

Equality Impact Assessment (EqIA)

This EqIA is for:	Catering & Facilities Management Service – Pricing Review	
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Department and Team	Place, Catering and Facilities Management	Date: 28/01/2025
Assessment approved by:	Mark Walker	

EqIA form

Part A: Impact, consultation, and proposed mitigation

1 Executive summary and the general potential impacts of the proposal?

Introduction

The Catering and Facilities Management Service (CFM) offers a range of discretionary services to a wide range of customers. It traditionally reviews its prices annually to enable the business to keep pace with inflationary costs. It operates on a commercially traded basis and is subject to market conditions and competition.

Because of both competition in the marketplace and other commercial factors, the Service is unable to currently recover all its costs in income from its customers. The Service is predicted to require a subsidy of £2.5 million in 2024/25 which is set to increase in 2025/26 without price increases to offset inflationary pressures. This subsidy has to be funded from general County Council finances, diverting funds from being spent on other priority areas and potentially more targeted work to work to support groups with protected characteristics.

The services in scope of the price review are offered by the Council fall into three areas, namely:

- **Schools Catering** – including the provision of an estimated 5.28m school meals this year, 3.33m being free school meals and 1.96m being ‘paid for’ school meals. These meals are supplied to those schools who choose to buy into the Council’s catering service.
- **Facilities Management** – these include charging for Building Cleaning, Facilities Management and Landscaping and Grounds Maintenance services.
- **County Enterprise Foods** – including provision of the Meals at Home service to Adult Social Care Services, primarily in support of older residents.

The Schools Catering and Facilities Management elements of the Service are considered to be Traded Services of the Council due to the discretionary nature of services provided. They are therefore expected to cover the full costs of service delivery through income generated.

Schools Catering

The margins in the highly competitive catering market are narrow (typically 2-3%) with many commercial operators able to operate with a lower cost base than the service.

The prices for schools catering were last set in September 2023 and since there have been a significant number of factors affecting the costs for Schools Catering:

- 3.2% inflationary increase applied to indirect and overhead costs.
- Pay award of 5%.
- Foundation Living Wage increasing from £12 per hour to £12.75 per hour in November 2024.
- Food costs increasing by 6% and average cost per meal increasing from £1.04 to £1.10 per meal.
- Free School Meal funding rising from £2.48 to £2.53 in September 2023.

Schools Catering is predicted to produce 5,284,582 meals in 2025/26. Of these, 37% are Universal Infant Free School Meals and 26% are Free School Meals, both of which are currently charged to Schools to reflect the previous Government funded rate of £2.53. Only 37% of the meals produced are 'Paid For' school meals.

Schools Catering has required a subsidy from the County Council for the last 5 years and experienced a shortfall of £1.6m in 2024/25. The current budget projects a further shortfall of more than £2.4m in 2025/26 if prices remain the same.

The Schools Catering budget for 2025/26 will require an additional £640k for additional costs comprising of:

- Food costs – increase of £133,000.
- Pay award and Foundation Living Wage – an increase of £171,000.
- National Insurance Contributions – will rise to 15% from 01 April 2025, plus secondary threshold decreasing to £5,000 leading to an increase in costs of £337,000.

The Government has awarded an increase in the funding for Universal Infant Free School Meals (UIFSM) at the amount of £2.58 (up from £2.53), to come into effect in June/July 2025, and which will be backdated to the start of the academic year September 2024. This is an increase of only 2% since the last increase in September 2023, significantly below the inflationary impact. This new price will not cover the full costs incurred by the Council to provide free school meals and will increase the gap between Government funding and the cost to the County of producing those school meals.

The County Council is considering mirroring the Government's proposal to increase the price of UIFSM to £2.58 that is back dated to the start of the 2024/25 academic year. Further, this price would also be extended to cover Free School Meals provided to pupils who attract Pupil Premium support which is funding allocated to pupils from low-income families.

Paid School Meals – to increase the rate to £3.16 (7%) from 01 April 2025, to provide a compromise which would reduce the increase in the subsidy for Schools Catering to £0.32m for the County Council's next financial year. The Authority would have to increase charges to £3.33 in order to maintain the current level of subsidy provided by the Council to underwrite paid for school meals provided in the County – the increase is a below inflation uplift.

