

## STRATEGIC INVESTMENT GROUP

# BUSINESS CASE – CAPITAL INVESTMENT

*This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.*

*For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext 6144.*

<b>Project Name:</b>	<b>Universal Primary Free School Meals (UPFSM) (Phase 2)</b>
<b>Project Reference:</b>	
<b>Project Manager:</b>	<b>Isobel Bourke-Richardson</b>
<b>Workstream/Programme:</b>	

<b>Head of Service/Project Sponsor</b>	Geraint Davies	<b>Lead member:</b>	Gill German
<b>Service:</b>	Catering Services	<b>LM Portfolio:</b>	Education, Children and Families
<b>Form completed by:</b>	Isobel Bourke-Richardson/ Hayley Jones	<b>Date:</b>	
<b>Service Accountant:</b>	Martyn Dodd	<b>Date:</b>	

### PROJECT TYPE

Please categorise your project type. Mark **one** box only.

<b>SMALL</b>	<input type="checkbox"/>	<b>MEDIUM</b>	<input checked="" type="checkbox"/>	<b>LARGE</b>	<input type="checkbox"/>
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<b>DECISION SOUGHT FROM SIG:</b>	The approval to spend the second phase of WG's Universal Primary Free School Meals (UPFSM) funding grant permitting catering service to commence the refurbishment of 16 School kitchens/dining spaces to accommodate the project.
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## EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include:-

- what the project will achieve / important benefits
- estimated costs
- how the project will be funded

The Catering service will be required to refurbish 25 school kitchens throughout the roll out to accommodate the additional 3600 meals per day when full roll out date of project is agreed. WG have previously awarded £859k of capital funding for the 2022/23 financial year and £63k of revenue funding to assist with delivering the pledge. This funding has now been spent and the authority has successfully completed phase 1 of the rollout to all Reception pupils in DCC schools.

£1.2million of capital funding has now been awarded by WG for the second phase of the rollout. This second round of funding is not only to undertake refurbishment of school kitchens but also to increase the capacity and quality of the dining provisions in our primary schools. With this in mind the proposal is that this funding be used to refurbish and increase the cooking capacity at an additional 10 kitchens and improve dining facilities at a minimum of 7 schools.

## BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something.

You must include an environmentally enhanced (net carbon zero/ecologically positive compatible) option. If your project is a business development project, then this may not be relevant.

<b>Option 1:</b>		<b>Do nothing – maintain the existing situation</b>			
<b>Please provide brief details:</b>					
No further works would be undertaken to extend catering capacity and Denbighshire would not meet WG pledge to provide Free school meals to all Primary school pupils.					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less	<b>X</b>		Is quicker to deliver	<b>X</b>
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>
<b>What is the main reason this option has not been selected?</b>					
Following an assessment of the current provision (appendix 1) it was identified that there were kitchens that had not been refurbished during the first phase of works which would still be					

insufficiently equipped to implement UPFSM. Some kitchens and dining facilities were identified as having minor issues while others require significant works to implement UPFSM.

The do nothing option does not provide catering services with the necessary capacity required to provide free school meals to all primary school aged children.

<b>Option 2:</b>		<b>Environmentally enhanced option – Convert all school canteens operating from Gas to Electric.</b>			
<b>Please provide brief details:</b>					
This option would involve reducing catering equipment which use natural gas or LPG and converting all canteens to electrical appliances. Sourcing renewable electricity for these sites to reduce carbon emissions.					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more	<b>X</b>	<b>Time</b>	Takes longer to deliver	<b>X</b>
	Costs the same			Takes the same to deliver	
	Costs less			Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality	<b>X</b>		No impact on benefits	<b>X</b>
	Is a lower quality			Worsens benefits	
<b>What is the main reason this option has not been selected?</b>					
This is not a realistic option as not all areas have load capacity required to deliver this option. There is a limited budget to deliver UPFSM and converting all sites from gas to electric would mean an increase in the equipment required. Where possible electric catering equipment will be installed and moving forward if there is capacity within the network where the school is located to use electrical appliances this will be considered in the future.					

<b>Option 3:</b>		Create a central production kitchen.			
<b>Please provide brief details:</b>					
Central production kitchen involving a new facility with new provision and approx. additional 4 to 6 vehicles to distribute meals. Changes to existing kitchens with additional serving and hot holding equipment.					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more	<b>X</b>	<b>Time</b>	Takes longer to deliver	<b>X</b>
	Costs the same			Takes the same to deliver	
	Costs less			Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>

**What is the main reason this option has not been selected?**

Quality of food is likely to be impacted – e.g. potentially arriving cold to school and could impact on food safety standards.

Use of vehicles to distribute meals to school sites would have a significant cost implication long term and would have significant impact on carbon neutral targets.

## EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project. Remember to capture co-benefits (the added benefits we get from this action/project as well as the direct benefits it will realise).

This project would put in place all the necessary equipment and facilities to ensure that all Denbighshire Primary schools are able to provide Free school meals to all primary pupils from Reception to Year 6 as all kitchens would have capacity to fulfil meal provision from September 2023. This is the second phase in a long term project which aims to deliver on WG's commitment to provide FSM to all primary school pupils by September 2024.

