

Briefing note

To: Schools Forum

Author:

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Purpose of the Paper:

Information	√
Consultation	
Decision	

Title of Briefing: SLA Increase 2019/20

Background

Following the Schools Forum meeting on 24 April 2019 a request was made for some analysis of the Service Level Agreement increases since the last financial year and in particular some explanation of increase in Catering Services SLA.

The average increase across some of the services is shown in Table 1. Whilst this does not include all services covered by agreements with the Council or its partners, below is an extract of some of the key services.

Table 1: Average SLA Increase:

Service	2019/20 % increase
Catering	7.4
Insurance	1.4
HR / H&S	3.2
School Improvement	5.3
Connexions	3.0
Finance	3.3
Governor Services	1.0

Catering Services – Analysis of Increases

Nearly 90% of cost of the service on offer relates to cost of food and direct labour costs. Over the last financial year 2018/19 food costs have increased by over 10% with associated staffing costs increasing by nearly 7%. The impact of these two factors have resulted in the Service Level Agreement increase of 7.4% for the financial year 2019/20.

However, it is worth noting that for schools signing up to a 3 year contract the price is fixed for the first 2 years, which equates to an increase of 3.7% per year, providing certainty for both schools and Catering Services. A significant number of Schools have signed up to this extended arrangement.

Forum members will be aware that the national pay award has focused on larger increases to lower grade posts. As a result, kitchen assistant's salaries have risen by 17.2% since 17/18.

Catering Services will continue to use their purchasing power and management expertise to try and minimise impact of further food increases, which are already emerging due to uncertainty in the markets leading up to 31 October 2019.

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