This price if approved would support the Council in partially managing the subsidy requirements. It would also support the establishment of the proposed Joint Venture Partnership, subject to approval, whilst keeping high-quality, nutritious school meals at affordable prices.

Facilities Management

There will be significant additional pressures on the Facilities and Landscaping Services, due to the increases in the National Insurance Contribution, salary costs and inflation. Work has been undertaken with colleagues in the County's Finance team to calculate an hourly rate that ensures

the current subsidy does not increase any further. It is proposed that an uplift of 10% is introduced for prices in these services.

County Enterprise Foods

County Enterprise Foods will also face significant additional inflationary pressures in 2025/26 including the increases in National Insurance Contributions, other salary related costs and food inflation. A price increase for 2025/26 is therefore currently being developed with input from the Council's Finance team and will require a similar uplift to Facilities and Landscaping to clawback the predicted additional costs.

An increase in the region therefore of 9-10% to prices charged for contracts is required to ensure the current subsidy does not increase any further. County Enterprise Foods has a range of internal and external contracts, for example being commissioned by the Council's Adult Social Care Department and also by private individuals for the provision of a Meals at Home service. It also has a number of external contracts for the bulk provision of meals. It is proposed that the price rise applied will vary depending on the type of contract under review and the customer effected.

Conclusion

It is possible that the proposed school meal price increases (although below the levels of inflation faced since last set in September 2023) may have some level of negative impact on some children and young people if their parents/guardians should decide not to buy meals as a direct result of the price increases. This assumes the school passes the price increase the Council charges them for meals provided to parents/carers.

Even at the new prices proposed, the meals offer good value for money for the high-quality, nutritious product delivered. Just over one third of school meals supplied by CFM are to children whose families would have to pay the school for that meal.

The most vulnerable cohorts served, namely those in receipt of Free School Meals will not be financially affected by the increases and are therefore protected from them. It is not possible to predict the impact of the proposals on wider paid for school meal take-up. However previous price increases made by the service have not significantly impacted on volumes. The Service will continue to actively monitor the situation.

Contracts for Facilities Management services and (the majority of) County Enterprise Foods services are with organisations, as opposed to being directly with private individuals (or in the case of school meal prices, charges that are likely to be passed onto individuals). These organisations will face of course be facing similar inflationary challenges and will expect rises of the quantum proposed in the Cabinet Report.

2.a Who are the main internal and external stakeholder groups that will be affected?

Stakeholder groups	Tick
Children/Young people	Yes
Parents	Yes
Families	Yes
Residents	Yes
Older people	Yes
Employees/staff	No
Schools	Yes
People with disabilities	Yes
Other, please state	N/A
Other, please state	N/A

2.b Protected Characteristics: Is there a potential positive or negative impact based on:

Protected Characteristic or group	Positive impact (please describe)	Negative Impact (please describe)	Neutral impact/non applicable (please tick)	Mitigations (please add how you will address the negative impact or explain why it is not possible to do so)
Age	No	<p>Possible -</p> <p>There is the potential that the increase to Paid School Meals that schools would pay may mean that some families are no longer able to pay the new price for a Paid for meal.</p> <p>Some families paying for a paid for school meal may be entitled to a free school meal.</p> <p>County Enterprise Foods - There is the potential that the increase for Meals at Homes Meals may mean that some families are no longer able to pay the new price.</p>		<p>Although Schools rather than individuals are charged for meals, the County Council is proposing to keep the price increase significantly lower than the increase in costs incurred to minimise the impact on the prices schools decide to pass on to families.</p> <p>The Council believes that not all those children entitled to Free School Meals are in receipt of such a meal. The Council will undertake further work to actively encourage more take-up.</p> <p>For meals at home, Adult Social Care services commission meals as part of care packages, although there are some individuals who purchase meals.</p> <p>Further, the non-statutory services delivered by the Service can be supplied by a wide range of providers in the market. Schools or other customers do have the option to seek out alternative providers.</p>
Disability	N/A	<p>Possible -</p> <p>County Enterprise Foods - There is the potential that the increase for Meals</p>	Neutral	<p>The County Council is proposing to keep the prices charged to schools for Free School Meals significantly lower than</p>