The benefits of delivering UFSM have been identified by WG and include the following:

- Raising the profile of healthy eating across the whole school,
- increasing the range of food pupils eat,
- improving social skills at mealtimes,
- improvements to behaviour and attainment.

More widely, in rolling out this commitment we will be working with partners to increase the supply of Welsh food onto the school plate. This will:

- shorten supply chains,
- support local food producers and distributors where possible.
- strengthen the Foundational Economy.

## EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

The primary focus for the project is to increase Denbighshire's Primary school kitchen infrastructure in order to cater for all pupils, however this will have a significant effect on energy usage which is in opposition to the aims of DCC to become Net Carbon Zero.

## TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

Date	Milestone
September - October 2022	Site Assessments
November 2022 – December 2022	Equipment orders placed
January 2023	UPFSM rollout - Year 1 – TBC by CET
January – August 2023	Phase 2 Site works
April 2023	UPFSM roll out – Year 2
Sept 2023	UPFSM roll out – Year 3 & 4
April 2024	UPFSM roll out – Year 5 & 6

## CAPITAL COSTS – CONSTRUCTION PROJECTS

COMPLETE ALL THREE TABLES BELOW FOR CONSTRUCTION PROJECTS  
 LEAVE BLANK/DELETE SECTION FOR BUSINESS DEVELOPMENT PROJECTS

*The capital cost of a project is an important consideration in terms of whether or not it should proceed.*

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

Please provide details of any capital funding that has already been spent on the project:	
Enter details of cost element below:	Total
Feasibility (surveys, market research, etc)	
Client side project management	
OTHER Large and Light Catering Equipment	£508k
OTHER Estimated Building work / Ventilation upgrade	£351k
<b>TOTAL</b>	<b>£859k</b>

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2022/23	2023/24	Future Years	All Years Total
Feasibility (surveys, market research, etc)				
Client side project management				
Land/property acquisition				
Land preparation/remediation				
Demolition and/or site security				
Construction, refurbishment or maintenance	£90k	£636k		£726k
BREEAM rating of "Excellent"				
Security measures (CCTV, door entry, etc)				
Fire prevention measures (sprinklers, etc)				
External landscaping and other works				
Land/property acquisition				
Highways work				
ICT infrastructure and hardware				
Fixtures & fittings				
Furniture				
Planning/Building Regulation Costs				
Design Team Fees (architects, QS, etc)				
Legal Costs and Fees				
Marketing/Consultation				
External Project Support (eg gateway review)				
OTHER Cooking Equipment	£257k			£257k
OTHER Dining Equipment	£100k			£100k
OTHER Contingency	£53k	£67,238		£120,238
OTHER (please enter)				
<b>TOTAL</b>	<b>£500k</b>	<b>£703,238</b>		<b>£1,203,238</b>

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2022/23	2023/24	Future Years	TOTAL
WG Grants	<b>Approved</b>	£859,456			£859,456
WG Grants	Approved	£500,000	£ 703,238		£1,203,238
WG Grants				Currently unknown	
<b>TOTAL</b>		£1,359,456	£703,238		£2,062,694

**REVENUE COST IMPACT  
 TO BE COMPLETED FOR ALL PROJECTS**

*In considering whether a project should be developed due regard should be made to the potential impact on revenue budgets.*

If the activity will result in a requirement for additional revenue funding, please provide details below:			
What is the impact of this project in terms of the <u>annual</u> revenue requirement for:	Existing Revenue Budget	Post-project Revenue Budget	Increase/Decrease
staff costs (salaries and associated) Assumption based on feeding reception only.	£2,065,193	£2,582,589	£517,396
energy costs (heating, lighting, ICT, etc)			
property maintenance and servicing costs			
other property related costs (rental, insurance, etc)			
ongoing ICT costs (licences, etc)			
mileage of Denbighshire fleet vehicles			
mileage for business travel by Denbighshire employees using their personal vehicles			
<b>OTHER (Kitchen Equipment purchase, Maintenance and Servicing)</b>	£124,542	£126,642	£2,100
OTHER (please enter)			
<b>OVERALL REVENUE REQUIREMENT</b>			

*Please provide brief details of the revenue impact of this project:*

- Where revenue savings are forecast, you should detail what is proposed for the saving (e.g. reduction of an existing revenue budget, re-allocation of revenue to alternative services area, etc)
- Where revenue increases are forecast, you should provide details of how the revenue shortfall will be addressed. In this instance you should also append a three year surplus/deficit forecast.

- *Details of any one-off revenue cost requirements that may be required post-project implementation (e.g. recruitment, redundancies, etc). DO NOT include any costs detailed in the capital section of this Business Case*

WG Funding will determine what impact this proposal will have on the revenue spend. It is anticipated that there will be increased costs due to the increased number of meals, however this will reduce the cost per head as a consequence.

