

State of the Market Survey 2020

Local Authority Catering Services



The state of the market survey was conducted by Vickie Hacking, APSE Principal Advisor.

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Local Authority Catering Services

State of the Market 2020

APSE conducted an online survey in December 2019 and January 2020, which was sent out to local authority catering contacts throughout the UK and 76 responses were received.

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 set of questions have been surveyed since 2008 and trends are now apparent.

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.

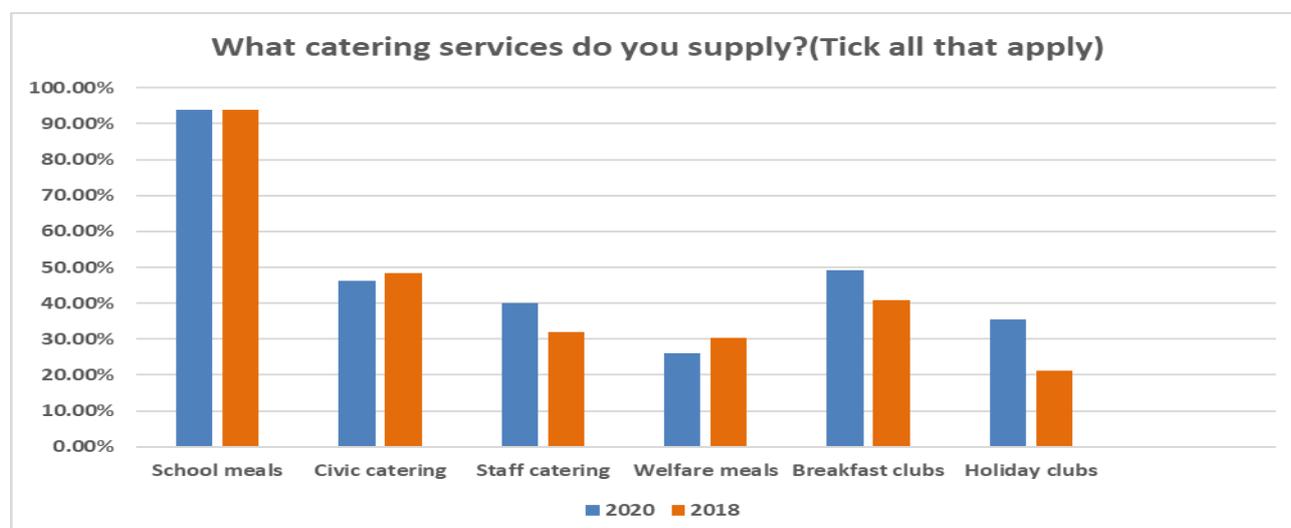
1. Results

Respondents were UK wide with 54.55% from England, 33.77% from Scotland, 10.39% from Wales and 1.30% from Northern Ireland. The survey therefore reflects APSE's UK wide membership and provides a national reflection of opinion.

2. Scope of the catering service

What catering services do you supply?

The graph below outlines what catering services councils supply for 2020 and provides a comparison with the survey undertaken in 2018