		at Homes meals may mean that some individuals or families are no longer able to pay the new price.		<p>the increase in costs incurred – this will minimise the impact on schools' budgets.</p> <p>Those children who are entitled to Free School Meals do not have to pay for meals and therefore do not pay the prices themselves. This group receives two thirds of meals produced by CFM.</p> <p>County Enterprise Foods – see mitigation set out in age category above.</p>
Gender reassignment	N/A	N/A	Neutral	N/A
Pregnancy and maternity	N/A	N/A	Neutral	N/A
Race	N/A	N/A	Neutral	N/A
Religion or belief	N/A	N/A	Neutral	N/A
Sex	N/A	N/A	Neutral	N/A
Sexual orientation	N/A	N/A	Neutral	N/A
Marriage or Civil Partnership	N/A	N/A	Neutral	N/A
Care Experience*	N/A	Possible County Enterprise Foods - There is the potential that the increase for Meals at Homes meals may mean that some individuals or families who directly purchase are no longer able to pay the new price.	Neutral	County Enterprise Foods – see mitigation set out in age category above with reference to Adult Social Care commissioning and paying for those in receipt of care packages provided by the Local Authority.
People who use different languages, including British Sign Language	N/A	N/A	Neutral	N/A
Another group, please state	N/A	N/A	Neutral	N/A
Another group please state	N/A	N/A	Neutral	N/A

It is not feasible to define with any certainty the impact that any price increase for meals or other services would have. This would have to be monitored by the Council. However, previous such price increases made by the service have not significantly impacted on volumes.

3.a Does this policy/activity rely on, relate to or mention any other policy, please detail.

No

3.b Consultation and Engagement: Where there are potential negative impacts for protected characteristics these should be detailed including consideration of the equality duty, proposals for how they could be mitigated (where possible) and meaningfully consulted on:

A number of relevant mitigations for the groups with protected characteristics that might be impacted are detailed in the section above.

The Catering and Facilities Management Service undertakes ongoing engagement and informal consultation with Schools and other customers that directly contract with the County Council for the provision of the discretionary services including school meals.

The vast majority of contracts with the service and the associated prices charged through those contracts are to organisations such as Schools, Public Sector partners and the Adult Social Care Department. The Service has very few private individuals directly purchasing services for personal use from it.

The Service will continue to work with all customers to assess the impact of the new pricing, if approved, once it is enacted. With particular regard to School Meal prices, the Service benchmarks the prices of its services against comparable other Local Authority services and competition in the marketplace.

3.c Ongoing Monitoring: Please detail when you would like to revisit this policy/project/piece of work for review of equality impact.

It is not possible to quantify the impact that the proposed price increases will have directly on the take up of services. The Council will though continue on an ongoing basis to ensure there is meaningful engagement and consultation with schools and our other customers.

With regards to the take up of Free School Meal entitlement, the Council is proposing to undertake more work in the coming months to investigate take-up and how to increase it and by extension the number of free school meals provided by the Service.

3.d Publishing

Do you intend to publish this report? **Yes**

If you do not intend to publish this report, please explain why:

Do you intend to attach this EqIA to a report **Yes**

Part B: Feedback and further mitigation

4 Summary of consultation feedback and further amendments to proposal / mitigation

Once a decision has been made by the Council's Cabinet, the price increase can be implemented.

Feedback received and lessons learnt from these sessions will be fed back into this process and actioned as appropriate.

Next steps and extra information:

Completed EqlAs should be sent to equalities@nottsc.gov.uk

EqlA's should be published on the Nottinghamshire County Council website here, [Completed Equality Impact Assessments \(EqlAs\) | Nottinghamshire County Council](#) unless there is a good reason not to make this document available to the public. To get your EQIA published you should use this form, [Request a website content change or addition | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#)

EqlA's should be attached to reports for decision makers to consider [Report writing | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#)

Useful links:

[When you can provide a separate or single-sex service | Equality and Human Rights Commission \(equalityhumanrights.com\)](#)

[Health & Safety Management System | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#)

[LGBTQ+ Staff Network | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#)

[Black Workers Network | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#)

[Disabled Employees Support Network | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#)

[Corporate and departmental equalities groups | Nottinghamshire County Council Intranet \(nottsc.gov.uk\)](#) Please contact your departmental equality group chair for further support.