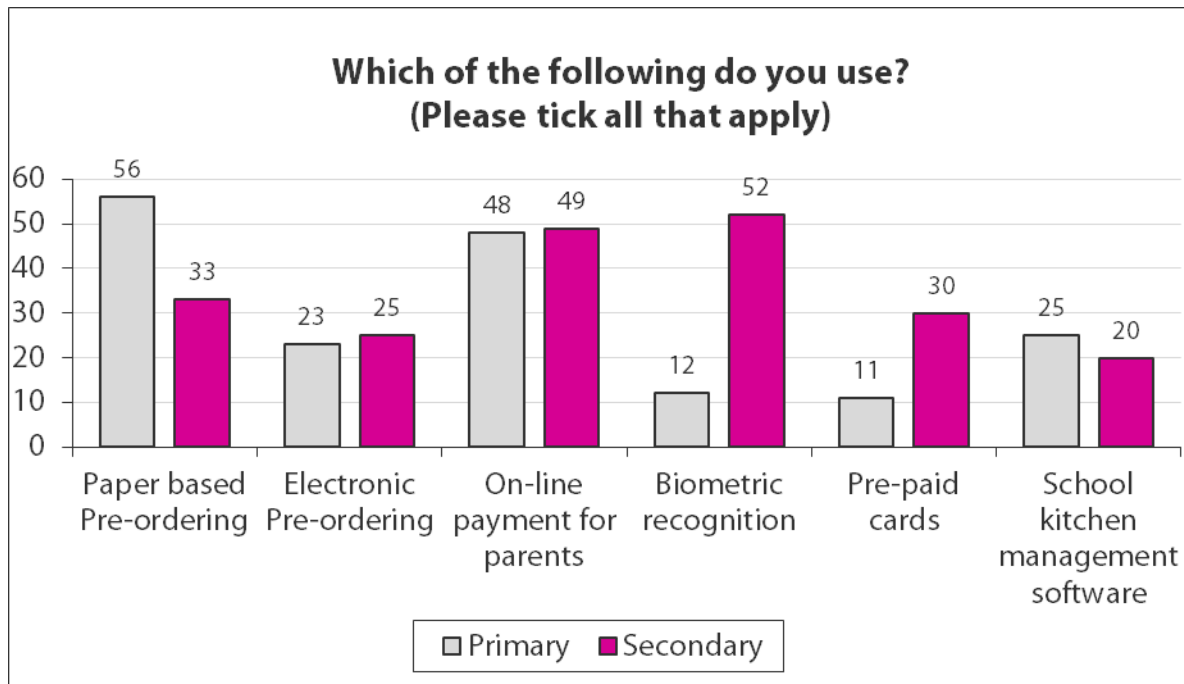
Answer options	Agree Strongly	Agree	Disagree	Disagree Strongly	No opinion
We receive too many catering/food surveys	1.9%	10.7%	58.2%	3.5%	26.2%
The Healthy Eating agenda has gone too far	6.8%	25.2%	52.4%	12.6%	2.9%
School meals should be free for all pupils	38.9%	34.0%	21.3%	4.8%	1.0%
All Academies should be subject to food standards	70.9%	19.4%	1.0%	0.0%	8.7%

A clear majority disagreed with the statements 'we receive too many catering/food surveys' and 'the Healthy Eating agenda has gone too far'. There was also widespread agreement with the statements 'school meals school be free for all pupils' and 'all academies should be subject to food standards'.

Technology

Many councils use catering software packages to comply with nutritional requirements, with 51.0% using Saffron, 25.0% using Nutmeg, 9.4% using Crisp, 6.3% using Oracle and 6.3% using their own resources.

Several systems exist to assist with productivity to reduce queuing, waste and the requirement to handle cash. The graph shows those confirming that they use the techniques in at least one school. Paper based pre-ordering is the most popular at primary level with slight gains with online payment systems for parents. At secondary level, biometric recognition remains the most popular option.



Comments on the future

Catering managers saw growth for the service over the next 12 months in the following areas:

- Continuing to implement free school meals, breakfast and holiday hunger programmes
- Providing other services than school lunches (e.g. private function catering, after school activity catering)
- Winning more contracts (both private and providing services and consultancy for schools in other local authorities)
- Amalgamating catering services further either within the Council or merging with another Council

They also saw decreases in work for the service in the following areas:

- Loss of contracts / reduced need for catering service (e.g. as some newly formed academies seek their own catering arrangements from private companies)
- The continuing effects of reduced budgets (e.g. less kitchen upgrades or new build projects to manage)
- Paperwork and administration decreases as Councils invest in electronic management systems

The Association for Public Service Excellence

APSE member authorities have access to a wide range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area please email enquiries@apse.org.uk.

Our national advisory groups include:-

- Building Cleaning
- Catering
- Cemeteries and Crematoria
- Environmental Health Advisory Group
- Housing, Construction and Building Maintenance
- Local Authorities Commercialisation, Income and Trading Network
- Parks, Horticulture and Grounds Maintenance
- Renewables and Climate Change
- Roads, Highways and Street Lighting
- Sports and Leisure Management
- Vehicle Maintenance and Transport
- Waste Management, Refuse Collection and Street Cleansing

If you require any further information on the findings of this State of the Market survey 2015 please contact Rob Bailey at rbailey@apse.org.uk or by phone at 0161 772 1810.