



Briefing

FOOD IN SCHOOLS: OPTIONS FOR BUDGET 2019 AND FURTHER WORK

To: Rt Hon Jacinda Ardern, Prime Minister, Minister for Child Poverty Reduction

Cc: Hon Tracey Martin, Minister for Children

Date	18/09/2018	Priority	Medium
Deadline	20/09/2018	Briefing Number	DPMC-2018/19-291

Purpose

1. This briefing note:
 - provides information about current government funding for Food in Schools programmes.
 - identifies relevant proposals under development for Budget 2019.
 - seeks feedback on whether these proposals are aligned with your expectations for Food in Schools initiatives in Budget 2019 to support child wellbeing and child poverty reduction.
 - notes that Government has not been a significant funder or provider of food in schools programmes to date.
 - proposes further policy work to establish a framework for the provision of such programmes in New Zealand schools, including clarifying the Government's role and investment approach.

Recommendations

1. **Note** that you have recently indicated that you wish to include 'Food in Schools' initiatives under the 'Child Poverty is Reduced' focus area for the Budget 2019 child wellbeing work.
2. **Note** that Government has a relatively light footprint in this area, providing funding to three programmes (KickStart Breakfast, KidsCan, and Fruit in Schools), with funding for two of them due to cease in June 2019.
3. **Note** that Ministry of Social Development officials are currently developing a Budget 2019 proposal, which would provide \$3.1 million over 2 years only, to continue current co-funding of the KickStart Breakfast initiative and the contribution to KidsCan.
4. **Note** that the Ministers of Health, Education, Sport, and the Associate Minister of Health and Education, Hon Jenny Salesa, are meeting on 20 September about a possible Budget 2019 package of actions to support child wellbeing through improved nutrition and physical activity in education settings, but this package does not include food provision.
5. **Note** that the possible Budget 2019 initiatives outlined in recommendations 3 and 4 above could be linked or bundled together for communication purposes.
6. **Confirm** whether the Budget 2019 proposal outlined in recommendation 3 above (KickStart / KidsCan roll-over) is aligned with your expectations for a Food in Schools initiative for Budget 2019.

YES / NO

AND / OR

7. **Propose** to the Minister for Social Development that she direct her officials to work up (in consultation with the Child Poverty Unit) a more substantive Food in Schools proposal for Budget 2019.
8. **Direct** officials to undertake further analysis and provide advice to joint Ministers (Child Poverty Reduction, Social Development, Health, Education, and Associate Health and Education) on options for the Government's investment approach and role in Food in Schools programmes in the medium to long-term (including for consideration in Budget 2020).

YES / NO

9. **Refer** this report to the Ministers of Sport, Education, Social Development, Health, and the Associate Minister of Health and Education, Hon Jenny Salesa, for their information.

YES / NO

Kristie Carter Director Child Poverty Unit
...../...../2018

Rt Hon Jacinda Ardern Prime Minister Minister for Child Poverty Reduction
...../...../2018

Contact for telephone discussion if required:

Name	Position	Telephone		1st contact
Kristie Carter	Director, CPU	9(2)(a)	9(2)(a)	✓
Barbara Annesley	Principal Analyst	9(2)(a)	9(2)(a)	

Minister's office comments:

- ☐ Noted
- ☐ Seen
- ☐ Approved
- ☐ Needs change
- ☐ Withdrawn
- ☐ Not seen by Minister
- ☐ Overtaken by events
- ☐ Referred to

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FOOD IN SCHOOLS: OPTIONS FOR BUDGET 2019 AND FURTHER WORK

Executive Summary

1. You have indicated that you wish to include Food in Schools initiatives under the 'Child Poverty is Reduced' focus area of the Budget 2019 child wellbeing work.
2. The Government currently provides funding to three Food in Schools programmes: KickStart Breakfasts, KidsCan, and Fruit in Schools.
3. Government funding support for KickStart Breakfast and KidsCan has been in place for some time, but has not been appropriated past June 2019. Ministry of Social Development (MSD) officials are currently developing a Budget 2019 proposal for \$3.1 million over 2 years only. This would maintain the current Government co-funding of the KickStart Breakfast initiative (\$1.2 million per annum) and contribution to KidsCan (\$0.350 million per annum).
4. Officials from the Ministries of Health and Education, and Sport NZ, are developing a package of actions to support schools and early learning services to improve child wellbeing through quality physical activity and nutrition. The proposed package does not include the provision of food in schools.
5. Officials consider that there is a need for further policy work to clarify a number of aspects of Food in Schools. These include: the extent of food insecurity amongst New Zealand children and the level of demand for Food in Schools; international developments and evidence on the role, effectiveness, and design of Food in Schools programmes; coverage and features of existing programmes in New Zealand; and the role of government in funding, regulating and enabling such programmes.
6. This paper seeks feedback from you on whether the Food in Schools proposal currently under development for Budget 2019 is aligned with your expectations, and / or whether you wish to propose to the Minister for Social Development that she ask her officials to develop up a more substantive proposal. Officials are also seeking an indication of your interest in further advice to inform the Government's role and investment approach to Food in Schools over the medium to long-term (including for consideration in Budget 2020).