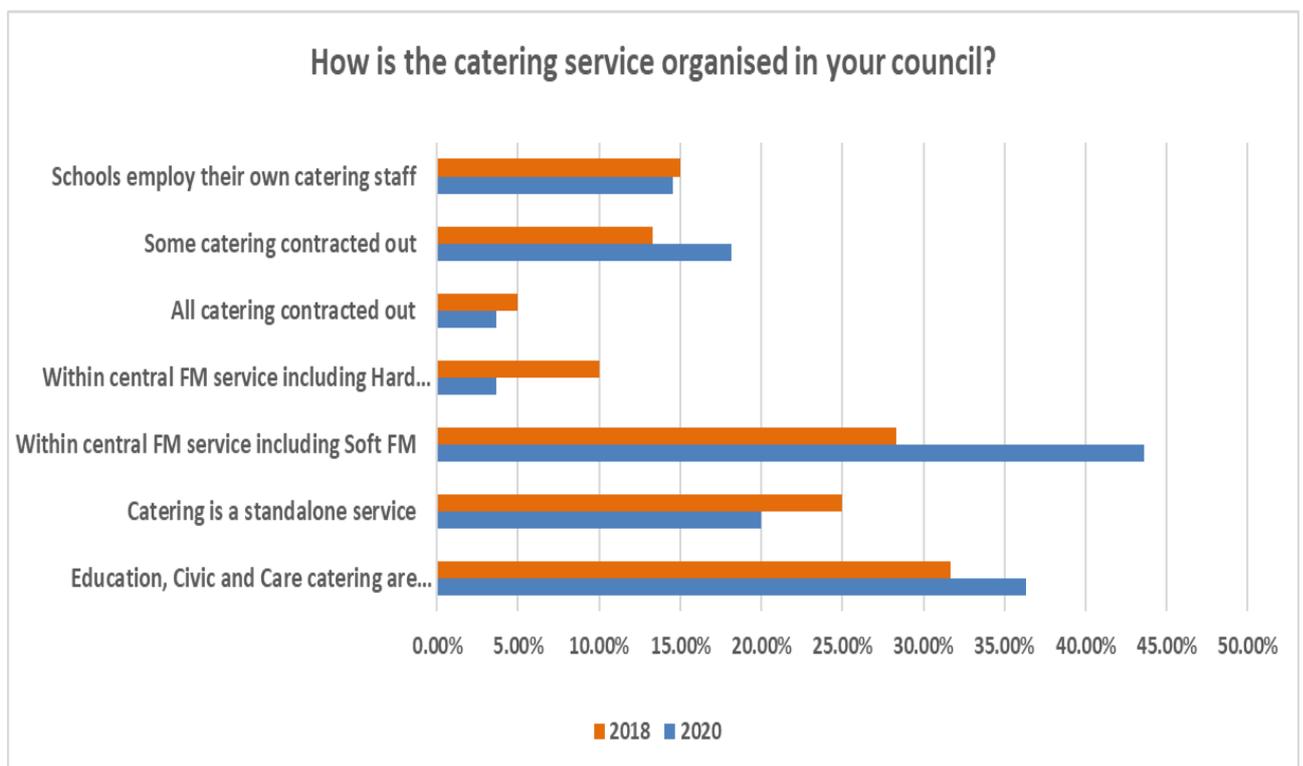
The responses show that the scope of the Catering Service remains consistent with last year and it is clear that school catering remains the dominant service with 93.85% of respondents advising that they provide this service. The greatest increase from 2018 can be seen in breakfast clubs with an additional 8.32% reporting they provide this service. Just under half of respondents (46.15%) report that they deliver civic catering, 40.10% deliver staff catering and 26.15% deliver welfare meals. In addition, 35.38% deliver holiday clubs. Respondents also commented that other catering services supplied:

- Catering for functions
- Social service units, e.g. care homes
- Public and community cafes.

How is the catering service organised in your council / catering organisation?

The survey sought to gain information regarding how the catering service was organised in councils.

The graph below outlines the responses received and provides a comparison with the last survey conducted.



The majority of respondents, 43.60% report that the catering service is within central FM service including soft FM, and this model has seen the greatest increase from the responses received in 2018 with an additional 15.31% reporting that their service was organised in this way. There were 36.36% of respondents stating that education, civic and

care catering were separate, a further 20% reported that catering was a standalone service.

3. Workload

How do you expect workload to change over the next 12 months?

The survey asked how workload was expected to change over the next 12 months both personally and for the wider catering service.

The majority of respondents (77.42%) expected that their personal workload would increase, 17.74% thought it would stay the same and 4.84% believed their personal workload would decrease. When referring to the catering section, 63.49% of respondents expected that the workload would increase, 23.81% thought it would remain the same over the next year and just over 12.70% believed it would decrease.