## WHOLE LIFE COST

**NOTE: THIS SECTION IS CURRENTLY IN DEVELOPMENT AND FURTHER GUIDANCE ISSUED IN DUE COURSE. OFFICERS DO NOT NEED TO COMPLETE THIS SECTION AT THIS STAGE UNLESS THEY HAVE UNDERTAKEN A WHOLE LIFE COSTING EXERCISE ALREADY INDEPENDENTLY WITHIN THEIR PROJECT.**

*Please provide brief details of the whole life cost impact of this project over a 20-year period. This should be completed for the preferred business option as well as for the environmentally enhanced business option if it is not selected as the preferred option:*

- *[guidance to follow]*
- *[guidance to follow]*
- *[guidance to follow]*

## PROJECT MANAGEMENT

*Please provide details of proposed project management – Establishment of Project Board etc*

Project board has been established, and project management support will be provided from the Modernising Education team.



## STATUTORY REQUIREMENTS / HEALTH & SAFETY

*This section should identify how the activity will help Denbighshire meet any of its statutory requirements. Please include any Health & Safety Issues that the activity will address in this section. Please leave blank if not applicable.*

All works will be delivered in line with statutory requirements.

## CARBON MANAGEMENT IMPACT

*Please consult with Council's Principal Energy Manager ([robert.jones@denbighshire.gov.uk](mailto:robert.jones@denbighshire.gov.uk)) and the Council's Climate and Ecological Change Programme Manager ([helen.vaughan-evans@denbighshire.gov.uk](mailto:helen.vaughan-evans@denbighshire.gov.uk)) before completing this section.*

*Denbighshire has committed to reducing its carbon emissions from buildings and fleet by at least 15% by 2022, for the Council to be net carbon zero by 2030 (buildings, fleet, waste, business travel, staff commuting, street lighting) and for the Council to reduce its supply chain emissions by 35% by 2030.*

*The Business Case requires you to make a forecast for the anticipated carbon emissions impact of the project.*

Annual Forecasts:	Annual (current)	Carbon (kgCO <sub>2</sub> e)	Annual (Post Project)	Carbon (kgCO <sub>2</sub> e)	Carbon Variance	Comments
Money spent on external goods and services (UNIT= £)						
<b>PHASE 1 SCHOOLS</b> Energy consumption in buildings: (UNIT = kWh)	<b>3006955.00</b>	<b>57866 0.52</b>	<b>3013323.00</b>	<b>58546 1.52</b>	<b>6801</b>	Figures relate to total increase in energy usage at phase 1 schools. Data provided is for whole site as kitchen usage cannot be identified separately. Variance is calculated based on new equipment installed and items of equipment removed. A full breakdown of calculations can be found in appendix 2a.
<b>PHASE 2 SCHOOLS</b> Energy consumption in buildings: (UNIT = kWh)	<b>1960351</b>	<b>33259 1.9</b>	<b>1805556.81</b>	<b>36426 8.60</b>	<b>31676.69</b>	Figures relate to total increase in energy usage at phase 2 schools. Data provided is for whole site as kitchen usage cannot be identified separately. Variance is calculated based on new

						equipment installed and items of equipment removed. A full breakdown of calculations can be found in appendix 2b.
<b>Energy consumption in Street Lighting: (UNIT = kWh)</b>	n/a					
<b>Fuel consumption of Denbighshire Fleet vehicles: (UNIT = litres/ kWh)</b>	n/a					
<b>Mileage of Business Travel (personal vehicles): (UNIT = miles travelled)</b>						
<b>Mileage of Staff Commute: (UNIT = miles travelled)</b>						
<b>Tonnes of waste produced: (UNIT = tonnes)</b>	Food 115.92  Residual 891.24  Recycling 750.96		Food 231.84  Residual 1782.48  Recycling 1501.92		Food 115.92  Residual 891.24  Recycling 750.96	Figures relate to total annual waste from <b>all</b> DCC primary schools before and after full rollout to all year groups. An assumption has been made that if the numbers of pupils having school meals is double what it is currently there will be a requirement to double bin collections. Therefore waste will be doubled.
<b>One off Forecasts:</b>			<b>Project cost (£)</b>	<b>Carbon (kgCO2e)</b>		<b>Comments</b>
<b>Money spent on external goods and services (UNIT= £)</b>						
<b>TOTAL CARBON EMISSIONS</b>		<b>91125 2.4</b>		<b>91483 4.2</b>	<b>3582</b>	

<b>Annual Forecasts:</b>	<b>Current</b>	<b>Carbon Absorption (kgCO2e)</b>	<b>Post Project</b>	<b>Carbon Absorption (kgCO2e)</b>	<b>Carbon Absorption Variance</b>	<b>Comments</b>
<b>Hectare of Grassland (UNIT=ha)</b>						
<b>Hectares of Forestland (UNIT=ha)</b>						
<b>TOTAL CARBON ABSORPTION</b>						

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become net carbon zero by 2030 (reducing carbon emissions and increasing carbon absorption).*

<b>Net Carbon Zero Council Summary</b>	HELPS	<b>HINDERS</b>	NEUTRAL
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*Please provide brief details of the carbon impact of this project, and detail specific actions that will be taken to reduce carbon emissions. If carbon emissions are expected to increase as a result of this project, please provide details of proposed actions to compensate for this increase in other areas of the Service's activity and/or via tree planting/land management for the benefit of carbon sequestration.*

It is acknowledged that the project will result in an unavoidable increase in consumption of carbon as a result of increased uptake. However, we will attempt to mitigate some of this increase via utilisation of renewable and sustainable energy sources if possible and use electrical appliances rather than gas where feasible along with putting in place initiatives to promote recycling by staff and pupils and using recyclable materials.