Background

7. Officials have previously sought your confirmation of specific Budget 2019 initiatives that you would like officials to work up as part of the Child and Youth Wellbeing Strategy (briefing number DPMC-2018/19-250 refers). You indicated that you wanted to include Food in Schools initiatives under the 'Child Poverty is Reduced' focus area of the Budget 2019 child wellbeing work.

Current government funding for Food in Schools programmes

8. There are many national and small-scale, community-led school breakfast and lunch initiatives in place in schools. The bulk of these receive no government funding support. Some of the more well-known programmes in this category are Eat My Lunch, Fonterra's Milk in Schools programme, and Garden to Table.
9. The Government has a relatively light footprint in funding and supporting Food in Schools initiatives. It currently funds (either fully or in part) three programmes: KickStart Breakfast, KidsCan, and Fruit in Schools. A core objective of all three is to provide food to children who might otherwise go hungry. By providing healthy and nutritious food and supporting good eating habits, KickStart Breakfast and Fruit in Schools also aim to improve health and education outcomes. Government funding for KidsCan is not solely for food, but also covers raincoats, shoes, and hygiene products.
10. The Fruit in Schools programme was proactively established in 2005 by the government of the day. KickStart Breakfast and KidsCan were existing initiatives, with government entering into arrangements with the programme providers to contribute some funding. Funding and other details of these three programmes is summarised in the following table.

Food in Schools Programme	Government funding (current and background)	Partners and delivery model	Coverage
KickStart Breakfast	<ul style="list-style-type: none"> • \$1.2m per annum (due to cease in June 2019). • Provides for 50% of wholesale cost of cereal and milk and 33% of administration overheads. • Programme began in 2009, Government funding since 2013. • Initially funded for \$9.5m over 5 years to June 2018, from the Prime Minister's priorities fund. • Budget 2018 provided funding for 2018/2019 only. 	<ul style="list-style-type: none"> • Fonterra and Sanitarium provide and distribute cereal and milk, and provide support to the participating schools, which set up breakfast clubs. • Available to any school on an opt-in basis (not targeted). 	<ul style="list-style-type: none"> • 986 participating schools at the end of August 2018 (mostly in the North Island), providing breakfasts to approximately 30,000 students.
KidsCan	<ul style="list-style-type: none"> • \$350,000 per annum (due to cease in June 2019). • Funding is not solely for food – also includes raincoats, shoes, and hygiene / sanitary products. Also previously included 'NitBusters' programme. • Covers purchase of products and some distribution costs. • Government funding began in 2008, through the Prime Minister's priorities fund. • Budget 2018 provided funding for 2018/2019 only. 	<ul style="list-style-type: none"> • KidsCan is a not-for-profit organisation that attracts funding from a range of sources. • Decile 1 to 4 schools can apply to partner with KidsCan. • Food made available to schools includes bread, baked beans, muesli bars, yoghurt and fruit pottles, scroggin, spreads, and hot meals in winter. 	<ul style="list-style-type: none"> • KidsCan reports it provides food to about 32,000 children a week in 732 decile 1-4 schools across the country. • 45,000 raincoats and 26,000 pairs of shoes provided to children in the 2017/18 year.

Fruit in Schools	<ul style="list-style-type: none"> • Funded at \$8.2m per annum, through Vote:Health, including for outyears. • Established nationally in 2005. Objective is to increase children's fruit and vegetable intake, to improve their health. • Current contract ends in June 2019. 	<ul style="list-style-type: none"> • Managed by United Fresh NZ Inc. (a not-for-profit organisation representing fruit and vegetable growers). • Schools develop own systems for storing and distributing fruit. • 5+ A Day Charitable Trust supports the initiative with curriculum-linked resources on healthy eating and gardening. 	<ul style="list-style-type: none"> • Available to decile 1 and 2 and some decile 3 primary and intermediate schools on an opt-in-basis. • Provides a piece of fruit or vegetable daily to 118,000 children across 547 schools.
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11. KidsCan is also about to launch a pilot programme for the provision of food in 26 early childhood education centres. It is not receiving government funding, but the Ministry of Education is providing advice to KidsCan to support the development and implementation of the pilot, and the Heart Foundation is providing nutritional advice.

