EXPLANATORY MEMORANDUM TO

THE EDUCATION (NUTRITIONAL STANDARDS FOR SCHOOL LUNCHES) (ENGLAND) REGULATIONS

2006 No. 2381

1. This explanatory memorandum has been prepared by the Department for Education and Skills and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Description

2.1 These regulations introduce new nutritional standards that prescribe the types of food and drink that should, and should not, be offered as part of school lunch provision.

3. Matters of special interest to the Joint Committee on Statutory Instruments.

3.1 The Committee will notice that these regulations are to come into force a few days after they are made. The Department apologises that it has been necessary to shorten the normal 21 day period. It is however essential that the regulations come into force as soon as possible after the start of the new school year at the beginning of September, so that schools and caterers can plan for the year ahead and the provision of school lunches can be consistent.

3.2 It had originally been intended to make regulations that would apply to all food and drink provided on school premises under the new powers in the Education and Inspections Bill, but the Bill will not now obtain Royal Assent in time for a September introduction of the new standards. As an interim measure therefore these regulations are made under the existing power in s.114 of the School Standards and Framework Act 1998, but can only apply to school lunches. Once it was realised that this was the only way to make new regulations to be in force from September, it was not possible to submit the draft to the European Commission earlier than the end of May (se para. 4.2 below).

3.3 Even if the normal period of 21 days were allowed for after 1st September, the regulations would still come into force before Parliament returns after the long recess and therefore before the Committee would be able to see them. In these circumstances therefore it seemed that the best way forward would be to bring the regulations into force as soon as possible, for the benefit of schools. Schools, Local Authorities and caterers have been given ample notice of the changes (see para. 7.11 below).

4. Legislative Background

4.1 Section 114 of The School Standards and Framework Act 1998 allows regulations to prescribe nutritional standards, or other nutritional requirements, for school lunches provided to pupils in local authority maintained schools. These regulations are made

under this power, and replace the Education (Nutritional Standards for School Lunches) (England) Regulations 2000. The new regulations require local authorities and school governing bodies to provide pupils with healthier food and drink at lunchtime, and will reduce the sugar, salt and fat content of the foods provided.

4.2 The Technical Standards and Regulations Directive (European Commission Directive 98/34/EC2, as amended) is intended to help avoid the creation of new technical barriers to trade within the Community. Under it the Department was required to notify these regulations to the Commission in draft, and then to observe a standstill period of three months before adopting the regulations, in order to allow other member States and the Commission an opportunity to raise concerns about potential barriers to trade. That three-month period expired on 1st September 2006. No concerns were raised.

5. Extent

5.1 This instrument applies to England

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 Section 114 of the School Standards and Framework Act 1998 allows regulations to set minimum nutritional standards for school lunches. The objective of the section is to raise the standard of food and drink served in local authority maintained schools. The section was initially used to set the current school lunch standards, introduced in 2001, the first for over 20 years.

7.2 Building on the current requirements, the new regulations will set stricter standards for both food and drink. They will: prohibit the provision of confectionery and salty, fatty and sugary snacks; increase the availability of fruit and vegetables; improve the quality of meat products served; and allow only healthy drinks options to be provided, including a requirement that drinking water is to be freely available. Subject to normal Parliamentary process, the new standards are to be implemented in schools in September 2006.

The Case for Change

7.3 Poor diet can create a real barrier to learning, impacting on the ability of children and young people to concentrate and compounding problems of low-level disruption in schools. In addition, it causes health problems both in the short-term (anaemia, obesity, tooth decay) and longer term (increased risk of some cancers, heart disease, stroke, diabetes and poor bone health).

7.4 Statistics from The Annual Health Survey for England 2004 show that levels of obesity for children have risen over the last 10 years. Around one in four 11 to 15

year olds are now considered obese. The number of boys considered obese increased from 14% in 1995 to 24% in 2004. Similarly, the number of obese girls increased from 15% in 1995 to 26% in 2004. Obesity prevalence in boys aged 2 to 10 increased from 10% in 1995 to 16% in 2004 and for girls 10% in 1995 to 11% in 2004 .

7.5 Obesity already costs the NHS directly around £1billion a year and the UK economy a further £2.3 to £2.6 billion in indirect costs. If this present trend continues, by 2010 the annual cost to the economy could be £3.6 billion a year.[1]

7.6 Research carried out in 2004 by DfES and the Food Standards Agency showed that while schools and caterers responded positively to the current standards, in practice, children and young people continued to make unhealthy choices. Future legislation/regulations will introduce further similar standards to cover all food and drink on school premises from Sept 07 and set further provisions that will require lunches to contain specific essential nutrients from Sept 08 (primary schools and from Sept 09 (secondary schools).

7.7 Ongoing concerns about the health and well-being of children and young people led, in 2004, to commitments in the White Paper *Choosing Health: Making healthy choices easier* and the cross-Government *Healthy Living Blueprint for Schools* to reconsider school meals standards.

7.8 In March 2005, DfES announced a £235m transitional funding package to support schools and local authorities to transform school meals. Key measures included establishing the School Meals Review Panel (SMRP), establishing a new NDPB (The School Food Trust) and a role, from September 2005, for Ofsted in monitoring progress

Consultation

7.9 The regulations result from recommendations made by an independent 'School Meals Review Panel'. The Panel's membership included field and academic dieticians and nutritionists, school head teachers, governors, and support staff, along with catering and industry professionals. The recommendations were the subject of a full 12 week public consultation, with 261 responses being received.

7.10 The resulting regulations took into account the views gathered during the consultation, but also considered the need to do more to encourage pupils to make smarter choices in the food that they consume.

Guidance

7.11 The School Food Trust have produced guidance '*Eat Better Do Better – A guide to introducing the Government's new food-based standards for school lunches.'* This guidance can be viewed at ww.schoolfoodtrust.org.uk The guidance was published in June 2006 so that all parties involved could have sufficient notice of the proposed new regulations, and was sent in hard copy to all Local Authority

[1] *Tackling Child Obesity – First Steps* - Report by the Comptroller and Auditor General, prepared jointly by the Audit Commission, the Healthcare Commission and the National Audit Office: 28 February 2006

heads of catering, local co-ordinators of the healthy schools initiative and all catering companies known to be involved in supplying schools; and notice of it with a link to an electronic copy was sent by e-mail to all head teachers, Local Authority Chief Executives, Local Authority Directors of Childrens' Services and other interested parties.

8. Impact

8.1 A Regulatory Impact Assessment is attached to this memorandum.

8.2 Impact on the public sector. These new standards may have cost implications for schools and local authorities. There will also be associated costs for catering providers and the food and drink industry. However, the rise in obesity among adults and children and the increased health risks from consuming too much fat, salt and sugar is resulting in far greater costs to the NHS and to the UK economy and therefore needs to be addressed.

9. Contact

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PARTIAL REGULATORY IMPACT ASSESSMENT (RIA)

1. Title of Proposal:

1.1. Development and Implementation of Nutritional Standards for School Lunches.

2. Purpose and intended effect

2.1. Objectives

2.1.1 To improve the diets and health of English schoolchildren by making it easier for them to choose healthier options at school, thereby helping to reduce the prevalence of diet-related diseases in later life (such as diabetes and coronary heart disease).

2.2 Background and Rationale for Government Intervention:

2.2.1 Healthier school meals may be seen as a merit good -that is a good that is under-consumed by individuals because they fail to realise or chose to ignore the benefits that the good confers on them. In the case of healthier school meals, children have been shown to be inclined to choose a non-healthy option. As a result of this market failure there is a need to intervene and achieve what is known as the 'second-best solution'.

2.2.2 The reasons for Government intervention can be seen to be based on two principal pillars. Firstly, there is the issue of provision whereby the food that is available to children should be nutritious. Secondly, there is the issue of choice in that even if healthier food is available children prefer to choose another option of an inferior nutritional composition. Thus, the essential goal is to enable children to exercise informed choice from a selection of healthier foods.

2.2.3 Following on from the National Nutritional Standards reintroduced in April 2001, it has become apparent that these standards are not sufficient to ensure an effective provision of healthier school meals.

2.2.4 More nutritious school food could help to reduce the risk of diet-related health problems such as obesity, cancer, coronary heart disease and diabetes – diseases which are estimated to cost the NHS some £4 billion annually[2]

2.2.5 The standards at present only require a minimum amount of healthier options to be available, and thus form an absolute basic standard, while failing to encourage children to select combinations of foods that contribute to a healthier diet[3].

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[2] Morgan, K. 2004. School Meals and Sustainable Food Chains: The Role of Creative Public Procurement. London: The Caroline Walker Trust. Accessed from: www.cwt.org.uk

[3] Nelson, M., Bradbury, J., McGee, A. et al. 2004. School Meals in Secondary Schools in England.

2.2.6 The Department for Education and Skills (DFES) and the Food Standards Agency (FSA) commissioned King's College London in 2004 to conduct a survey of secondary schools, 'School Meals in Secondary Schools in England'. The results of this survey show that schools have adopted the minimum nutritional standards but not the good practice or underlying philosophy that schools should provide an attractive, nutritionally balanced meal for all pupils who want it. This is of particular concern where school lunch is the main meal of the day for those pupils eligible for free school meals. The survey also found that even where nutritious food was on offer, pupils were not making healthy choices.

2.2.7 Despite the fact that a variety of foods are currently on offer, pupils are not necessarily selecting a balanced meal. Secondary schools tend to offer far more choice than primary schools, with the latter often being restricted to more healthy foods. As other research has shown personal preferences for 'fast foods' on grounds of taste tend to dominate food choice[4].

2.2.8 Findings from a sample of secondary schools revealed that chips were the most popular choice and many meals consisted solely of chips, despite the fact that alternatives to chips, such as potatoes, rice and pasta, were widely available. Hand-held items such as pizza, pasties and pies and processed meat products such as burgers, sausages and chicken nuggets were also a popular selection[5].