4. Staffing

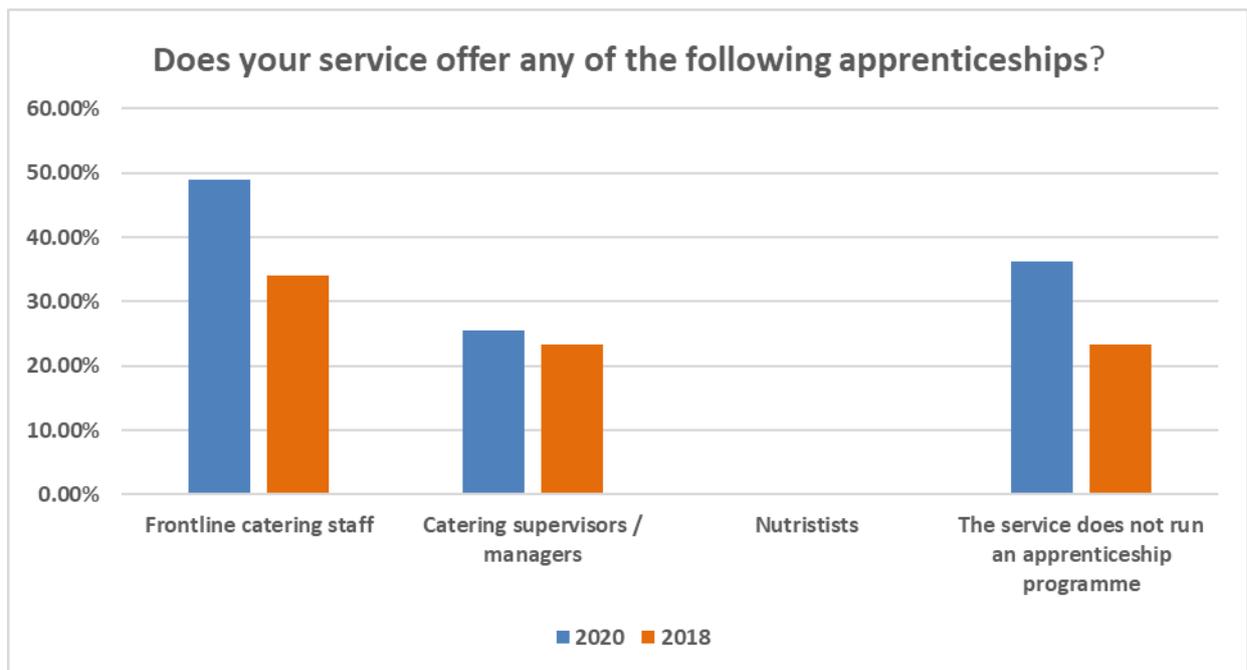
All employers must now pay the National Living Wage. However: Do you pay the higher Living Wage Foundation Living Wage?

The majority of respondents 60.78% report that they pay the National Living Wage, a further 37.25% report that the higher foundation living wage is not paid and 1.96% state that the implementation of the higher rate is imminent.

The average hourly wage for a catering assistant was given as £9.25 which is an increase of 0.63p from the average reported in 2018. The rates of pay range from a minimum of £7.18 to a maximum of £10.75. These rates of pay reflect that the survey was undertaken during December 2019 to January 2020 and respondents advised that the rate that they had specified would increase in April 2020.

Does your service offer any of the following apprenticeships?

From 2018, the APSE State of the Market survey introduced new questions focusing on apprenticeship programmes and if councils offered apprentices in the catering service. The graph below highlights the areas of the service where apprenticeships are in place from the responses in 2018 and 2020.



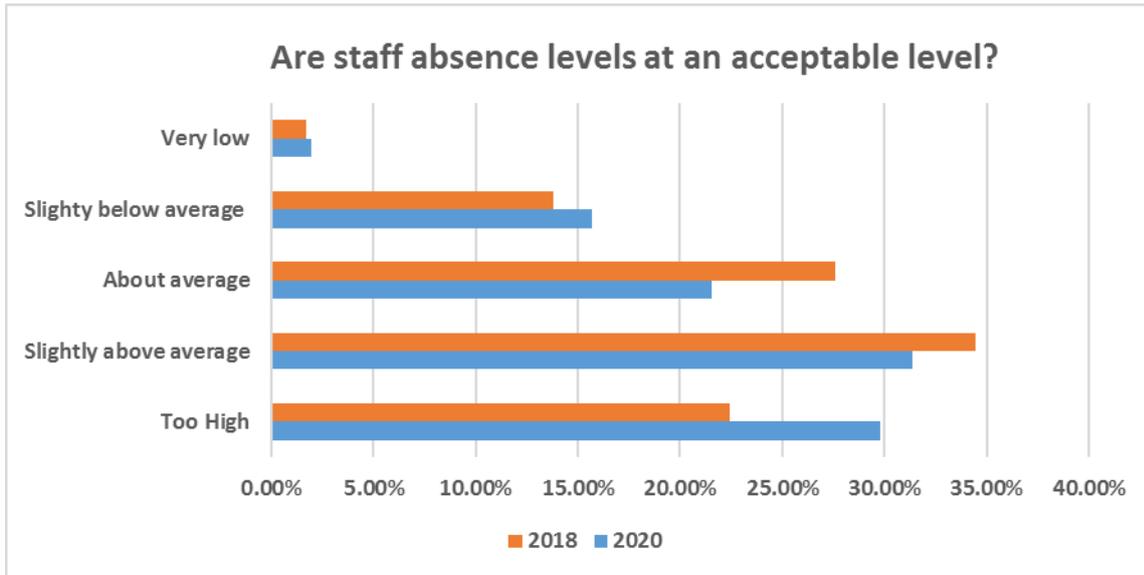
The responses highlight that there has been an increase from 34.04% in 2018 to 48.94% stating that the service offers frontline catering apprenticeships. A further 25.53% offer apprenticeships to supervisors and managers and 36.17% of respondents report that the service did not run an apprenticeship programme in the catering service. The comments associated with this question explain that the service does not offer apprenticeships in the catering service due to the nature of the contracts of frontline staff not making it feasible to meet the requirements.