Capacity within the network constricts the number of electrical appliances in some sites however following implementation of the first phase, five gas kitchen appliances have been swapped for electrical equivalents. In phase 2 will continue to swap from gas to electric appliances wherever possible.

In addition, future developments such as Sustainable Communities for Learning projects will consider how it can mitigate and improve the impact of increased consumption. The phased roll out of the UPFSM project will also be managed closely to ensure clear communication routes are in place in order to minimise confusion amongst stakeholders around timings for year groups accessing to the UPFSM provision.

**Climate Change Lead Officer statement:**

*Please provide a statement from the Climate Change Lead Officer. Contact Helen Vaughan-Evans on*

The target carbon reduction for non-domestic buildings is at least 60% by 2030 in order for the Council to achieve Net Carbon Zero by 2030. It is appreciated that this project is required to deliver on the commitment to provide Free School Meals to all primary school pupils by September 2024.

The preferred option will result in increased use of gas and electricity, with associated increase in carbon emissions, by increasing cooking capacity at eleven sites. However, switching from gas to electric powered equipment where possible will limit the increase in carbon emissions at those sites. The environmentally enhanced option of converting all school canteens operating from Gas to Electric has not been selected because not all areas have load capacity to deliver this option.

For completeness and future reference, I am including here the information provided by the Project Manager. It shows the small difference of carbon savings that would be made in choosing the environmentally enhanced option (only a 2% smaller increase in carbon savings than the preferred option).

Option	Carbon emissions for entire school site (tonnes of CO2e)	Difference in CO2 compared to status quo (Tonnes of CO2e)	Percentage increase of tonnes CO2e for each option
Status quo	333	N/A	N/A
Refurbishment – preferred option	364	+ 32	9.6% increase
Environmentally enhanced – all electric	357	+24	7.2% increase

Technically, upgrading electrical capacity at the sites is a challenge. It has been confirmed that even if it were technically possible to upgrade all the schools and go all electric, it would not be feasible to do within the time and budget to meet the WG timeline.

Proposals to increase renewable energy sources are welcomed, together with future stages of development such as Sustainable Communities for Learning projects considering how the impact of increased energy consumption can be mitigated and reduce the impact.

The Officer should also be aware of the minimum standard for new build and refurbishments based on carbon in operation and embodied carbon which was passed by Cabinet in December. Papers/info here (agenda item 8):

<https://moderngov.denbighshire.gov.uk/ieListDocuments.aspx?CId=281&MId=6276&LLL=0>

Carbon emissions from waste, particularly residual waste, are significant. Initiatives to promote recycling by staff and pupils are welcomed and should be pursued as they could reduce the carbon impact of the project. The Project Manager and Project Team should engage with DCC waste services trade waste team early to ensure proper waste disposal facilities which support low carbon waste streams are factored into the scheme.

DCC's Climate and Ecological Change Strategy has a 'plus' target for reducing carbon from its supply chain by 35% by 2030. Every effort should be taken within the procurement activity of this spend on construction and electrical equipment to specify the works for the benefit of low carbon, to assess the bids from a low carbon consideration (eg including quality criteria questions with a scoring weighting) and monitor carbon emission performance of the chosen contractor (eg through contract management, provision of data).

The project manager should continue to engage with their Procurement Business Partner early in maximising on low carbon / carbon sequestration/ ecological improvement opportunities from the supply chain associated with this project.

**Supplied by:** Jane Hodgson    **Date:** 30 November 2022

[climatechange@denbighshire.gov.uk](mailto:climatechange@denbighshire.gov.uk).

## BIODIVERSITY IMPACT

Please consult with Denbighshire's Biodiversity Lead Officer before completing this section. Contact Joel Walley on [joel.walley@denbighshire.gov.uk](mailto:joel.walley@denbighshire.gov.uk).

The Council has a statutory duty to ensure compliance and enforcement of the Habitats Regulations (as amended in 2017). Furthermore, the Environment (Wales) Act, 2016 requires the Council to maintain and enhance biodiversity, and promote the resilience of ecosystems. At this pre-feasibility stage, please determine the anticipated impact of the project on biodiversity, and proposed measures to ensure the project results in an overall biodiversity enhancement.

Please mark a cross in the appropriate box.

Will this project impact on a habitat that supports living organisms (plant or animal), or involve physical works to property or Land?	Yes		No	X
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If you have answered yes to the above question, please complete all the following biodiversity sections. If answered no, please leave blank

<b>IMPACTS ON BIODIVERSITY</b>	Yes		No	
Has an ecological appraisal or survey of the site or proposals taken place?				
Cofnod eMapper Link:				
Please provide brief summary of survey findings, or provide a copy of the ecological report for review:				

Please provide brief details of how the project will avoid harm to biodiversity.

•

Please provide brief details of how the project will mitigate and compensate for any harm to biodiversity.

•

Please provide brief details of how the project will enhance biodiversity and restore ecosystem resilience.