2.2.9 For many children, intakes of saturated fats and sugars are high, and intakes of vitamin A, riboflavin, folate, zinc, iron and magnesium, calcium, potassium and iodine are often low, compared with reference nutrient intakes[6].

2.2.10 The link between nutrition from school meals, and academic performance and behaviour has been shown. For example, iron deficiency anaemia leads to shortened attention span, irritability, fatigue, and difficulty with concentration. Consequently, anaemic children tend to do poorly on vocabulary, reading, and other tests[7]. Even moderate under-nutrition (inadequate or sub-optimal nutrient intake) can have lasting effects and compromise cognitive development and school performance[8].

2.2.11 The introduction of nutritional standards for school lunches, aims that food provided at lunchtime in schools should meet the combination of nutrient and food-based standards over a period of five consecutive school days.

London: Department for Education and Skills. Accessed from: http://www.dfes.gov.uk/research/data/uploadfiles.RR557.pdf

[4] Thomas, J., Sutcliffe, K., Harden, A., Oakley, A., Oliver, S., Rees, R., Brunton, G. and Kavanagh, J. (2003). Children and Healthy Eating: A systematic review of barriers and facilitators. London: EPPI-Centre.

[5] Sodexho School Meals Survey 2005 available at www.sodexho.co.uk/segments/survey.htm

[6] A reference nutrient intake (RNI) is the amount of a nutrient that is likely to meet the requirements of nearly everybody in a group. Department of Health. 1991. Dietary Reference Values for Food Energy and Nutrients for the United Kingdom. London:HMSO.

[7] Parker, L. The relationship between nutrition and learning: a school employee's guide to information and action. Washington: National Education Association, 1989.

[8] Center on Hunger, Poverty and Nutrition Policy. Statement on the Link between Nutrition and Cognitive Development in Children. Medford, MA: Tufts University School of Nutrition 1995.

2.2.12 This is important as the Public Health White Paper 'Choosing Health: Making Health Choices Easier', published in November 2004, explains that the diet of our children contains far too much fat, salt and sugar, and that prevalence of obesity is increasing rapidly[9].

2.2.13 The health risks from too much fat, salt and sugar have been heavily documented and thus action to reduce their consumption, especially by children, is an urgent requirement.

2.3 Risk Assessment

2.3.1 The risk assessment below outlines what we know about the actual levels of salt, fat and sugar consumption by children and the need for action to reduce these levels to improve health.

2.3.2 Current average salt intake: The National Diet and Nutrition Survey (NDNS) of adults[10] showed that intakes of salt are above the COMA-recommended (Committee on Medical Aspects of Food and Nutrition Policy) levels and increased between 1986-87 and 2000-01 from 10.1 to 11.0 grams/day for men and 7.7 to 8.1 grams/day for women, based on analysis of a 24 hour urine collection. Similar data for children are not available as the methodology used for the NDNS of young people did not include a 24 hour urine collection. The dietary assessment methods used in the NDNS do not allow quantification of salt used during cooking or at the table, and so the salt intakes given in the table below[11] are almost certainly underestimates of the actual amounts consumed.

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[9] Levels of fat as a percentage of food energy in diets have slowly be decreasing, but the average proportion of food energy from saturated fats eaten by children in the most recent national survey (Gregory J., Lowe S., Bates C.J., Prentice A., Jackson L.V., Smithers G., Wenlock R. & Farrom M. (2000) National Diet and Nurtition Survey: Young People aged 4-18 years. The Stationery Offic., London.). That survey also showed that NMES provided abot 17% of food energy in children's diets, compared to a recommended average of 11%. The main source was carbonated soft drinks, followed by chocolate and other confectioner. Salt is the main source of sodium in the diet. An authoritative report (Scientific Advisory Committee on Nutrition (2003) Salt and Health. The Stationery Office, London) recently stated that the latest available data show that habitual levels of salt intake are high for both adults and children. For adults, average intake is two and a half times the reference nutrient intake for sodium. On a body weight basis, the average salt intake of children is higher than that of adults. The British Medical Association (British medical Association (2005) Preventing childhood obesity. BMA, London) says that conservative estimates are that 1 in 5 boys and 1 in 3 girls will be in the obese category by 2020.

[10] Henderson L, Gregory J, & Swan G. National Diet and Nutrition Survey: adults aged 19 to 64 years. Volume 1: Types and quantities of foods consumed. London: TSO, 2002

Henderson L, Gregory J, Irving K & Swan G. National Diet and Nutrition Survey: adults aged 19 to 64 years. Volume 2: Energy, protein, carbohydrate, fat and alcohol intake. London: TSO, 2003

Henderson L, Irving K, Gregory J, Bates CJ, Prentice A, Perks J, Swan G & Farron M. National Diet and Nutrition Survey: adults aged 19 to 64 years. Volume 3: Vitamin and mineral intake and urinary analytes. London: TSO, 2003

Ruston D, Hoare J, Henderson L, Gregory J, Bates CJ, Prentice A, Birch M, Swan G & Farron M. National Diet and Nutrition Survey: adults aged 19-64 years. Volume 4: Nutritional Status (anthropometry and blood analytes), blood pressure and physical activity. London: TSO,2004

Hoare J, Henderson L, Bates CJ, Prentice A, Birch M, Swan G, Farron M. National Diet and Nutrition Survey: adults aged 19-64 years. Volume 5: Summary report. London: TSO, 2004

[11] Scientific Advisory Committee on Nutrition. Salt and Health. London: TSO, 2003

Age	Male	Female
(Years)	(Estimated Salt grams/day)	(Estimated Salt grams/day)
4-6	5.3	4.7
7-10	6.1	5.5
11-14	6.9	5.8
15-18	8.3	5.8

2.3.3 Around 75% of salt in the diet comes from processed foods[12]. The FSA has carried out an initial further analysis of data from the NDNS of young people. This showed that the major contributors to salt intakes in the diets of children (aged 7 to 10 years) were similar to those for adults and included white bread, breakfast cereals, savoury snacks, sausages, baked beans and bacon and ham.

2.3.4 Current average non-milk extrinsic sugar (NMES) intake: Results from the NDNS of young people aged 4 to 18 years show that average intakes of NMES was higher than the recommended level of 11% of food energy intake, at 16.7% for males and 16.4% for females.

2.3.5 The main source of NMES were drinks (particularly carbonated drinks which contributed 18% to total intake for males and 16% for females overall and increased significantly with age) and sugars, preserves and confectionery (particularly chocolate confectionery which contributed 12% to total intake for males and females).

2.3.6 Current average total fat and saturated fat intake: Current UK recommendations are that the population average intake of total fat should not exceed 35% of food energy. Results from the NDNS of young people aged 4 to 18 years shows that the proportion of energy supplied by total fat was, on average, close to recommended levels for each age and sex group. However, intakes of saturated fatty acids, at around 14%, were higher than the 11% of food energy recommended by COMA.

2.3.7 Major contributors to the average intake of saturated fat among young people aged 4 to 18 years were milk and milk products (23% of total intake for males and females), cereals and cereal products (22% of total intake for males and females, just under half of which came from biscuits, buns, cakes and pastries), and meat and meat products (19% of total intake for males, 16% for females). Chocolate confectionery contributed 9% of overall intake for males and females, and savoury snacks contributed 7% of total intake by males and 8% by females.

2.3.8 A number of health risks are associated with high intakes of salt and saturated fat, and obesity. Heart disease, stroke, joint problems and the commonest form of diabetes (type 2) for example, are direct effects of obesity and overweight. The National Audit Office estimated that in 1998 there were over 30,000 deaths attributable to obesity[13]. The prevalence of obesity is rising for both adults and

[12] British Nutrition Foundation. Salt in the Diet Briefing paper, 1994
[13] National Audit Office. Tackling Obesity in England. Report by the Comptroller and Auditor General. HC 220 Session 2000-2001: TSO, 2001.

children, and more children are being found to have type 2 diabetes[14]. Results from the Health Survey for England (2005)[15] shows that, between 1995 and 2003, the prevalence of obesity among children aged 2 to 10 years rose from 9.9% to 13.7%. COMA consider that high levels of fat intake are implicated in the development of obesity and other associated conditions, such as diabetes, heart disease and some cancers[16,17].

2.3.9 A high intake of saturated fat is associated with raised levels of blood cholesterol, a major risk factor for coronary heart disease. Increased blood pressure, or hypertension, is the most common outcome that has been associated with high levels of salt intake, and high blood pressure is a major risk factor in the development of cardiovascular disease. High blood pressure is a cause, or contributing factor, in 170,000 deaths each year in England alone[18]. People with high blood pressure are three times more likely to develop heart disease and stroke and twice as likely to die from these diseases as those with normal levels[19]. In Wales, circulatory diseases (mainly coronary heart disease and stroke) are the commonest form of death responsible for 40% of deaths in 2000 (over 13,400 deaths)[20]. There is extensive evidence that NMES is the most important dietary factor in the cause of dental caries. Although NMES is not directly related to the development of cardiovascular disease or diabetes, increased consumption could increase the intake of food energy and thus predispose to obesity[21].

2.4 The Case for Action on Nutritional Standards for School Lunches

2.4.1 The health risk assessment above presents the evidence that reducing intakes of fat, saturated fat, salt and sugar in children's diets benefits their health. How do we know that setting nutritional standards for school lunches will help reduce their intakes and how does it compare with other factors that could reduce intake?

2.4.2 The FSA commissioned secondary analysis of the School Meals in England survey data in order to model the impact of applying the target nutritional standards from Scotland's Hungry for Success[22] on the choices made by

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[14] Report of a working party of the Royal College of Physicians, Royal College of Paediatrics and Child Health and the Faculty of Public Health Medicine. Storing Up Problems: The Medical Case for a Slimmer Nation. Royal College of Physicians, 2004

[15] Office for National Statistics. Obesity Among Children Under 11, 2005 (at www.dh.gov.uk/PublicationsAndStatistics/PublishedSurvey/HealthSurveyForEngland/HealthSurveyResults/fs/en). The report uses the UK National Body Mass Index (BMI) percentile classification to describe childhood overweight and obesity among children aged 2-10.