The increase in apprenticeships for frontline catering staff from 2018 directly correlates with the introduction of the Apprenticeship Levy which came into effect at the start of the 2017/18 UK tax year on 6 April 2017.

The survey also queried what percentage of the workforce were apprentices. The vast majority of respondents (88.89%) advised that apprentices made up 0-5% of the workforce, with 2.22% stating that apprentices accounted for 5 – 10% of the workforce and a further 2.22% of respondents reporting that 10-15% of the workforce were apprentices.

Are staff absence levels at an acceptable level?

The State of the Market survey sought to establish what the perception of the respondents was in relation to the level of staff absence. The graph below outlines the views of the respondents for 2020 and 2018.



The percentage of respondents that they perceived staff absence to be too high is 29.79%, which is 7.38% increase from the survey responses in 2018. There are 31.37% of respondents reporting that it is slightly above average. There was only 2.13% that believed the staff absence was very low.

Which of the following staff training applies to your authority/organisation?

The vast majority of respondents, 97.83% report that the catering section holds regular staff training, 73.91% state they have regular staff appraisals, 60.87% advise that a catering section newsletter was circulated and a further 21.74% report that their organisation hold an Investors in People award.

On a scale of 1 (negative impact) to 5 (positive impact) how do you rate the introduction of the following in your organisation?

The State of the Market survey asked respondents to rate the impact of the introduction of various policies on the organisation on a scale of 1 (negative impact) to 5 (positive impact). The table below outlines a summary of the findings.

Answer options	1 (Low)	2	3	4	5 (High)	Does not apply
Universal Infant Free School Meals	0.00%	3.33%	3.33%	31.67%	51.67%	10.00%
Revised School Food Standards	8.33%	10.00%	28.33%	26.67%	20.00%	6.67%
Food Allergen Labelling	3.33%	3.33%	31.67%	36.67%	23.33%	1.67%
Brexit	10.00%	26.67%	33.33%	21.67%	5.00%	3.33%

The greatest number of respondents, 51.67% report that in implementation of Universal Infant Free School Meals has had a positive impact. Food allergen labelling is stated as having the next highest impact with 36.67% stating that they rated this as 4.

The survey also highlights that there is uncertainty regarding the impact that Brexit will have on the sector.

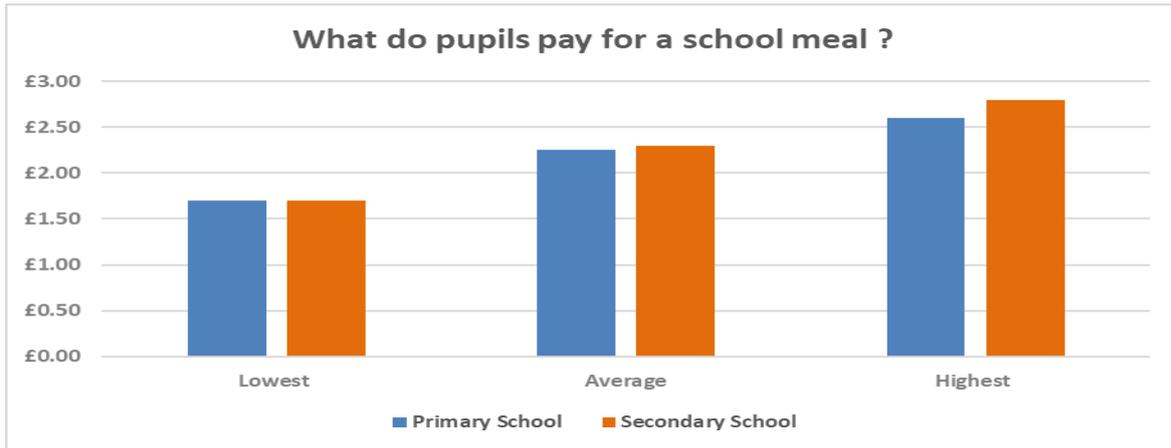
5. School meals

What meal uptake (%) are you reporting amongst infants (KS1, P1-3?)