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become ecologically positive by 2030 (increasing the species richness of land).*

<b>Ecologically Positive Council Summary</b>	HELPS	HINDERS	<b>NEUTRAL</b>
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**Ecology Officer summary:**

*Please provide a statement from the Biodiversity Lead Officer. Contact Joel Walley on [joel.walley@denbighshire.gov.uk](mailto:joel.walley@denbighshire.gov.uk).*

**Name:**                      **Date:**

## MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur is provided below:

Title	Inherent Risk	Mitigating Action	Residual Risk
Project costs exceed WG funding	Unable to complete works to all sites.  Failure to deliver UPFSM.	<ul style="list-style-type: none"> <li>• Only complete works within funding provided.</li> </ul>	Delayed roll out of UPFSM.  Unable to deliver full UPFSM across Denbighshire.
Availability of Heavy Cooking Equipment to cook meals.	Unable to deliver key milestones of UPFSM.	<ul style="list-style-type: none"> <li>• Buy in readymade meals, provide packed lunches and or transport from a nearby school for a short period of time.</li> <li>• Delay roll out of project.</li> </ul>	Quality of readymade meals may not be as good.  Reputational risk if roll out in delayed.
Availability of contractors and suppliers to undertake the works	Unable to deliver key milestones of UPFSM.	<ul style="list-style-type: none"> <li>• Delay roll out of project.</li> </ul>	Reputational risk if roll out in delayed.
Not enough skilled staff required to deliver additional Meals.	Shortage of skilled staff to meet demand.  Quality of food is impacted.	<ul style="list-style-type: none"> <li>• Recruitment Campaign using jobs fairs and social media with vacancy information. Utilise school's social media and parent portals as a method of advertising locally and school specific.</li> <li>• Retrain existing staff and upskill where required and possible.</li> <li>• Work with schools regarding lunch service times.</li> <li>• Decrease choice of provision</li> </ul>	Potential delay on roll out  Increased cost to buy in products.  Limited food choices

Title	Inherent Risk	Mitigating Action	Residual Risk
		<ul style="list-style-type: none"> <li>Buy in some products to compensate for lack of staff but this will be at higher cost than current in house homemade provision.</li> </ul>	
Parents expectations regarding UPFSM rollout and when they don't have to pay for FSM.	Increased parent debt  Increased cost to the Authority.	<ul style="list-style-type: none"> <li>Clear communication plan, providing key information to parents at key stages within the project roll out. Explaining who is entitled, and how they access the provision</li> </ul>	
Following the rollout of UPFSM children/ parents may choose not to take up the offer.	Investment does not achieve its intended purpose.	<ul style="list-style-type: none"> <li>Promote the menu options available</li> </ul>	
Insufficient 'True' FSM funding	Funding shortfall if all those eligible for true FSM actually take up the offer due to rollout.	<ul style="list-style-type: none"> <li>Ongoing review of true FSM uptake to monitor rising budget pressures</li> <li>Potential of increasing budget pressure has been raised with appropriate DCC officers.</li> </ul>	



Likelihood	A - Almost Certain	Yellow	Orange	Orange	Red	Red
	B - Highly Likely	Yellow	Yellow	Orange	Red	Red
	C - Probable	Green	Yellow	Yellow	Orange	Red
	D - Possible	Green	Green	Yellow	Orange	Orange
	E - Rare	Green	Green	Yellow	Yellow	Orange
		5 - Very Low	4 - Low	3 - Medium	2 - High	1 - Very High
		Impact				

## SUPPORTING INFORMATION

*Please list any supporting documents that accompany this Business Case*

RAG assessment for kitchen works (Appendix 1)

## ANNUAL CAPITAL BIDS – BLOCK ALLOCATIONS

*Please provide details of expenditure and commitments for allocations received in the current financial year.*

## COUNTY LANDLORD STATEMENT

*Please provide a statement from the County Landlord and where applicable the recommendation of the Asset Management Group. Contact Tom Booty on [tom.booty@denbighshire.gov.uk](mailto:tom.booty@denbighshire.gov.uk).*

The proposals are supported on the basis of the ethos and rationale of providing a beneficial service to the residents of Denbighshire and in particular meeting the needs of the most vulnerable. However, the deadlines imposed for the delivery of those benefits is not conducive to sustainable and efficient development of DCC's school buildings and longer term service delivery. More time for review and planning of works could have delivered a holistically better outcome.

**Supplied by: David Lorey      Date: 25/11/2022**

## CHIEF FINANCE OFFICER STATEMENT

*Please provide a statement from the Chief Finance Officer. Contact Steve Gadd on [steve.gadd@denbighshire.gov.uk](mailto:steve.gadd@denbighshire.gov.uk).*

The programme and approach to the WG requirement to provide Universal Primary Free School Meals is fully supported. There are financial risks around the project, such as the ongoing revenue implications but the funding is available for this aspect and we should proceed as outlined in the report.