[16] Department of Health. Dietary Reference Values for Food Energy and Nutrients for the United Kingdom. London: HMSO, 1991. (Report on Health and Social Subjects, No. 41)

[17] Department of Health. Nutritional Aspects of Cardiovascular Disease. London: HMSO, 1994. (Report on Health and Social Subjects, No. 46)

[18] Scientific Advisory Committee on Nutrition. Salt and Health. London: TSO, 2003

[19] Department of Health. The Annual Report of the Chief Medical Officer of the Department of Health, 2001

[20] National Assembly for Wales. Health in Wales, Chief Medical Officer's Report 2001/2002

[21] Department of Health. Dietary Reference Values for Food Energy and Nutrients for the United Kingdom. London: HMSO, 1991. (Report on Health and Social Subjects, No. 41)

[22] Further details are available via the Scottish Executive website at

secondary school pupils in England. This analysis indicates that if caterers purchase and use manufactured foods meeting these nutritional standards in school lunches, pupil intakes of total and saturated fat, salt and NMES from school meals would fall to close to, or below, recommended levels for a third of the day's intake.

2.4.3 Changing behaviours by health education alone is a slow process. With childhood obesity on the increase, a range of measures are needed to support education and awareness as part of a 'whole school' approach. Increasing access to, and availability of, a wider range of healthier foods is, thus, an urgent priority.

3. Consultation

3.1 External

The School Meals Review Panel (SMRP) members, 26 in total (see Appendix 1 for list of members), represented a cross section of key stakeholder groups and organisations all with an interest and experience of school food issues. They come from a variety of professional backgrounds, including field and academic dieticians and nutritionists; school head teachers, governors and support staff; and catering and industry professionals.

The SMRP acted independently of Government to develop the recommendations for new school meal standards and other school food and drink requirements (The Executive Summary taken from the full SMRP report is at Appendix 2 and a full list of the SMRP recommendations is at Appendix 3).

In March 2005, DfES carried out a short consultation, which asked a diverse range of organisations, including PCTs, food and catering industry, County Councils and health and diet groups, for their opinions on school food. Eighty-nine responses were received, with the majority of respondents welcoming the Government's commitment to build new standards on school food. Many thought that making the provision of healthier menus and good nutrition standard practice in schools, and measuring them against this standard, would also be an effective measure. Most said nutritional quality could be improved by formally monitoring locally and nationally what catering companies were providing. Some respondents thought legislation was needed which required national standards to be met and protected.

3.2 Internal

In 2004, The Department of Health (DH), The Department for Enviroment, Food and Rural Affairs (DEFRA) and the FSA worked together with DfES to produce the Healthy Living Blueprint document. The Blueprint set out a number of cross Government commitments to improve the lifestyle of pupils, including: the revision of school meal standards; new guidance to help schools procure healthier school meals; and better training and support for school catering staff. DH, FSA, DEFRA and DfES jointly funded the school meal related projects.

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www.scotland.gov.uk/library5/education/niss-05.asp.

Officials from DH, FSA, The Scottish Executive and DfES attended SMRP meetings as observers. In addition, DEFRA and The Welsh Assembly received copies of documents produced for, and by, the SMRP. DfES, DEFRA, FSA and DH have all had an opportunity to consider the recommendations of the SMRP, prior to publication.

4. Options

4.1 We have identified four broad options:

4.1.1 Do nothing

4.1.2 Voluntary approach encouraging schools and caterers to comply with the nutrient and food and drink standards proposed by the SMRP with regard to school lunches.

4.1.3 Full or partial implementation of the SMRP recommendations through legislation with possible variations on (i) timescale or (ii) standards or (iii) supporting recommendations.

4.1.4 The full implementation of all the SMRP recommendations through legislation.

4.1.1: The 'do nothing option'

This would mean not taking any action to support the concurrent work reviewing the nutritional standards for school meals. The nutrient content of ingredients in school meals would be driven by other factors, such as consumer demand and cost. Consequently, without any proactive initiatives by Government, it is likely that any change in formulation would take longer and would not be consistent across the whole sector.

4.1.2: Voluntary approach

The voluntary approach would entail encouraging schools and caterers to comply with the nutrient and food and drink standards proposed by the SMRP with regard to school lunches. However, there would be no obligation for either schools or caterers to comply with the standards.

4.1.3: Full or partial implementation of the SMRP recommendations through legislation with possible variations on (i) timescale or (ii) standards or (iii) supporting recommendations.

There are large numbers of possible combinations of different timescales; variations to the standards; and it would be possible to implement different subsets of the SMRP's wider recommendations. DfES could legislate to enable one or more of these possible combinations. There would be scope for flexibility in the timescale over which the recommendations would be implemented taking into account the requirement of capital investment in kitchens and the training of staff in order to fulfil the goals of the SMRP recommendations. There would also be some flexibility with regard to the standards that would come into force. There could be some latitude in the degree to which all the standards are included or the level at which they are set. Finally, the number of supporting recommendations that would be implemented through legislation could be

adjusted. As all of these are not essential to the primary nutrient and food and drink standards, different combinations could be introduced and again their timescale could vary.

4.1.4: Implementation of all the recommendations of the SMRP through legislation.

This option entails the full implementation through legislation of the recommendations of the SMRP. The timescale would be as outlined in the SMRP Report with the standards being fully achieved as soon as possible, and at the latest, for all primary schools by September 2008 and for all secondary schools by September 2009. The nutrient and food and drink standards as outlined in the SMRP Report would be implemented in full.

In addition the full set of supporting recommendations would be implemented. This would include the following: there would be easy access to free, fresh, chilled drinking water throughout the school day. A number of reporting and data collection requirements would be introduced. Schools would audit their current food service and curriculum, and develop, implement and publish a whole-school food and nutrition policy. Schools' whole-school food policies would be made available to parents and carers and be referred to in the school prospectus and school profile. Local authorities would be required to collect and report annually on progress in achieving healthy school standards, provision and uptake of all (including free) school lunches, and steps being taken to work towards the achievement of school lunch standards e.g. use of nutrition software, checklists, smartcards, incorporation of standards in contracts.
The standards would be applied to all food services throughout the day, including vending. The procurement of food served in schools would be consistent with sustainable development principles and schools and caterers would look to local farmers and suppliers for their produce where possible. There would be choice for all children right through to the end of lunchtime service.

Given that low income families may be adversely affected by price increases, there would be an extension of free school meal (FSM) eligibility and also aim for complete take-up of free school meal entitlement.

All children would be taught food preparation and practical cooking skills in school in the context of healthier eating. Far more emphasis would be placed on practical cooking skills within the curriculum space currently devoted to Food Technology.

5. Costs and benefits

- **Sectors and groups affected**
- **Costs**
- **Benefits**

5.1 Sectors and groups affected

5.1.1 An improvement in school meals, supported by the development of target nutritional standards for manufactured foods used therein, would clearly be of direct benefit to schoolchildren. In addition, this work would support the Government's National Healthy Schools Programme in England.

5.1.2 Other key sectors and groups, which would be affected, include the food industry (namely the manufacturers, suppliers and caterers involved in the provision of school meals) and those who procure school meals (e.g. some local authorities, and schools themselves).

5.1.3 We do not consider that the setting of nutritional standards for manufactured foods used in school meals, or the options to drive this initiative forward, would have any disproportionate adverse impacts on, or disadvantage to, any particular racial or social group (as distinct from its impacts on industry).

5.1.4 School meals may be relatively more important in nutritional terms for disadvantaged children, especially those on free school meals, and therefore they may benefit disproportionately from the proposed action.

5.1.5 There will also be an impact on parents through the improved health of their children and possibly a carry over of healthier eating from the school to the home.

5.1.6 We have also considered the impact of these measures on rural populations and consider that they will not have a different or disproportionate impact on people living in rural areas. However, the sustainable development principles quoted in the SMRP Report and the recommendation that schools and caterers should look to local farmers and suppliers for their produce would have a significantly positive benefit on rural areas.

5.2 Costs

5.2.1 **Costs for Option (1) – 'do nothing':** Under this option, no pressure would be applied by Government on industry to change the nutrient profile of manufactured foods used in school meals, and there would be no reformulation costs. This option is unlikely to achieve the desired improvements to the nutritional content of school meals across England and ultimately help address the prevalence of diet-related diseases, e.g. in later life.

5.2.2 **Costs for Option (2) –voluntary approach**

5.2.3 Action by both industry and schools would be voluntary. However, target nutritional standards are already in place in Scotland, supporting implementation of Scotland's school meals policy "Hungry for Success", and manufacturers are reformulating to meet these specifications. However, the situation in England is far more complex given the diverse range of providers and systems of provision for school meals. This diversity of provision would suggest that a voluntary approach would not be effective.

5.2.4 In addition, the voluntary system in Scotland was backed up through a series of subsidies for school meal provision in order to achieve compliance. The extra 5p to 10p fell completely on subsidies. Such a system would pose a major cost if subsidies had to be provided to encourage compliance in England.

5.2.5 If the level of compliance from the voluntary approach is not that high, then there will be a cost in terms of nutrition, and its associated benefits, to those pupils whose food is not meeting the nutritional standards. The distribution of compliance and the ability of schools to comply may involve elements of inequality with schools in deprived areas benefiting less.

5.2.6 The results of the voluntary approach will be much slower at best in achieving the desired outcomes. However, if all suppliers fail to follow the voluntary guidelines we may in fact end up with no change in the nutritional outcomes for pupils. What may happen is that the healthy options that are currently available under the National Nutritional Standards may be provided using ingredients from suppliers that have agreed to the voluntary code while the so called 'burger and chips' option could be provided using ingredients from suppliers who have not agreed to the voluntary code. This would lead to the pupils who choose the non-healthier option not gaining any health benefits. Thus, the actual outcome would not be that different to the situation which pertains today.