The average percentage meal uptake among infants is reported as being 73.49% which represents a slight decline from the uptake reported in 2018 of 77% in 2018. However, remains comparable with the average stated 2017 (74.74%). The infant uptakes for 2020 ranged from the lowest of 42% and the highest was stated as being 97.00 %.

What do pupils pay for a school meal?

The survey asked respondents to state the amount pupils pay for a school meal and the graph below provides an overview of the lowest, average and highest amount paid for both primary and secondary schools.

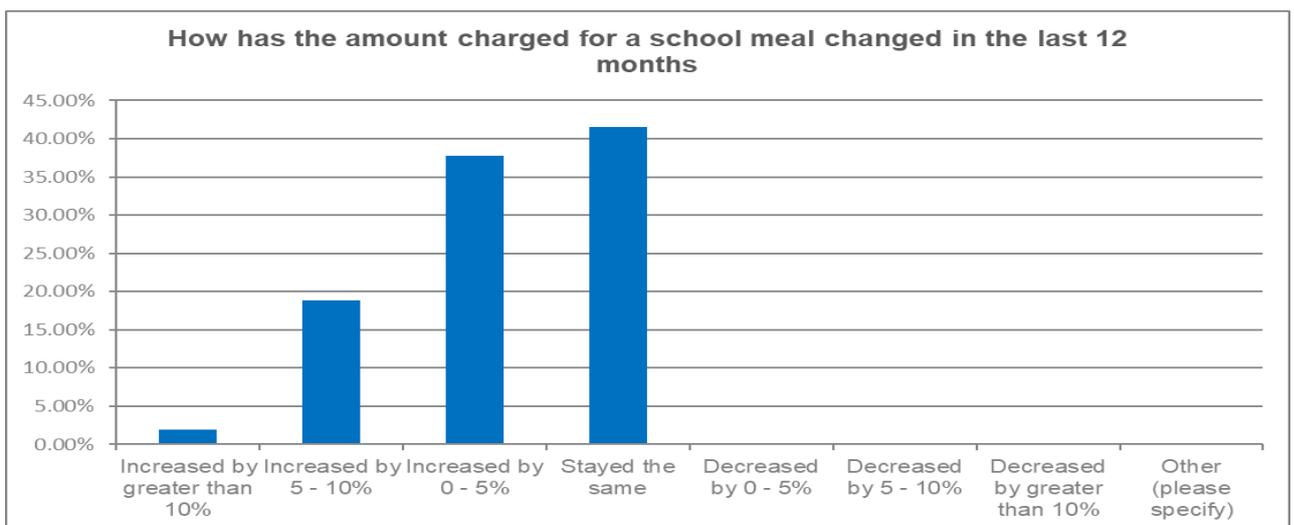


The lowest amount paid for both primary and secondary school meals is reported as being £1.70, the average price for a primary school meal is £2.25 and £2.30 for secondary schools. The highest price paid for primary schools is stated as being £2.60 and is slightly higher at £2.80 for secondary schools.

Some of the respondents also reported that meal prices varied depending on the individual school.

How has the amount charged for a school meal changed in the last 12 months?

The graph below provides an overview of how the price paid for a school meal has changed over the past 12 months, the majority of respondents (41.51%) report that meal prices have stayed the same over the past 12 months, and 37.74% advise that the price has increased by 0-5%. None of the respondent's report that there has been a decrease in prices over the last year.