**Supplied by: Steve Gadd      Date: 24/11/2022**

**VERIFICATION:**

<b>Project Manager:</b>			
<b>Project Sponsor:</b>			
<b>Name:</b>		<b>Position:</b>	
<b>Signature:</b>		<b>Date:</b>	

**For use by Finance:**

<b>Result of S.I.G. Review</b>	
<b>Date of Meeting</b>	
<b>Approval</b>	
<b>Code</b>	

## **Universal Free School Meals for all Primary School Children: Well-being Impact Assessment Report**

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

**Assessment Number:** 1041

**Brief description:** Welsh Government have announced that Free meals will be available to all primary school pupils starting from 1st September 2022. This will be a phased approach where some of the youngest children in primary schools will begin receiving free school meals from September 2022 with UPFSM being available to all primary aged pupils by September 2024. This will increase Catering service daily meals from 3500 to 7687 per day. In order to meet this commitment, Denbighshire identified a number of school kitchens requiring significant improvements to increase meal capacity. As part of the first phase of works refurbishments have already been undertaken at 13 school kitchens. Phase 2 of the project is looking at refurbishing an additional 10 kitchens along with improvements to dining facilities at at least 7 sites.

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**Responsible Service:** Highways and Environmental Services

**Localities affected by the proposal:** Whole County,

**Who will be affected by the proposal?** Primary School Pupils Parents Catering Services School Staff

**Was this impact assessment completed as a group?** Yes

## **Summary and Conclusion**

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

### **Score for the sustainability of the approach**

**2 out of 4 stars**

**Actual score : 24 / 36.**

### **Summary for each Sustainable Development principle**

#### **Long term**

The project aims to provide all primary school children with access to free school meals by September 2024. Consideration must be made for the ongoing maintenance replacement of equipment. Discussions of how this will take place have been held with Finance. The long term delivery of UPFSM needs to be considered as funding has only been agreed with WG for the first 3 years.

#### **Prevention**

This proposal directly links to policy to tackle child poverty and cost of living crisis.

#### **Integration**

Link to the resilient communities and Young people corporate priorities. The benefits of delivering UPFSM have been identified by WG and include the following: - Raising the profile of healthy eating across the whole school, - increasing the range of food pupils eat, - improving social skills at meal times, - improvements to behaviour, attendance and attainment.

#### **Collaboration**

Collaboration has been developed within the local authority, regionally and nationally to develop the commitment.

# Universal Free School Meals for all Primary School Children

## Involvement

Stakeholders including school staff and parents have been consulted on the UPFSM proposal. Elected members will be involved in the project as the project is developed.

## Summary of impact

Well-being Goals	Overall Impact
<a href="#">A prosperous Denbighshire</a>	Positive
<a href="#">A resilient Denbighshire</a>	Negative
<a href="#">A healthier Denbighshire</a>	Positive
<a href="#">A more equal Denbighshire</a>	Positive
<a href="#">A Denbighshire of cohesive communities</a>	Neutral
<a href="#">A Denbighshire of vibrant culture and thriving Welsh language</a>	Neutral
<a href="#">A globally responsible Denbighshire</a>	Neutral

## Main conclusions

Overall the proposal will bring about significant positive benefits by establishing the required staffing and infrastructure to deliver Universal Primary Free School Meals (UPFSM) for all primary age pupils across Denbighshire. UPFSM will support the aims of tackling child poverty and the cost of living crisis by reducing the burden on all families of providing a lunch time meal for their children. Primary pupils will have consistent access to healthy, nutritionally balanced meals and the shared dining experience will help improve social skills at meal times - all of which have been shown to positively impact behaviour and attainment. The use of local suppliers wherever feasible will support the shortening of supply chains and the increasing number of employment opportunities will benefit the

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local employment market.

We acknowledge that the project will result in an unavoidable increase in consumption of energy/fuel and water, as a result of increased uptake. We will attempt to mitigate some of this increase via installation of electrical appliances rather than gas wherever this is feasible along with putting in place initiatives to promote recycling by staff and pupils and using recyclable materials wherever possible. We will also look to mitigate and improve any impact within future developments such as Sustainable Communities for Learning projects. The phased roll out of the UPFSM project will also be managed closely to ensure clear communication routes are in place in order to minimise confusion amongst stakeholders around timings for year groups accessing to the UPFSM provision.

## **The likely impact on Denbighshire, Wales and the world.**

### **A prosperous Denbighshire**

#### **Overall Impact**

Positive

#### **Justification for impact**

The infrastructure will support increased capacity for delivering school meals and this will:  
Make use of the local supply chain wherever possible will have a positive impact on local economy.  
Support the aims of tackling child poverty and the cost of living crisis.  
Increase employment.

#### **Further actions required**

Increasing the number of appliances will impact on energy consumption. This will be unavoidable to achieve UFSM for all primary pupils.  
Considerations will be made as to how to mitigate the impact of the issues raised in the economic development section once WG provide further details on UPFSM delivery.

#### **Positive impacts identified:**

##### **A low carbon society**

The proposal will have no material impact on a low carbon society.

##### **Quality communications, infrastructure and transport**

The infrastructure will support increased capacity for delivering school meals. the use of the local supply chain wherever possible will have a positive impact on local economy.  
This will support tackling child poverty and the cost of living crisis.

##### **Economic development**

The delivery of UPFSM, aims to tackle child poverty and will support with the unprecedented cost of living crisis.



### **Quality skills for the long term**

The proposal will have no material impact on quality skills for the long term.

### **Quality jobs for the long term**

Increased catering vacancies across the county.

Increased hours for existing staff to deliver UPFSM.

### **Childcare**

The proposal will have no material impact on childcare.