5.2.7 <u>Costs for Option (3) – Full or partial implementation of the SMRP recommendations through legislation with possible variations on (i) timescale or (ii) standards or (iii) supporting recommendations.</u>

5.2.8 By increasing the nutritional quality of the food this will lead to an increase in the cost of school meals, either directly through the cost of the ingredients themselves or indirectly through the need to invest in replacing or upgrading kitchens to ensure that healthier cooking methods can be followed. Although the following costs will vary slightly with regard to the timescale adopted and the level of standards implemented, they nonetheless give a fair indication of the costs of implementing the nutrient and food and drink standards. The PWC report[23] analysing the costs of implementing the Caroline Walker Trust recommendations, which closely resemble the recommendations of the SMRP, came up with the following results.

5.2.9 The increase in the cost of ingredients is shown in the table below. However, it is important to bear in mind that the costs are based on present prices and the current structure of the market. As the demand for food of a high nutritional quality grows, through schools implementing the nutritional standards, there may be efficiencies to be gained and a subsequent mediation of the increase in prices shown in the PWC report.

<u>Variable Costs per Pupil taking up school meals</u>

Per Annum extra cost		Per day extra cost	
Primary	Secondary	Primary	Secondary

[23] PriceWaterhouseCoopers, Economic Costs of Implementing Caroline Walker Trust Recommendations, DfES August 2005.

Initial	£43 - £52	£49 - £66	£0.23 - £0.27	£0.26 - £0.35
Thereafter	£42 - £51	£45 - £61	£0.22 - £0.27	£0.24 - £0.32

Total Cost (Primary & Secondary)
(excluding refurbishment)

Initial	£164m - £171m
Thereafter	£156m - £161m

5.2.10 The distribution of costs between Government, parents, LEA and school must be carefully considered. The manner in which the costs are distributed are crucial to the success or failure of the proposal. If the outcomes desired are to be achieved then there needs to be investment, both in kitchens and in staff training.

5.2.11 The implementation of the SMRP recommendations must take into account the nature of provision within the school meals sector. There are three main kinds of provision: through the LEA, in-house by the school and the use of catering contractors. Thus, it is essential that the recommendations allow these different methods of provision and the different cost structures associated with them.

5.2.12 The nature of the cost incurred will also depend on how the school meals are provided. The SMRP state that the goal is that meals be cooked on-site, however given the lack of kitchen facilities in many schools and the need to implement nutritional requirements, meals may still have to be cooked externally and then reheated at the school. This may form somewhat of an interim solution that meets the nutritional requirements before moving to full implementation through the cooking of the meal in the school itself once full refurbishments have been carried out or transported ready to eat.

5.2.13 The cost of refurbishment is estimated in the PWC report as being £289m for primary and secondary schools. In order, to fulfil the nutrition and food standards outlined in the SMRP recommendations, refurbishment is essential and thus is a necessary cost of implementation. However, by varying the timescale involved, this cost may be spread out over a longer period of time and the refurbishment also brought into line with the Building Schools for the Future programme. As there is such a large requirement for refurbishment of school kitchens this will impact on cost in either of two ways. Firstly, there may be an increase in cost due to a lack of capacity in the market to refurbish such a number of school kitchens. However, on the other hand, there is potential for a reduction in costs through economies of scale.

5.2.14

Refurbishment Costs

	Total	Per pupil p/a	Per pupil p/day
Primary	£206m	£48	£0.25
Secondary	£83m	£24	£0.13

5.2.15 Refurbishment costs may not be truly additional with the arrival of Building Schools for the Future, which might incorporate some of the required changes,

which would particularly tie in with a phased approach. Also in that BSF targets deprived areas first, those schools with the highest proportion of FSM might be natural targets to benefit since a greater proportion of their pupils face restricted school meal choice.

5.2.16 There will need to be a restructuring of the way many caterers operate. They will have to move towards a more skilled staff with the accompanying higher wage costs. They will need to invest in the means of producing meals that meet the nutritional requirements and will therefore have to adjust their cost base which is at present predicated on low cost production. The cost of training existing staff and hiring other staff will also have to be borne by the catering industry.

5.2.17 The training requirements set out by SMRP will lead to a substantial increase in the skill level of catering staff. However, there will be a cost associated with this. In the case of contractors it is to be expected that some if not all of these training costs will be passed on to the school. Where there is an in-house service the training costs will have to be borne directly by the school.

5.2.18 According to the PWC report, in primary schools, the additional labour cost of this training per typical primary school was estimated to be £636 in the first instance falling to £316 per primary school per annum. These estimates do not include the cost of training provision but merely the opportunity cost of the school workforce participating in training[24].

5.2.19 In secondary schools, adopting the same labour inputs (though a different secondary school workforce mix), the training requirements equate to £953 per secondary school on an initial basis and £455 per annum on a recurrent basis (driven by the larger workforce).

5.2.20 Overall, the costs from the PWC report can be summarised as follows:

Total Cost in Primary & Secondary (including refurbishment)

Initial	£453m - £459m
Thereafter	£156m - £161m

Additional Cost per pupil as % of current per capita resource allocation

Initial	0.55% - 0.57%
Thereafter	0.53% - 0.53%

5.2.21 There is an additional cost by applying the standards to all food services throughout the day, including vending. This might entail replacing existing vending machines and an increased cost of ingredients that meet the nutritional standards for food other than lunch.

5.2.22 If caterers look to local farmers and suppliers for their produce this may impose

[24] PriceWaterhouseCoopers, Economic Costs of Implementing Caroline Walker Trust Recommendations, DfES August 2005.

an extra cost. This cost is going to be locally specific. For those schools that are able to readily access supplies from local farmers there may in fact be a reduction in cost. However, for schools in major urban areas, the procurement of supplies from local farmers and suppliers will be far more difficult and costly. There may also be loss of economies of scale that larger but less local suppliers enjoy.

5.2.23 The SMRP recommendation that choice be available for all children right through to the end of service may have major cost implications for the project. In schools that have already had substantial improvements in nutrition, there has been a slight reduction in the choice available. Thus, by keeping the full range of choice through to the end of service, there may be substantial wastage and thus extra cost.

5.2.24 The level of the costs incurred in this option is very much dependent on the timescale that is adopted in the implementation, the level of the standards that apply and the number and combination of supporting recommendations that are implemented.

5.2.25 <u>Costs for Option (4) –implementation of all the recommendations of the SMRP through legislation</u>

5.2.26 This option would entail the full implementation of all the recommendations of the SMRP, and would thus be expected to produce costs that are at least the level of those outlined in the PWC Report[25].

5.2.27 By complying with the timescale set out in the SMRP Report, there is a potential increased cost in refurbishing kitchen facilities. Given that there will be an increase in demand for the refurbishment of kitchens, this may in fact force up the price of refurbishment. The capacity constraints that are inherent in the industry may lead to costs being greater than outlined in the PWC report. There is also the issue of a mismatch in time periods between the Building Schools for the Future programme and the time line for the implementation of the SMRP recommendations.

5.2.28 By implementing the full set of standards outlined in the SMRP Report this would lead to at least the costs outlined in the PWC Report which was based on the CWT recommendations.

5.2.29 One of the major costs associated with implementing this option is the full implementation of the supporting recommendations within the report.

5.2.30 The SMRP recommendation that choice be available for all children right through to the end of service may have major cost implications for the project. In schools that have already had substantial improvements in nutrition, there has been a slight reduction in the choice available. Thus, by keeping the full range of choice through to the end of service, there may be substantial wastage and thus extra

[25] PriceWaterhouseCoopers, Economic Costs of Implementing Caroline Walker Trust Recommendations, DfES August 2005.

cost.

5.2.31 There is an additional cost by applying the standards to all food services throughout the day, including vending. This might entail replacing existing vending machines and an increased cost of ingredients that meet the nutritional standards for food other than lunch.

5.2.32 If caterers look to local farmers and suppliers for their produce this may impose an extra cost. This cost is going to be locally specific. For those schools that are able to readily access supplies from local farmers there may in fact be a reduction in cost. However, for schools in major urban areas, the procurement of supplies from local farmers and suppliers will be far more difficult and costly. There may also be loss of economies of scale that larger but less local suppliers enjoy.

5.2.33 The recommendation that there would be easy access to free, fresh, chilled drinking water throughout the school day may impose extra costs on schools because of the cost of buying a chilled water dispenser. It must be considered how this recommendation would be drawn up in detail and what would be deemed easy access.

5.2.34 The data collection and reporting requirements on both schools and LEAs would pose extra costs for both. This would be especially in terms of time costs in schools whereby the drawing up of a whole-school food and nutrition policy would place a burden on schools.

5.2.35 The recommendation that practical cooking skills be introduced as part of the curriculum for Key Stage 3 also places an extra burden on refurbishment costs as this will require the installation of facilities suitable for the teaching of practical cooking skills. This will be over and above the refurbishment costs outlined in the PWC report.

5.2.36 The extension of FSM eligibility to counteract the problem of low income families being adversely affected by price increases would pose a major cost. Given the low level of income required to qualify for FSM the extension of this would place a large cost on the DfES. At the moment the take up rate of school meals by those eligible for FSM in England is 73.6% for maintained secondary schools and 82.2% for maintained nursery and primary schools.

5.2.37 Unexpected costs and unintended consequences

5.2.38 The cost arguments that have been put forward focus mainly around the costs to the food, and the direct costs to schools of increased costs of ingredients and any potential refurbishment required. However, there may be unintended impacts of taking this plan of action which will have associated costs. For example, schoolchildren could react negatively to changes, resulting in a reduction in school lunch take-up and hence an increase in the number of packed lunches or in consumption outside of school. This could have a significant impact on the viability of school meals services in some areas.

5.2.39 Given the almost dominant demand by schools in the market for cheap mass-produced food for catering from the wholesale sector, the introduction of the nutrient based standards would have a significant impact on the dynamics of trade within the market and may stimulate change in the wholesale sector.