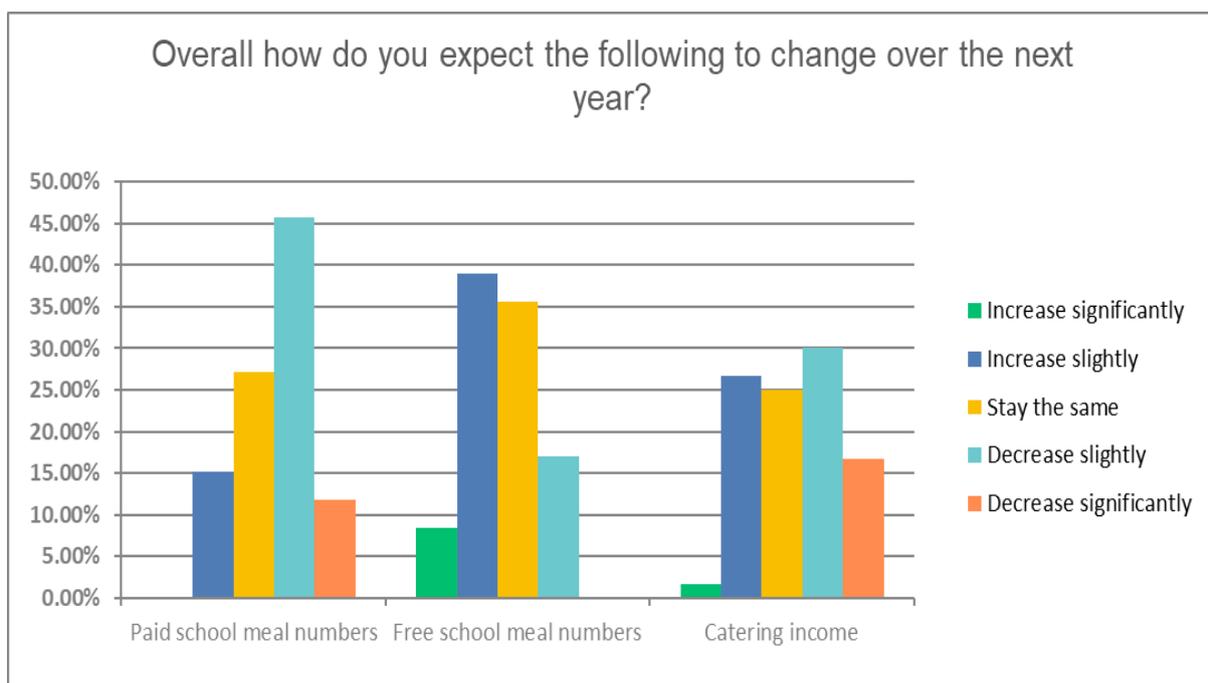
The survey highlights that despite the rising staffing and food costs, local authority caterers are only passing on minimal price increases to pupils. However, over 40% of respondents advise that the prices have stayed the same over the last 12 months.

**What measures has the service taken to mitigate the impact of rising food costs?
(Tick all that apply)**

With the reported increase in food costs over the last 12 months the 2020 survey asked respondents what measures had been taken to mitigate the impact of the increases. The vast majority of respondents 94.55%, advised that they had worked with suppliers, 47.27% state they have increase the use of seasonal produce, 41.82% have introduced meat free days to the menus and 29.09% have reduced the choices available to pupils.

Overall how do you expect the following to change over the next year?

The survey sought to gain an understanding of the expectations for school meals over the next 12 months. The graph below highlights the responses received.



For paid school meals 15.25% reported that they expected that paid meals would either increase slightly, 27.12% thought they would stay the same and 57.62% believed paid meal numbers would decrease slightly or significantly over the next year.

Just under half of the respondents (47.45%) expected Free School Meals to increase significantly or increase slightly in the next 12 months, 35.59% believed that Free School Meal numbers would remain the same and 16.95% anticipated the meal numbers would decrease slightly.

The greatest proportion of respondents 46.67% expect that the catering income would decrease slightly or decrease significantly in the next 12 months, a further 25% believed that income would stay the same and 28.34% forecast that the income would increase slightly or increase significantly over the next 12 months.

6. Efficiencies

How do you expect the service to change over the next year?

This survey was conducted at a time when the catering sector is facing and number of challenges and there continues to be pressure on local authority budgets. Anticipating the drive for value for money and efficiency we gauged the anticipated actions to realise savings.

