### Report to Sheffield Education Funding Forum 24 June 2025

#### Paper No. 9 - for information

# School Food - Price Update

### **Key Messages**

Forum members are asked to:

• Note the changes to school meal prices within the Council's central catering contract from September 2025.

### 1. Introduction/background

- 1.1. Sheffield City Council runs a central catering contract on behalf of approximately 90 schools in the city. The current provider is Taylor Shaw, and the contracts runs until July 2027.
- 1.2. We have worked very closely with Taylor Shaw and their parent company Elior to keep prices as low as possible, however there are increases for 2025-26 as detailed below.

#### 2. Contract Meal Prices

- 2.1. New contract prices for the academic year 2025-26 are as follows these are the best possible prices in the current climate:
  - Primary: £2.95
  - Secondary (FSM value): £3.00
  - Secondary tariff items: 5% increase

# 3. KS2 Subsidy

- 3.1. The current price to parents is subsidised by schools in the contract. In previous years we have asked schools whether they wished to continue with this, or reduce or remove the subsidy, however there was no consensus on the matter. The current pressures on school budgets are well understood and several schools have recently raised the question of the subsidy not being sustainable.
- 3.2. As a result, we are no longer seeking a 'one size fits all' approach to this across schools in the contract and have asked schools to tell us what is right for them. The cost to each school ranges from approximately £800 to £4,000 (depending on size). If the subsidy is reduced or eliminated, then the management fee would reduce accordingly for that school in academic year 2025-26. Each individual school is asked to make its own decision.



- 3.3. Suggested options:
  - Maintain the 20p subsidy the increase in price to parents would be from £2.60 to £2.75.
  - Reduce the subsidy to 10p the price increase to parents would be from £2.60 to £2.85.
  - Eliminate the subsidy the increase to parents would be from £2.60 to £2.95.
- 3.4. Each school has been given an approximate value of the reduction in the Council's management fee if they choose to reduce or eliminate the subsidy. We recognise this to be a matter for governing bodies, so have set a deadline of the end of the summer term.

#### 4. Future Contract

4.1. We are starting discussions about school food requirements beyond July 2027 and will be contacting schools to ask if they would like to be part of the procurement proceedings.

### 5. Recommendations

Forum members are asked to:

 Note the above school food price increases and the consultation options regarding the KS2 subsidy.