5.3 Benefits

5.3.1 People's patterns of behaviour are often set early in life and can influence their health in later life. Infancy, childhood and young adulthood are critical stages in the development of habits that will affect people's health in later life.

5.3.2 Setting nutritional standards for school meals would be a central part of a wider 'whole school' approach to promoting healthier choices and establishing healthier eating patterns at an early age.

5.3.3 The Scientific Advisory Committee on Nutrition, in its report 'Salt and Health[26]' emphasised that it would be inadvisable for children in the UK to become accustomed to the levels of salt intake currently habitual for adults as the evidence suggests long-term consumption of such amounts are potentially harmful in adult life. The report went on to state that health benefits for children would be gained from a reduction in average salt consumption and daily target average salt intakes for infants and children were set (see section 2 above). The general population would also benefit from reduced salt levels in these manufactured foods used in school meals, as these products are also often available on the retail market for use in the home. A habitually higher intake of salt has been linked to a higher than average blood pressure, which may lead to an increased risk of heart disease or a stroke. A diet lower in salt would be expected to result in lower average blood pressure and a smaller rise in blood pressure with age. The cost to the UK of coronary heart disease is estimated at £7.9bn in 2003, including productivity losses[27]. The direct health care costs alone of stroke are estimated to be £1.7bn in 1999 prices[28].

5.3.4 A study modelling the impact of key Hungry for Success specifications on nutrient intake of pupils using the data from Secondary School meals in England demonstrated that there would be a 16% reduction in energy intake (100 kcal), 27% reduction in fat, 23% reduction in saturates, 18% reduction in sodium and a 37% reduction in NMES intake. These estimates indicate that the above recommendations would lead to intakes that are close to current recommendations for total and saturated fat intakes and below current recommendations for sodium and NMES intakes.

5.3.5 The nutritional standards for school lunches provide a transparent reference point to assist in negotiating and establishing contracts for school meal provision between local authorities, schools, caterers and product suppliers.

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[26] Scientific Advisory Committee on Nutrition. Salt and Health. London: TSO, 2003

[27] Petersen S, Peto V, Rayner M, Leal J, Luengo-Fernandez R and Gray A. European cardiovascular disease statistics. British Heart Foundation: London, 2005

[28] Liu JLY, Maniadakis, Gray A and Rayner M. The economic burden of coronary heart disease in the UK. Heart 2002; 88:597-603.

5.3.6 **Benefits for Option (1) –'do nothing':** the benefit of this option is that the food industry will not have to incur any costs in changing the nutrient basis of their products. Costs for schools and caterers can be minimised by not having to train catering staff to a higher level. In addition, the substantial capital cost of refurbishing school kitchens to cook food on site from fresh ingredients is avoided.

5.3.7 **Benefits for Option (2) –voluntary approach**

5.3.8 Option two would encourage the food industry to reduce levels of total fat, saturated fat, non-milk extrinsic sugars and salt in manufactured foods used in school meals. There is a growing expectation from the public that big organisations should behave as socially responsible "corporate citizens" and a number of food companies and organisations have expressed a desire to be 'part of the solution' in the current food and health debate. The Food and Drink Federation recognises this in its Food and Health Manifesto[29], saying that its members "depend on deep relationships of trust with their consumers, which they have every interest in maintaining."

5.3.9 Reductions in saturated and total fat consumption achieved during the 1990s, in part through voluntary action by the industry to reduce fat levels in food, demonstrates that the voluntary approach can be effective. However, the complexity of the system of provision of school meals in England would make this less likely, leading to a patchy distribution of benefits and a slower pace of achievement.

5.3.10 This option would, however, place a lesser burden on caterers and schools and would be seen to have a far less regulatory burden.

5.3.11 **Benefits for Option (3) – Full or partial implementation of the SMRP recommendations through legislation with possible variations on (i) timescale or (ii) standards or (iii) supporting recommendations.**

5.3.12 Option three would bring about a substantial change in the nutritional quality and nutritional content of school lunches for pupils. This would be seen to have substantial benefits for pupils in terms of nutritional outcomes as well as the concurrent health benefits that pertain. However, as outlined earlier with regard to the costs of this option, the level of the benefits would also be dependent on the timescale, the level of the standards and the combination of supporting recommendations that are implemented.

5.3.13 The major benefit of this option is that it allows for a large amount of flexibility while maintaining the force of a legislative approach. The timescale adopted can be used to help minimise costs while maximising benefits. The same approach may be used with regard to the level of the standards employed and the combination of supporting recommendations that are implemented.

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[29] "Food and Health Manifesto", Food and Drink Federation. Available at https://www.fdf.org.uk/showdoc/opendoc2.aspx?id=284

5.3.14 The benefits in terms of health and the reduction in costs to the exchequer are potentially huge. There are direct costs to the NHS and indirect costs to the wider economy from diet related diseases. In England, for the population as a whole, the economic costs of obesity were estimated by the National Audit Office, using data from 1998, to be around £480 million in direct costs and £2.1 billion in indirect costs[30]. In 2002 the House of Common's Health committee updated this estimate to £3.3 – 3.7bn for obesity and suggested that overweight may cost the economy a further £3.3 – 3.7bn, resulting in a total cost of £6.6 – 7.4bn per year.[31] Separately it has been estimated that the costs of coronary heart disease, including productivity losses, in the UK in 2003 were £7.9bn (the costs of obesity include only the portion of these costs estimated to arise from obesity)[32]. Additionally, the direct health care costs alone of stroke are estimated to be £1.7bn in 1999 prices[33].

5.3.15 The training of staff and the investment in kitchen facilities would make possible the preparation on site of a cooked meal made from fresh ingredients.

5.3.16 By establishing minimum standards for the training of catering employees this will help to guarantee the nutritional quality and nutritional quality of the food that is being served in schools. Increased training will also enable staff to support pupils in making healthier choices. Without such training the implementation of the nutritional standards is likely to be unsuccessful, given the need to move from heating pre-prepared meals to making meals form raw ingredients.

5.3.17 The prevention of any further degradation of service or provision by individual schools or local authorities from the current position, this would bring to an end the decline that has affected the school meals service for many years.

5.3.18 By having a flexible timescale for the introduction of the refitting of kitchens and the training of staff to be able to make the food from scratch, this will help to ameliorate any difficulties there are in achieving the refurbishment of catering facilities. Given the mismatch in timescales between the BSF programme and the timescale outlined in the SMRP Report, this option would enable those schools that are due for refurbishment towards the later part of the BSF to not have to make temporary investments in facilities that will be made redundant with a new school building. However, by pushing forward with the timescale advocated by the SMRP, this will ensure that all pupils gain the health benefits associated with the improved nutritional standards and will be able to enjoy a hot meal, cooked on site from fresh ingredients.

5.3.19 By expanding the scope of standards this would enable the nutritional standards to have a discernible impact on the health of children. By expanding the scope of the standards across all food there is likely to be a far more robust impact on

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[30] National Audit Office. Tackling Obesity in England. Report by the Comptroller and Auditor General. HC 220 Session 2000-2001: TSO, 2001.

[31] House of Commons Health Committee: Obesity; third report of session 2003-04; May 2004

[32] Petersen S, Peto V, Rayner M, Leal J, Luengo-Fernandez R and Gray A. European cardiovascular disease statistics. British Heart Foundation: London, 2005

[33] Liu JLY, Maniadakis, Gray A and Rayner M. The economic burden of coronary heart disease in the UK. Heart 2002; 88:597-603.

eating patterns and therefore on resulting health benefits.

5.3.20 By ensuring that current private finance initiative (PFI) contracts and BSF initiatives do not impose barriers to the improvement of school food and by ensuring that in future all PFI incorporate building specifications which enable the main meal to be cooked on the premises, the nutritional quality and nutritional standard of the food served to children in school lunches will be much improved.

5.3.21 The supporting recommendations with regard to this option will vary in the benefits that they produce. The combination that is employed will also have an impact on the level of benefit derived from the primary recommendations due to the complementary nature of the supporting recommendations.

5.3.22 <u>Benefits for Option (4) –implementation of all the recommendations of the SMRP</u>

5.3.23 By ensuring the full implementation of all the recommendations of the SMRP, the full health benefits mentioned previously can be derived. The timescale proposed will provide for the maximum benefit to be achieved within the shortest period of time. This will also make sure that the benefits are made available to all children who take up school lunches.

5.3.24 By introducing easy access to free, fresh, chilled drinking water throughout the school day, this may help to aid the concentration levels of pupils and also give a health benefit.

5.3.25 By sourcing food from local suppliers and farmers this would have a positive impact on the local economy and would help to promote sustainable development.

5.3.26 By introducing choice right through until the end of lunchtime service, this would ensure that children eating later in the food service are not disadvantage.

5.3.27 By expanding the scope of standards this would enable the nutritional standards to have a discernible impact on the health of children. By expanding the scope of the standards across all food there is likely to be a far more robust impact on eating patterns and therefore on resulting health benefits.

5.3.28 By introducing practical cooking skills as part of the curriculum for Key Stage 3, there is an increased emphasis on cooking as an essential life-skill. Thus, it becomes a priority that no child should leave school unable to cook for themselves, and that they should have a practical understanding of where food comes from, how it is produced and treated. The future health benefits from such a move might be enormous. It will offer a chance to break out of the current cycle of obesity and enable children to lead healthier lives thus creating a culture of healthier eating in the country as a whole.

5.3.29 The expansion of the eligibility for FSM would be particularly beneficial to those low income families that are just above the FSM threshold. Given that there may well be some price increase, in order to prevent low income families being adversely affected the expansion of FSM would mitigate the possible nutritional

and economic risks.

5.3.30 The introduction of additional reporting and data collection requirements will improve the information on school meals that is available to parents. The information that is collected by local authorities will aid in assessing the progress that has been made in improving school meals.

6. Costs to Small Businesses

6.1 The Food Standards Agency has previously conducted an assessment of the impact on small businesses of a range of measures in its Action Plan on Food Promotions and Children's Diets[34]. This assessment included potential costs to small manufacturers arising from product reformulation and re-labelling. The assessment concluded that potential additional costs to these small businesses would not be disproportionate in comparison to larger businesses.