The 2020 survey highlighted that the following three areas were expected to be the focus for change over the next year: -

- Reduction in Staff hours – 36.17%
- Reduction in the number of managers – 31.11%
- Reduction in the number of catering staff- 31.11%

The 2018 survey highlighted that the following three areas were expected to be the focus for change over the next year: -

- Reduction in Council subsidy – 57.14%
- Reduction in agency labour – 51.52%
- Reduction in staff hours – 45.45%

This compares to the survey in 2017 where the three areas of expected change were reported as being: -

- Reduction in agency labour – 60%
- Reduction in Council subsidy – 40%
- Reduction in hours – 36.73%

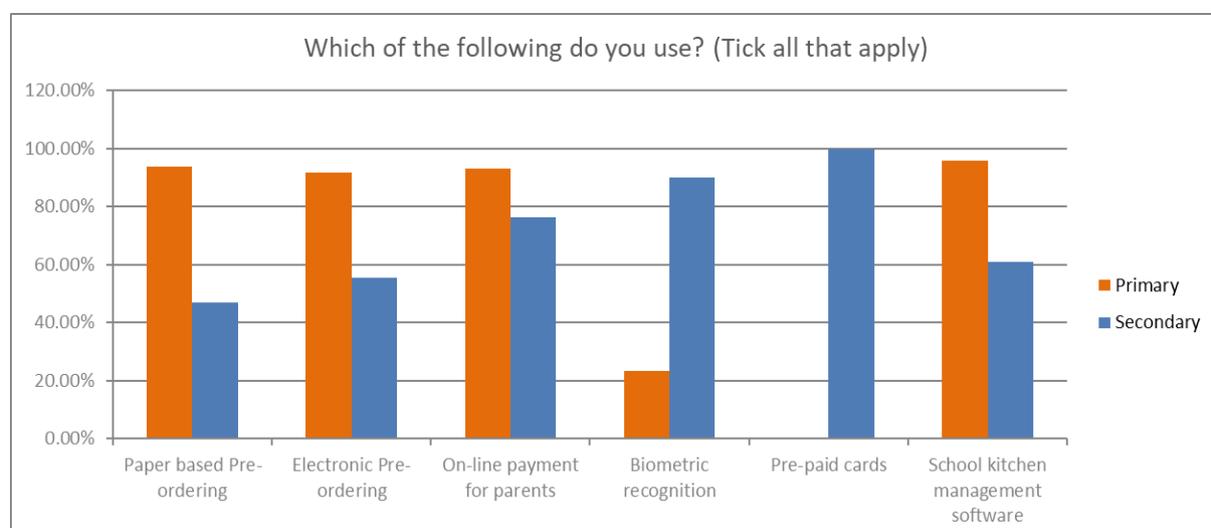
Healthy eating agenda

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

Answer options	Disagree Strongly	Disagree	Agree	Agree Strongly	No opinion
The Healthy Eating agenda has gone too far	6.67%	56.67%	31.67%	5.00%	0.00%
School meals should be free for all pupils	3.33%	13.33%	41.67%	40.00%	1.67%
All Academies should be subject to food standards too	1.67%	0.00%	16.67%	76.67%	5.00%
School meals are an important facet in tackling obesity	0.00%	11.67%	46.67%	41.67%	0.00%
The Sugar Tax should be extended to all sugary items	1.67%	36.67%	35.00%	21.67%	5.00%

The majority of respondents disagreed or disagree strongly with the statement that 'the Healthy Eating agenda has gone too far' (63.34%). Respondents either agreed or agreed strongly with the following statements: 'school meals should be free for all pupils' (81.67%), 'all Academies should be subject to food standards too' (93.34%) and 'school meals are an important facet in tackling obesity' (88.34%). The responses to the last statement 'the sugar tax should be extended to all sugary items' show that there was not a clear consensus with 38.34% disagreeing or strongly disagreeing, 56.67% agreeing or agreeing strongly and 5% not having an opinion.

Which of the following do you use?



Many Councils use a catering software package to comply with nutritional requirements. Several systems exist to assist with productivity to reduce queuing, waste and the requirement to handle cash. The graph above outlines the percentage of respondents that report the systems are utilised in at least one school. The use of paper-based pre-ordering in primary schools remains consistent with the 93.33% reported in 2018 with 93.75% of respondents reporting they use this system, electronic pre-ordering has also seen a slight increase from 90.63% to 91.67% in primary schools. There were 92.86% of respondents advising that online payments are utilised in primary and 76.19% report using this system in secondary schools. A large proportion of respondents also report that they use a kitchen management software, 95.65% in the primary sector and 78.26% in the secondary sector.