### **Negative impacts identified:**

#### **A low carbon society**

Increasing the number of appliances will impact on energy consumption. This will be unavoidable to achieve UFSM for all primary pupils.

### **Quality communications, infrastructure and transport**

The proposal will have no negative impact on quality communications, infrastructure and transport.

### **Economic development**

UPFSM offer may impact on eligible true FSM's due to the additional funding which is associated with this eligibility e.g. deprivation grant.

Debt which may be built up as a result of the phased approach of the UPFSM delivery.

### **Quality skills for the long term**

The proposal will have no negative impact on quality skills for the long term.

### **Quality jobs for the long term**

The proposal will have no negative impact on quality jobs for the long term.

## **Childcare**

The proposal will have no negative impact on childcare.

## **A resilient Denbighshire**

### **Overall Impact**

Negative

### **Justification for impact**

Unavoidable increase in consumption of energy/fuel and water, as a result of increased uptake. This will result in more frequent deliveries, more equipment and capacity to cater for all pupils.

Centralised recycling, which will improve percentage of recyclable goods going to recycling.

### **Further actions required**

Through increased awareness of the recycling process and recyclable materials for pupils and staff there should be a rise in the percentage of waste recycled. This could also have a positive impact on recycling habits at home, which will contribute to some of the mitigation for increased fuel consumption.

### **Positive impacts identified:**

#### **Biodiversity and the natural environment**

The proposal will have no material impact on biodiversity and the natural environment.

#### **Biodiversity in the built environment**

The proposal will have no material impact on biodiversity and the built environment.

#### **Reducing waste, reusing and recycling**

Increased use of recyclable packaging

### **Reduced energy/fuel consumption**

The proposal will have no material impact on reduced energy/fuel consumption.

### **People's awareness of the environment and biodiversity**

Centralised recycling, which will improve percentage of recyclable goods going to recycling.

Increased awareness of the recycling process for pupils and staff. this could also have a positive impact on recycling habits at home.

### **Flood risk management**

The proposal will have no material impact on flood risk management.

### **Negative impacts identified:**

#### **Biodiversity and the natural environment**

The proposal will have no negative impact on biodiversity and the natural environment.

#### **Biodiversity in the built environment**

The proposal will have no negative impact on biodiversity and the built environment.

### **Reducing waste, reusing and recycling**

Increase of recycling due to an increase in uptake.

### **Reduced energy/fuel consumption**

Unavoidable increase in consumption of energy/fuel and water, as a result of increased uptake. this will result in more frequent deliveries, more equipment and capacity to cater for all pupils.

### **People's awareness of the environment and biodiversity**

The proposal will have no negative impact on people's awareness of the environment and

biodiversity.

### **Flood risk management**

The proposal will have no negative impact on flood risk management.

### **A healthier Denbighshire**

#### **Overall Impact**

Positive

#### **Justification for impact**

The benefits of delivering UPFSM have been identified by WG and include the following:

- Raising the profile of healthy eating across the whole school,
- increasing the range of food pupils eat,
- improving social skills at meal times,
- improvements to behaviour and attainment.
- meals provided will be nutritionally analysed in line with WG healthy eating in schools policy.
- UFSM offer will take away the stigma behind FSM.

#### **Further actions required**

As there is no negative impact there are no mitigating measures required.

#### **Positive impacts identified:**

#### **A social and physical environment that encourage and support health and well-being**

The benefits of delivering UPFSM have been identified by WG and include the following:

- Raising the profile of healthy eating across the whole school,
- increasing the range of food pupils eat,
- improving social skills at meal times,
- improvements to behaviour and attainment.

#### **Access to good quality, healthy food**

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Meals provided will be nutritionally analysed in line with WG healthy eating in schools policy.

### **People's emotional and mental well-being**

Parent/carers having the reassurance that their child will be fed will have a positive impact.

UPFSM offer will take away the stigma behind 'true' FSM.

### **Access to healthcare**

The proposal will have no material impact on access to healthcare.

### **Participation in leisure opportunities**

The proposal will have no material impact on participation in leisure opportunities.

### **Negative impacts identified:**

#### **A social and physical environment that encourage and support health and well-being**

The proposal will have no negative impact on the social and physical environment that encourages and supports health and wellbeing.

#### **Access to good quality, healthy food**

The proposal will have no negative impact on access to good quality, healthy food.

#### **People's emotional and mental well-being**

The proposal will have no negative impact on people's emotional and mental wellbeing.

#### **Access to healthcare**

The proposal will have no negative impact on access to healthcare.

#### **Participation in leisure opportunities**

The proposal will have no negative impact on participation in leisure activities.

## **A more equal Denbighshire**

### **Overall Impact**

Positive

### **Justification for impact**

The UPFSM offer supports families with primary aged children regardless of their background and need.

### **Further actions required**

Discussions with WG regarding rollout and clear communication on the delivery. There also need to be a strategy on how to manage issues surrounding debt for non payment of meals.

### **Positive impacts identified:**

**Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation**

UPFSM will benefit all primary school pupils by September 2024.

### **People who suffer discrimination or disadvantage**

Removing the stigma of current 'true' FSM in primary schools.

### **People affected by socio-economic disadvantage and unequal outcomes**

Removing the stigma of current FSM in primary schools.

Provision is equal for all.