6.2 Extrapolating from the above findings, there does not appear to be any reason to believe that there would be a significantly different impact for the re-formulation of manufactured foods used in school meals, although this would need to be looked at during consultation.

6.3 On the costs of reformulation, it may be assumed that manufacturing businesses of all sizes are likely to incur additional costs broadly in relation to their size, turnover and number of product ranges. If we assume that the number of product ranges is proportionate to the size of the manufacturer then the costs of complying with the nutrient requirements may be seen to be broadly inline with the size of the firm. However, this must be addressed during the consultation period.

6.4 There may in fact be substantial benefits to small businesses. Given that the recommendations of the SMRP state that "The procurement of food served in schools should be consistent with sustainable development principles and schools and caterers should look to local farmers and suppliers for their produce where possible", there is significant scope for local small businesses to become involved as suppliers to their local schools.

6.5 By using local suppliers there is a direct benefit to the local economy. There is also an opportunity for caterers to work with producers to develop meat products and seasonal menus for schools, based on what is easily available locally, to take advantage of lower prices when produce is plentiful.

6.6 The cost of using local suppliers need not be substantial. For example, the results of a trial at a school in Oxfordshire were spectacular, with a 20% reduction in the cost of food and 69% reduction in weekly food miles, even without taking into account the trips from the original source of the food to the

[34] The Regulatory Impact Assessment can be viewed at http://www.food.gov.uk/multimedia/pdfs/fsa040705a4.pdf

retailer, wholesaler or depot. The food was enjoyed by the children and the local economy benefited by up to £2,700 from this one school. [35]

7. Competition Assessment

7.1.1 There are two principal markets that will be affected by the proposal. Firstly, there are the manufacturers of foods for the catering industry. It is not anticipated that the regulations would have a major impact on this sector as such firms may already be seen to be supplying a diverse market of caterers. For many of the manufacturers that are involved in providing food to caterers in the school food sector, this area of the market is relatively small given their overall operations. Thus, the change required by the new nutritional requirements could be easily substituted by many manufacturers with existing products. Yet, given the emphasis on the need for fresh local produce this may well result in the growth of a number of smaller local players in the market, leading to a reduction in market share for the major manufacturing firms. However, this would in fact improve the competitive nature of the market and would lead to a degree of market segmentation with local suppliers supplying perishable goods while other products continue to be supplied by the major manufacturers.

7.1.2 For caterers and providers of school meals, the situation is somewhat different. This market is a mixture of service providers. Where budgets have been delegated to schools, over 50% use a direct buy back through the LEA. Of those surveyed by the Local Authority Caterers Association, less than 20% returned any money to Primary schools, however, 60% returned money to Secondary schools, and 40% returned money to the LEA. Less than 40% of LEA's have gone out to tender since delegation. In Primary schools, 69% of the contracts are operated by the Direct Service Operator (DSO), 12% by Compass, 7% by Initial, 3% by Sodexho and 9% are operated by other contractors or are self-operated. In Secondary schools, 60% are operated by the DSO, 11% by Compass, 10% by Initial, 3% by Sodexho, 5% self-operate and 11% by other contractors. School meal providers spend over £360 million on food, £25 million a year on heavy equipment and over £8 million a year on light equipment. Over £10 million a year is spent on cleaning materials in schools. Over 3% of payroll is spent on training. Nearly 100,000 people are employed in the provision of school meal services in England. The average earnings of a predominantly female, part time work force in the school meals service is £82 per week. The total expenditure by parents and LEA's on school meals in England is nearly £1billion[36].

7.1.3 The introduction of the new regulations would not be expected to lead to higher set-up costs or ongoing costs that would not also affect existing firms. In fact, given the aim of the regulations to ensure that school meals are cooked on site with fresh ingredients there may be gains for new entrants that do not have a legacy of using pre-prepared ingredients and re-heating the food. The ability to

[35] "Eating local food in Thames Valley Schools", Berkshire, Buckinghamshire and Milton Keynes and Oxfordshire Food Groups. Available at http://www.local-food.net/content/documents/Final%20Report_Schools.pdf

[36] LACA School Meals Survey 2004. Local Authority Catering Association

train staff from scratch may thus prove beneficial to new entrants.

7.1.4
Primary Schools (Market share 2003 based on LEA contracts)

Compass	12.00%
Initial	7.00%
Sodexho	3.00%
Others & Self Op	9.00%
DSO	69.00%

Secondary schools (Market share 2003 based on LEA contracts)

Compass	11.00%
Initial	10.00%
Sodexho	3.00%
Others	11.00%
Self Op	5.00%
DSO	60.00%

Source: LACA School Meals Survey 2004. Local Authority Catering Association[37]

7.2.1 For **Option one**, to carry on as we are, there would be no effect on competition.

7.2.2 For **Option two**, to work with the food industry to lower levels of fat, salt and sugar in food, this may lead to substantial effects on competition. If some manufacturers consent to re-formulate their products but others do not, this may have a distortionary effect on the market. Manufacturers reformulating products will face some increase in costs, but those not reformulating may face reduced outlets should schools choose to take only products that meet the target specifications. Similarly for caterers, there is an incentive to hold back on implementing the standards due the increased costs that they will face as opposed to their competitors who do not apply the voluntary standards. Thus, this coordination problem with the voluntary option means that without intervention the market will fail to lead to the competitive outcome. Firms are at a disadvantage by being a first-mover and voluntarily changing their products. Competition is distorted as such firms who may want to move to complying with the voluntary standards are precluded from doing so because of the cost implications of their competitors not complying.

7.2.3 **Options three and four:** these both involve a legislative approach to tackling the problem and would therefore be seen to have a similar impact on competition and industry. Option three, however, would give industry greater time to adjust to

[37] Market share calculated on the basis of role numbers from the LEA

the requirements.

7.2.4 For these options, the wholesale sector supplying school meals could be affected through the forced reformulation of its products for the school, in order that products that are used as ingredients will be able to produce meals that comply with the nutritional standards. However many companies may already supply a range of products, some of which meet, and some of which do not meet, the target specifications. Should companies wish to maintain the existing attributes of their non-compliant products, the overwhelming majority of the wholesale and retail markets (i.e. other than for school use) would still be available for these companies to compete in. As such, the overall effects on competition are expected to be limited. The implementation of these options though may have implications with regard to the contracts that are already in place. It would need to be examined what impact the new nutritional standards would have on long term contracts. There may be scope to increase competition in the sector by giving schools market power to demand that the new regulations are met by the private contractor or that they will seek out a new one. By exercising buyer power, this may introduce a new dynamism into the market and lead to a more efficient provision of healthier school meals. Thus, the effect on competition for caterers is very much dependent on the scope of the contracts that already exist and how these will be affected by the proposed regulations.

8. Enforcement, sanctions and monitoring

8.1 The main approach to external monitoring is through thematic inspections carried out by Ofsted, with in-depth sample inspections carried out by experts. Further work should be conducted by DfES to develop the tools needed to support these inspections.

8.2 LEAs would be required to collect and report annually on progress in achieving healthy school standards, provision and uptake of free school lunches, and steps being taken to work towards the achievement of school lunch standards e.g. use of nutrition software[38], checklists, smartcards, incorporation of standards in contracts. The DfES should collect and collate this data to provide a national overview of progress.

8.3 Food composition data should be made widely available in an electronic format, and that this provides information on all the foods and nutrients contained in the standards, and expressed using analytical or calculation methods which reflect the needs of the standards.

8.4 Smartcards would be used to monitor pupils' lunchtime choices.

[38] Brakes the UK's leading supplier to caterers launched a free Healthier Eating Toolkit for Schools CD ROM - a complete guide for school caterers to help them develop healthier menus. More details at http://www.brake.co.uk/press/press170805.htm

8.5 Schools' whole school food policies should be made available to parents and be part of the school prospectus and school profile.

8.6 Caterers should demonstrate to schools through the use of food compositional tables (or if necessary laboratory analysis of samples) that the food they provide meets the standards. The standards apply over an average one week period. Schools should use registered dieticians or registered nutritionists to provide independent advice in assessing caterer's compliance.

8.7 At appropriate intervals (e.g. of 4 years) a nationwide evaluation of school food provision should be undertaken, to assess the types of foods and drinks available, their uptake and nutrient contribution to the overall diet, paying particular attention to provision for the nutritionally at risk children.

9. Summary and Recommendation

9.1 There is evidence of momentum at a local level to change school food provision, but Option 1, "do nothing" – i.e. for no further proactive initiatives to be taken by government in light of the SMRP report – would put at risk that momentum and would send signals that no progress would mean no consequences. Similarly, Option 2 – the voluntary option- would impose no obligation local authorities, schools or caterers to comply with the standards. The current state of school meals in England is despite existing primary and secondary legislation which set out food-based nutritional standards. The work of the SMRP arose from a commitment to review these standards. Deregulation seems unlikely to mean progress.

9.2 This leaves Options 3 and 4, full or partial implementation of the SMRP recommendations through legislation (with – in Option 3 – possible variations to standards or timescales). This is essentially the subject of the consultation on the SMRP recommendations on which we are now seeking views.