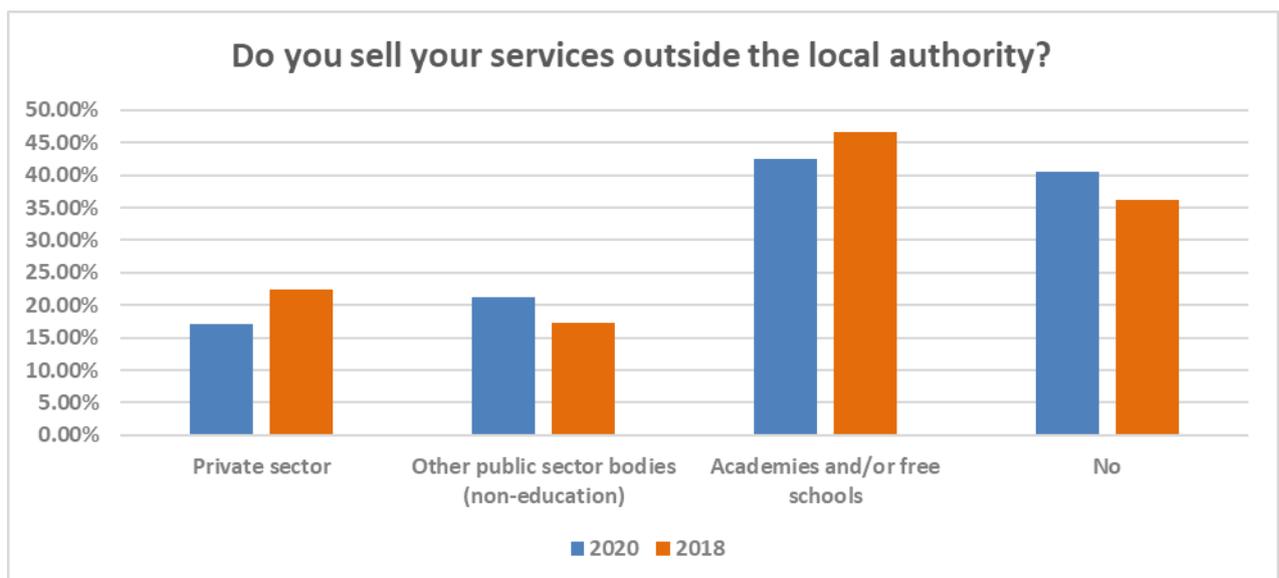
All the respondents report that pre-paid cards are used in secondary schools. However, none of the respondent's report this was the case for primary schools.

The survey results highlight that local authority catering services are increasingly utilising technology which could be a direct response to the need to make the service more efficient and to allow them to remain competitive.

7. Selling services outside the council

Do you sell your services outside of the Local Authority?

As councils seek opportunities to commercialise and safeguard the service budget, APSE was keen to establish where local authorities were selling their services. The graph below highlights the results from the 2020 survey and provides a comparison with 2018.



The highest percentage of respondents (42.55%) state that they sold services to Academies / Free Schools. A further 21.28% sell to other public sector bodies, 17.02% state that they sell the service to the private sector. In addition, there are 40.43% of

respondents advising that their authority does not sell to outside the local authority. In responding to this question, it was also confirmed that the council catering service also provided services for schools outside their local authority area

8. Comments on the future

Growth areas

Clearly there will be some variance in answers between the authorities responding to this question, with a minority reporting that they do not foresee any area of growth for their service. Catering managers saw growth for the service over the next 12 months in the following areas:

Answer choices	Response
Cookery classes / workshops	25.58%
Hospitality catering	27.91%
Catering for early years	46.51%
Catering for higher education establishments	4.65%
Catering for other public sector organisations e.g. police force, fire services	11.63%
Selling services to other councils or council areas	41.86%
Providing courses in hygiene, nutrition etc	37.21%

Areas of future decrease

Again, many local authorities responding to this question reported that they do not expect any areas of decrease in their service. However, where respondents commented on decreases in work for the service these were identified as being the following areas:

Answer Choices	Response
Contracts with schools	59.38%
Contracts with academies	53.13%
Reduction in civic catering	37.50%

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

APSE's latest research written in collaboration with CIPFA looks at the position regarding the provision of a selection of discretionary support services to schools by local authorities.

Further details of the Selling Services to Schools research and a copy of the full report can be obtained on the APSE Website: - [Selling Services to Schools](#)

If you require any further information on the findings of this State of the Market survey 2020 please contact Vickie Hacking at vhacking@apse.org.uk or by phone at 0161 772 1810.