### **Areas affected by socio-economic disadvantage**

The UPFSM offer reduces the burden of choosing between feeding their children or paying bills.

**Negative impacts identified:**

**Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation**

Due to the phased approach, some age groups will see a delay in the availability of UPSFM.

**People who suffer discrimination or disadvantage**

If application for UPFSM is required in the future then certain groups may still be at a disadvantage due to potential difficulties accessing/understanding/completing the application process.

**People affected by socio-economic disadvantage and unequal outcomes**

If application for UPFSM is required in the future then certain groups may still be at a disadvantage due to potential difficulties accessing/understanding/completing the application process. .

Interpretation of UPFSM offer and the phased approach may result in non payment for meals and families incurring debt.

**Areas affected by socio-economic disadvantage**

The proposal will have no negative impact on areas affected by socio-economic disadvantage.

**A Denbighshire of cohesive communities**

**Overall Impact**

Neutral

**Justification for impact**

The proposal is not expected to positively or negatively impact upon the cohesive communities wellbeing goal.

**Further actions required**

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As there are no anticipated negative impacts then mitigation is not required.

### **Positive impacts identified:**

#### **Safe communities and individuals**

The proposal will have no material impact on safe communities and individuals.

#### **Community participation and resilience**

The proposal will have no material impact on community participation and resilience.

#### **The attractiveness of the area**

The proposal will have no material impact on the attractiveness of the area.

#### **Connected communities**

The proposal will have no material impact on connected communities.

#### **Rural resilience**

The proposal will have no material impact on rural resilience.

### **Negative impacts identified:**

#### **Safe communities and individuals**

The proposal will have no negative impact on safe communities and individuals.

#### **Community participation and resilience**

The proposal will have no negative impact on community participation and resilience.

#### **The attractiveness of the area**

The proposal will have no negative impact on the attractiveness of the area.

#### **Connected communities**



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The proposal will have no negative impact on connected communities.

### **Rural resilience**

The proposal will have no negative impact on rural resilience.

### **A Denbighshire of vibrant culture and thriving Welsh language**

#### **Overall Impact**

Neutral

#### **Justification for impact**

Although the use of Welsh language will be encouraged the pool of staff with this skill set is likely to be limited.

#### **Further actions required**

Denbighshire promote the development of employees Welsh language skills and this will be encouraged and promoted during the recruitment phase.

#### **Positive impacts identified:**

##### **People using Welsh**

More staff required - which may result in increased numbers of non Welsh speaking staff. These staff will be immersed in Welsh speaking setting on a daily basis and there will be support and encouragement to develop Welsh Language skills.

##### **Promoting the Welsh language**

More staff required - which may result in increased numbers of non Welsh speaking staff. These staff will be immersed in Welsh speaking setting on a daily basis and there will be support and encouragement to develop Welsh Language skills.

##### **Culture and heritage**

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Cultural themed food days will be delivered school wide and provided to all pupils to raise awareness of local culture and heritage.

### **Negative impacts identified:**

#### **People using Welsh**

More staff required - which may result in limited pool of Welsh speaking staff with the required skill set.

#### **Promoting the Welsh language**

If the authority end up in a situation where non welsh speaking staff are employed in Welsh schools and these staff do not actively engage in developing their use of the Welsh language, this could dilute the use of Welsh language with staff and pupils.

#### **Culture and heritage**

The proposal will have no negative impact on culture and heritage.

#### **A globally responsible Denbighshire**

#### **Overall Impact**

Neutral

#### **Justification for impact**

More widely, in rolling out this commitment we will be working with partners to increase the supply of Welsh food onto the school plate. This will:

- shorten supply chains
- support local food producers and distributors
- strengthen the Foundational Economy.

All procurement and tender processes will assess contractors social values, working rights and other relevant policies.

As this is an all Wales commitment there may be an impact on availability of equipment and resources, which could impact delivery timescales.

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Increasing the number of appliances will impact on energy consumption. This will be unavoidable to achieve UFSM for all primary pupils.

### **Further actions required**

Delivering UPFSM in a phased approach will assist with the demand for equipment and resources. We will be realistic in what equipment is required for each site and will take in to consideration what is the most energy efficient appliance (gas/ electric).

### **Positive impacts identified:**

#### **Local, national, international supply chains**

More widely, in rolling out this commitment we will be working with partners to increase the supply of Welsh food onto the school plate. This will:

- shorten supply chains
- support local food producers and distributors
- strengthen the Foundational Economy.

#### **Human rights**

All procurement and tender processes will assess contractors social values, working rights and other relevant policies.

#### **Broader service provision in the local area or the region**

The proposal will have no material impact on the broader service provision in the local area or the region.

#### **Reducing climate change**

The proposal will have no material impact on reducing climate change.

### **Negative impacts identified:**

#### **Local, national, international supply chains**

The proposal will have no negative impact on local, national, international supply chains.

### **Human rights**

The proposal will have no negative impact on human rights.

### **Broader service provision in the local area or the region**

As this is an all Wales commitment there may be an impact on availability of equipment and resources, which could impact delivery timescales.

### **Reducing climate change**

Increasing the number of appliances will impact on energy consumption. This will be unavoidable to achieve UFSM for all primary pupils.