Appendix 1

Membership of the SMRP

CHAIR
Suzi Leather

MEMBERS

Beverley Baker	Local Authority Caterers' Association
Gina Birley	School Governor, St Martin in the Fields School
Gaynor Bussell	Food and Drink Federation
David Butler	National Confederation of Parent Teacher Associations
Judy Buttriss	British Nutrition Foundation
John Caperon	Former Headteacher, Bennett Memorial Diocesan School,

	Tunbridge Wells; Secondary Heads Association
Helen Crawley	Caroline Walker Trust
Sue Davies	Chief Policy Adviser, Which?
Paul Dornan	Child Poverty Action Group
Alasdair Friend	Headteacher, Thomas Fairchild Community School
Joe Harvey	Health Education Trust
Paul Kelly	Compass Group Plc
Christine Lewis	National Officer, UNISON
David Lucas	School Catering Manager
Joan McVittie	Head teacher, Leytonstone School
Peter Melchett	Soil Association
Sylvia Morris	Headteacher, Cathedral School of St Saviour and St Mary Overie
Mike Nelson	Kings College, London
Jenny Poulter	Independent Public Health Nutritionist
Mike Rayner	University of Oxford, Department of Public Health
Keith Sorrell	Headteacher, Windsor High School
Eileen Steinbock	Brakes
Lynn Stockley	Independent Public Health Nutritionist
Sheila Walker	Birmingham City Council
Carol Weir	British Dietetic Association

OBSERVERS

Hannah Booth	Department of Health
Jamie Blackshaw	Food Standards Agency
Louis Levy	Food Standards Agency
Stuart Miller	Department for Education and Skills
Penny Jones	Department for Education and Skills

GROUP SECRETARIAT

Catherine Evans	Department for Education and Skills
Carol MacMillan	Department for Education and Skills
Debra Toomey	Department for Education and Skills

Appendix 2

Executive Summary of SMRP Report

Context

1. The health advantages of well-cooked, well-presented meals, made from good-quality ingredients to accepted nutritional standards, by school caterers who are confident in their skills and valued by the school community, are inestimable. The benefits of good school meals go beyond high quality catering. They also produce social, educational and economic advantages.

2. The Panel repeatedly heard head teachers and others from schools where food had already been improved speak of associated improvements in behaviour: of calmer,

better behaved children, more ready to learn. Improving food in schools may contribute to improved attainment and behaviour.

3. School children of all ages should look forward to and enjoy their school meals, should learn about where their food comes from, and also take an interest in how it is produced. Improved food knowledge should include practical cooking skills so that children and young people who are now at school can, in their turn, look after themselves and their own families in a way which meets their health needs and their food preferences, enhancing their self esteem and self confidence. Transforming school food is as much about these aspects as about nutritional standards.

4. What children receive at home will always be more important than what they eat at school. But the school is crucial for modelling healthier choices and schools are a vital setting. Whilst they can help children learn and establish healthy eating patterns which will last for life, they can also introduce and reinforce habits which will slowly but surely erode children's health.

5. Children fed a monotonous diet of poor quality, predominantly processed food do not thrive. The statistics are striking. In 2002, 22% of boys and 28% of girls aged between 2-15 years were overweight or obese[39,40] and these figures are continuing to worsen. It is estimated that obesity already costs the NHS directly around £1 billion per year[41] and the UK economy a further £2.3 to £2.6 billion pounds in indirect costs.[42] It has been estimated that, if the present trend continues, by 2010 the annual cost to the economy would be £3.6 billion pounds a year.**Error! Bookmark not defined.** Conservative estimates suggest that one third of girls and one fifth of boys will be obese by 2010[43] – and many more will be overweight. The risks of this happening are greater in lower income households[44]. We have yet to witness the full implications of the obesity epidemic in children. The chronic disease consequences come later – particularly diabetes, heart disease and many cancers[45]. The stark reality is that this generation of children faces the prospect of more ill-health and disability during their lifetimes unless radical steps are taken now.

6. There is no doubt that what children eat and the level of their activity[46] are at the core of the problem, yet survey after survey continues to highlight school children's poor eating habits[47.] They are "grazing" on foods which are high in fat (particularly saturated fat), sugar and salt, yet shunning the very foods their bodies need for good health, such as fruit and vegetables.

7. The current crisis in school food is the result of years of public policy failure. Financial pressures and the fragmentation of school catering, together with a lack of

[39] Health Survey for England, 2002
[40] RCPCH, RCGP and RIPH, 2004 Storing up the problems
[41] Health Select Committee report on obesity 2004
[42] House of Commons Health Committee, Third Report of 2003-04
[43] BMA, 2005 Preventing childhood obesity
[44] Jotangia D., Moody A., Stamatakis E. & Wardle H. (2005) Obesity among children under 11. Joint Health Surveys Unit/National Statistics.
[45] World Health Organisation (2003) Diet, Nutrition and the Prevention of Chronic Diseases. World Health Organisation, Geneva.
[46] The Public Service Agreement target on PE and school sport is: "Enhance the take-up of sporting opportunities by 5-16 year olds by increasing the percentage of school children who spend a minimum of two hours each week on high quality PE and school sport within and beyond the curriculum from 25% in 2002 to 75% by 2006. Joint Target with DCMS." Public Service Agreement White Paper, 2002 Spending Review
[47] Gregory J., Lowe S., Bates C.J., Prentice A., Jackson L.V., Smithers G., Wenlock R. & Farron M. (2000) National Diet and Nutrition survey: Young People aged 4-18 years. The Stationery Office., London.

strict standards, have resulted in the type of school meal we see too often today. The Panel is delighted that the Government has recognised the crucial importance of healthier school food. There is also now a groundswell of public opinion that we need to improve the quality of school food. This represents the best opportunity to upgrade the quality of food in schools since regulations were removed in 1980[48]

8. It is clear that schools can transform the food they offer to children. Many have already begun to do so. There is now an opportunity to ensure that every child has access to healthier school meals. This is an exciting, yet complex challenge: to transform school meal provision in over 20,000 schools. Responding to this challenge must involve the whole school community, the food industry and school meal providers.

9. It is within this context that the School Meals Review Panel was asked by the Secretary of State for Education to review existing standards and make recommendations to Government.

10. We believe our recommendations will lead to the consumption of healthier combinations of lunchtime foods by primary and secondary school children. This improved quality will clearly mean some increased costs; but these costs should be set against the health and other benefits. Redressing the imbalance in children's diets will contribute towards a reduction in obesity and diseases like tooth decay in young people. In the longer term, the changes we recommend now should reduce the chances of young people suffering from various chronic diseases later in life. But more than that, new standards can set the scene for holistic changes in the way young people perceive food and health, and can pave the way for wider changes in our food culture.

The Report

11. This report summarises the deliberations and presents the recommendations of the Panel. This multi-disciplinary expert group included headteachers, governors, school caterers, trade unions, people with practical experience in implementing healthy eating initiatives in schools, registered dietitians and nutritionists, public health experts, consumer and environmental group representatives, parents and representatives of the food industry. This report represents a collation of views and ideas from a wide range of people and interest groups: whilst not achieving unanimity on every matter, the report should be seen as a consensus view of the majority of members.

12. During the course of our work we considered evidence from a variety of sources including published scientific studies, evaluative projects and lessons learnt from schools and local authorities which have taken innovative steps to improve their school meals.

13. The core recommendation made is for school lunch provision (in both primary and secondary schools) to meet:

- 14 nutrient standards which are very similar to those released by the Caroline Walker Trust[49]

[48] See Paragraph 1.8
[49] Crawley H. (2005) Eating well at school: Nutritional and practical guidelines. Caroline Walker Trust, London.

- 9 food-based standards which maximise access to healthier foods (like fruit, vegetables and bread) and remove the availability of less healthy foods (like confectionery, pre-packaged savoury snacks and high-sugar or sweetened fizzy drinks).

14. In formulating these standards we considered children's needs across a broad spectrum: physical, social and educational. We paid attention not only to purely nutritional requirements but also to the wider issues: what children learn about preparing food themselves; lifelong cooking skills; the social benefits of sitting down to a shared meal; and the importance of an approach which is environmentally sustainable. As a consequence the report also contains 34 broader recommendations to promote coherent, "joined-up" thinking about healthy eating across the school day and to support schools and caterers in meeting these new standards.

Delivering Change

15. Experiences drawn from schools indicate that the standards recommended within this report are achievable. We acknowledge that they are challenging, particularly in secondary schools which presently offer a very wide range of food choices. The sample menus included in this report illustrate the level of change which schools will need to work towards. We have recommended a phased introduction of the standards, with essentially the food standards met by schools by September 2006, and then the nutrient standards met fully in all primary schools by September 2008 and in all secondary schools by September 2009.

16. A common thread in achieving change is controlling the range of choice, and we clearly and firmly advocate this. The new School Meals Review Panel (SMRP) standards are designed to drive the replacement of foods consumed at lunchtime which are low in nutritional value with foods which support children's health.

17. The Panel therefore agreed that confectionery, pre-packaged savoury snacks and high-sugar or sweetened fizzy drinks have no place in school lunch provision and other school food outlets[50]. The standards for these foods and drinks are proposed as a statutory requirement of school lunch provision. In addition, we were very clear that, with appropriate modifications, they should be applied to other food outlets within the school and reflected in school policies for food brought into school. We concluded that it is by constructively controlling choice that we will widen children's food experiences. A greater variety of foods will help children to a healthier future.

18. This principle of 'choice control' has been shown to be effective not only for school lunches, but also in promoting healthier eating from other food outlets within schools. Successful 'healthy vending' projects in schools have already demonstrated that this can be done, particularly with the advent of refrigerated vending machines which enable a wider range of options such as sandwiches, fresh fruit, juices and milk to be made available to children in school.

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[50] The panel accepts that low salt and fat savoury snacks would be suitable for vending.

Working Together

19. The implications of these SMRP standards and recommendations are far reaching. They will require people to work together in partnerships.

20. Examples of successful school food improvement underline the importance of school leadership and a partnership approach, from pupil participation at school level right through to local authority strategic level. Transforming school food is as much about people, skills and commitment as it is about nutrients and ingredients. Implementing the new SMRP standards will mean changes for all. Caterers will need to change their recipes and cooking practices; kitchen staff will need more time to prepare meals; local authorities, governors and school heads will need to prioritise food; parents and carers will need to support the changes; children themselves will need to choose the new options. In short, it will require a whole-school approach. The examples of successful transformations which have already been achieved have depended on all these elements being in place.

