

Bury Schools' Forum

30 June 2021

Any Other Business – Item 10a – Catering charges during Covid-19 pandemic

Enquiry: from schools via Simon Waddington, Headteacher: Hollins Grundy Primary

I understand that Catering have charged schools for free school meals which were not served during periods of school closure (albeit at a reduced rate). Journals have been made in maintained schools, invoices sent to academies. This has been done without consultation or prior warning.

Schools who use a private provider rather than Bury LA Catering have not received similar invoices; this is unfair and introduces a pressure not to use Bury LA Catering in future.

If these payments are based on guidance contained in PPN 02/2020 and PPN 04/2020, both documents talk about transparency and fairness. Additionally, the guidance in both is time limited (to 30.06.20 in the case of PPN 02/2020 and 31.10.2020 in the case of PPN 04/2020) and I have seen journals at Hollins Grundy which relate to school closures in spring 2021 which is outside the scope of either document.

Emergency Covid funding for schools only covered the period up to the end of the summer term 2020 and schools have had continuing additional costs which are ongoing with respect to additional cleaning and other measures to limit the spread of infection.

Can these payments be cancelled or reversed please?

Response: Steven Goodwin, Head of Strategic Business and Finance

Throughout the pandemic all schools funding has been protected, including the Universal Infant Free School Meals (UIFSM) grant, Pupil Premium Grant (PPG), Sports Grants plus others. This protected level of funding and grants was enhanced through numerous Covid support grants and additional support for schools, including the Free School Meals (FSM) vouchers and reimbursement schemes.

The Department for Education (DfE) included references in guidance issued at the start of the pandemic in respect to schools continuing to honour all contractual arrangements, including Service Level Agreements (SLAs), to ensure no detrimental impact on service providers, and their staff, who are funded through the protected schools' budgets. This included amendments to relevant Procurement

In respect to the charges applies to schools, these have been in accordance with the relevant extended Procurement Policy Notices (PPNs), the extended dates being subject to DfE and HMRC consideration, AND in accordance to the provisions with the schools catering SLA. Section 7 (Variation to the Agreement) of the SLA states "Emergency closures will attract additional labour costs where staff cannot be redeployed", these costs are £1.56 per meal and this is what the Council has charged schools for each lost FSM, schools have not been charged for any loss relating to paid meals.

Also in Section 7 it states "Changes to the style of lunchtime service provision may incur extra labour cost charges including extra service points/areas"

Schools have retained the full amount of UIFSM income provided by the government at the rate of £2.35 per meal and have received the full element of FSM funding within their delegated budgets for 2020/21 and 2021/22, they have only been charged £1.56 during the pandemic to cover the costs of contractual staff that could not be furloughed and continued to support the provision of meals throughout the pandemic.

The council has also received confirmation that external catering providers, such as Mellors, have also applied similar charges to schools.

The DfE continue to monitor ongoing costs being incurred by schools and have extended some Covid grants to cover the 2021/22 academic year. They are also reviewing schools balances and are expecting to challenge schools directly where schools surplus balances have increased significantly during 2020/21 when Covid reimbursements were claimed.

The upshot of all above is that the catering charges have been applied appropriately and stand.