21. The transformation of school food should also create jobs. The use of more fresh, locally produced and unprocessed food will require more kitchen staff working more hours, and will have wider benefits to local economies. This must be expected and built in to workforce planning. All staff will require training. Since so few real cooking skills have been required of many kitchen staff in recent years it will also be necessary to train many school catering staff in new techniques and skills, and to give help with menu design and procurement planning. Resources devoted to this must be a priority.

Financial Implications

22. The additional cost to local authorities, schools and parents and carers of implementing our recommendations over a three-year transition period is in the order of £167m in the first year and £159m in subsequent years. These figures are the best estimates we can make using the currently available information, and the time available to us, and they assume no increase in uptake or efficiency savings. They provide a very useful indication of the level of additional money that needs to be levered into the school meals service. In March 2005 the Department for Education and Skills (DfES) committed transitional funding of £220m over three-years to support a transformation of school meals by local authorities.

23. We estimate that over two-thirds of the estimated additional costs will go towards food on the plate and will bring expenditure on ingredients into line with the Caroline Walker Trust (CWT) recommendations. The Panel recognised that steep increases in prices to parents and carers could lead to a decrease in uptake. This could even call into question the viability of the school meals service in some areas. We are also concerned about the impact of any price increases on low-income families who sit just above the threshold for Free School Meal (FSM) entitlement. We urge the Secretary of State to take note of our concerns and investigate options for mitigating these risks.

Conclusion

24. It is time to reverse the regrettable move away from high quality standards of school food. It is time to 'turn the tables'. We believe our recommendations will lead to the consumption of healthier combinations of lunchtime foods by primary and secondary school children. This in turn will contribute towards a reduction in obesity and in the longer term reduce the chances of our young people suffering from various chronic diseases later in life. We also believe that there will be educational gains for schools and children. Further, the changes in school food which we recommend should help bring about a healthier food culture, in which young people and adults enjoy the experience of eating healthy, nutritious food together. We commend our report to the Secretary of State and to the wider public.

Appendix 3

SMRP Recommendations

The standards

Recommendation 1: The nutrient and food and drink standards proposed in this Report should be adopted and applied to the provision of school lunches.

Recommendation 2: Food provided at lunchtime in schools should meet the combination of nutrient and food-based standards over a period of five consecutive school days.

Recommendation 3: Schools should aspire to achieve the highest quality of provision, which is a hot meal, cooked on-site, from fresh and seasonal ingredients. Whilst we accept that this level of provision is not possible to achieve in all schools at present, we recommend that schools work towards this.

Recommendation 4: At present only the school lunch standards are statutory. The Panel recommends that pre-school and children in other settings, should be similarly protected. It recommends that the Government, as a priority, supplements these lunch standards with standards for other food and drink service provision: break-time snacks, breakfast and after school clubs.

Recommendation 5: The panel recommends to schools that, from September 2006, the food standards (Table 2) be applied to lunch time and that similar standards for 'processed foods'; 'confectionery and savoury snacks'; and 'drinks' be applied to tuck shops, vending and other similar food services. The panel recognises that meeting the voluntary Target Nutrient Specifications for processed foods will require some product development and therefore may take longer.

Recommendation 6: School caterers should ensure that choice is available for all children right through to the end of lunchtime service in order that children eating later in the food service are not disadvantaged.

Recommendation 7: There should be easy access to free, fresh, chilled drinking water throughout the school day.

Recommendation 8: The procurement of food served in schools should be consistent with sustainable development principles and schools and caterers should look to local farmers and suppliers for their produce where possible, tempered by a need for menus to meet the new nutritional standards and be acceptable in schools**.**

Recommendation 9: The standards should be reviewed in 2011. At this time the standards should be applied to food consumption as well as food provision.

Recommendation 10: The Department for Education and Skills (DfES) should encourage schools to adopt the voluntary target nutrient specifications circulated for consultation by the Food Standards Agency.

Delivering Change

Catering:

Recommendation 11: Schools and caterers should conduct a needs analysis (skills, equipment, preparation time) and train all relevant staff (including catering staff and midday supervisors) to ensure they are able to support pupils in making healthy choices.

Recommendation 12: Catering staff need to be central to the whole school approach. Their practical skills should be valued and utilised to the full, and they should be represented on groups like School Nutrition Action Groups.

Schools:

Recommendation 13: All schools should audit their current food service and curriculum, and develop, implement and publish a whole-school food and nutrition policy. The Panel recommends that schools' whole-school food policies should be made available to parents and carers and be referred to in the school prospectus and school profile.

Recommendation 14: All children should be taught food preparation and practical cooking skills in school in the context of healthy eating. Far more emphasis should be placed on practical cooking skills within the curriculum space currently devoted to Food Technology, and the KS3 review should consider this.

Recommendation 15: Supply links between local producers and schools should be strengthened, with improvements to children's knowledge about growing and cooking food. Schools should be encouraged to visit farms, ideally where some of their food is produced.

Recommendation 16: Whole-school food policies, developed through partnerships, should include consideration of the impact of packed lunches and food brought into school. However, where parents and carers wish to continue with packed lunches, guidance is available from the Food Standards Agency.

Getting started

Recommendation 17: The introduction of the new standards should be phased in over a period of time to allow the necessary preparation. Implementation will be more difficult in some schools (e.g. where there is a cash-cafeteria food service). The new standards should be fully achieved as soon as possible, and at the latest, for all primary schools by September 2008 and for all secondary schools by September 2009.

Recommendation 18: Schools and local authorities should aim for complete take-up of free school meal entitlement; and schools should aim to have at least 10% increase in school meals take-up by the end of the implementation period.

Recommendation 19: Further tools and guidance need to be developed, tested, and made available as early in the implementation process as possible. The DfES should take the lead on this.

Recommendation 20: The Food Standards Agency (FSA) should make its food composition data, including any relating to non-milk extrinsic sugars, widely available in an electronic format. This will provide information on foods and nutrients contained in the standards, expressed using analytical or calculation methods which reflect the needs of the standards.

Financial investment

Recommendation 21: The Secretary of State should take note of our concerns that low income families may be adversely affected by price increases, and investigate options for mitigating possible nutritional and economic risks.

Recommendation 22: Schools and local authorities must improve transparency and accountability in relation to how much they spend on school meals, including food cost per meal; uptake; free school meal numbers; nature of service; level of any subsidy; and any surplus generated by the service and how it is spent. This information should be presented in the whole-school food policy.

Recommendation 23: There should be no further degradation of service or provision by individual schools or local authorities from the current position, and kitchens should be a priority under 'Building Schools for the Future'. The DfES should undertake further work to consider the options for schools which no longer have their own kitchens. Schools and local authorities should be encouraged to reach the highest standards of provision and kitchens should be a priority in all schools' capital investment programmes.

Recommendation 24: Guidance on formulaic funding delivered to local authorities and schools should prioritise the renovation and refurbishment of kitchens and dining facilities.

Recommendation 25: The Government needs to ensure that current Private Finance Initiative (PFI) contracts and 'Building Schools for the Future' (BSF) initiatives do not impose barriers to the improvement of school food and also ensure that in future all school PFIs incorporate building specifications which enable the main meal to be cooked on the premises and practical cooking skills to be taught to all pupils. The Government should require all partners in PFI deals to be bound by the new standards. The existence of long-term contracts cannot be allowed to adversely affect the health of pupils in PFI schools.

Recommendation 26: The Panel suggests that kitchens and dining areas should be given priority within primary capital investment.

Recommendation 27: The economic costs of the changes should be modelled against the economic benefits. For example the benefits include: sourcing more food from local suppliers will benefit local economies and cut down transport and infrastructure costs; using more fresh ingredients will require longer kitchen assistant hours and this will benefit catering staff; the possible link between better nutrition, educational attainment and associated life-time earnings gain.

Recommendation 28: DfES has asked all local authorities to revise their asset

management plan data by the end of this year. This information should show-up deficiencies in kitchen and dining areas but will not, due to timing, reflect then standards and approach recommended in this report. We recommend that DfES should (i) consider what further work needs to be done to supplement the information gathered from current activity; (ii) use this information to ensure that kitchen and dining areas are a priority in capital spending programmes; and (iii) ensure that all future asset planning takes the new SMRP standards and approach fully into account.

Recommendation 29: In line with the Government's expectation that the transformation of school meals should be led by local authorities, we recommend that local level discussions recognise the desirability of phased – as opposed to sudden - price increases.

Recommendation 30: The Government should make school meals a priority during the Comprehensive Spending Review 2007.

Monitoring and Evaluation

Recommendation 31: At appropriate intervals (eg. of 4 years) a nationwide evaluation of school food provision should be commissioned by DfES, to assess the types of foods and drinks available, their uptake and nutrient contribution to the overall diet. The evaluation should pay particular attention to provision for children who are nutritionally at risk. This evaluation should be timed for completion before the review of the standards in 2011.

Recommendation 32: The main approach to external monitoring and evaluation should be through the regular inspections carried out by Ofsted. This should be supported by evidence gathered from the in-depth inspections of a sample of schools carried out by HM Inspectors, supported by nutritionists. The Panel recommends further work should be conducted by Ofsted and DfES to use the pilot inspections planned for November 2005 to develop the methodology and a rigorous set of tools to support those inspections.

Recommendation 33: A checklist should be developed, as part of the package of further tools and guidance. It should be piloted to ensure it is effective in bringing about change and supporting implementation of the nutrient and food standards.

Recommendation 34: Local authorities should be required to collect and report annually on progress in achieving healthy school standards, provision and uptake of all (including free) school lunches, and steps being taken to work towards the achievement of school lunch standards e.g. use of nutrition software, checklists, smartcards, incorporation of standards in contracts. The DfES should collect and collate this data to provide a national overview of progress.

Recommendation 35: The School Food Trust should hold a database of standards compliant menus for schools to use at their discretion; and standard analysis services which would support schools in providing and analysing their own meals service.

Declaration :

I have read the Regulatory Impact Assessment and I am satisfied that the balance between cost and benefit is the right one in the circumstances.

Signed by the responsible Minister

…*Phil Hope*……

Date …*4th September 2006*…… ……

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