Other programmes, guidelines and regulations that promote and support healthy nutrition in education settings

12. Under New Zealand's devolved school governance model, individual boards of trustees are responsible for making decisions about the provision of food to students, including whether to offer Food in Schools programmes. New Zealand has a number of regulations and guidelines that are relevant to Food in Schools programmes, and the role of schools in providing and supporting healthy food. These include Guidelines to Support Healthy Eating Environments in New Zealand Early Childhood Education Services and Schools, Guidelines for School Food Programmes (developed and published by the Office of the Children's Commissioner), Early Childhood Education Regulations, National Administrative Guidelines for schools, and requirements under the *Food Safety Act*.
13. In addition, the Ministry of Health funds a number of initiatives that are relevant to supporting healthy eating environments in education settings. These programmes and services work with schools and early learning services to improve knowledge, skills, policies, and practices, so that the food provided to students (at home or by the school) supports their nutritional needs and positive health outcomes. National programmes include the Heart Foundation's Education Settings Services and its Food and Beverage Classification Service 'Fuelled4Life'. Broader health promotion programmes that are relevant include Health Promoting Schools and Healthy Families NZ. In addition, there are a multiple regional, local, and kaupapa Māori programmes that work with, and in, schools and early learning services to promote healthy nutrition and physical activity amongst children, young people and whanau.
14. Attachment A provides further information about the main regulations, guidelines and programmes that support and promote healthy nutrition in schools.

Relevant initiatives under development for Budget 2019

15. As indicated in the table provided in paragraph 10 above, funding for KickStart Breakfast and KidsCan was appropriated in Budget 2018 for a further one year only, pending the development of the Child and Youth Wellbeing strategy. If government support for these programmes is to continue beyond June 2019, funding will need to be secured in Budget 2019 for this purpose.
16. MSD is currently developing a Budget 2019 proposal for a two-year rollover of funding for KickStart breakfast programme, and for KidsCan. This would require an allocation of \$3.1 million over 2019/20 and 2020/21. While this proposal addresses the immediate issue of the impending cessation of government funding support, it does not provide secure, long-term funding for these programmes. Moreover, the short-term and relatively limited amount of the proposed funding allocation may not meet your expectations for a Food in Schools initiative in Budget 2019.
17. Ministry of Health and Education officials, in collaboration with Sport NZ, have provided advice to Minister Salesa (Associate Minister of Health and Education, with delegated responsibility for healthy school environments) on options to reduce childhood obesity through improved access to healthy food and drink in education settings. They have identified a substantial package of actions to support schools and early learning settings to provide healthy environments, with a particular focus on promoting physical activity and healthy food and drink environments. This would involve providing schools and early learning services with additional expertise from nutrition health promoters, and additional guidelines and resources. It does not include the direct provision of food in schools, but could encompass guidance and support to assist education providers to address food insecurity (such as updating the Guidelines for School Food Programmes).
18. Relevant Ministers (Sport, Education, Health, and the Associate Minister of Health and Education, Hon Jenny Salesa) are meeting on Thursday 20 September to discuss the proposed package of actions, including whether to take it forward as a Budget 2019 bid.

Initial advice on Food in Schools programmes

19. There are a number of issues and considerations that Ministers may wish to take into account when considering the appropriateness of the current approach to government support for Food in Schools programmes. These are discussed below, although we would note this is initial advice only, as there is a need for further work to build our evidence and understanding of these matters.

Challenges in determining demand / need

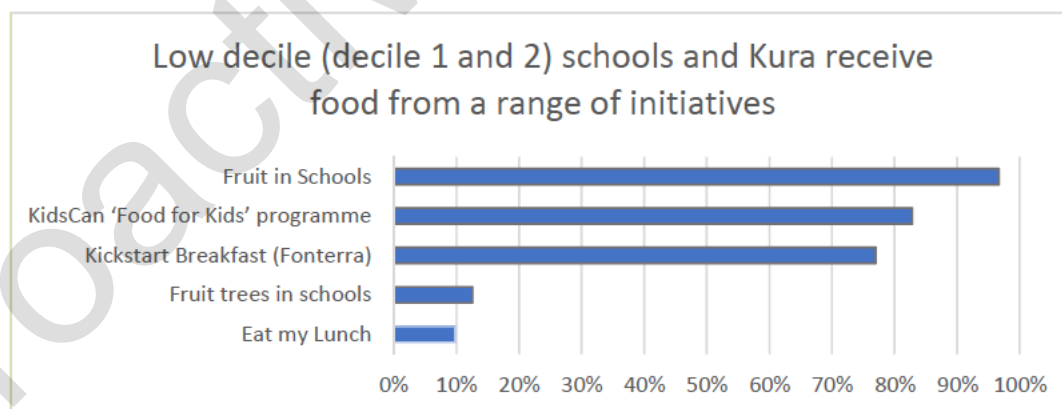
20. Evidence of the need and demand for the provision of Food in Schools is difficult to establish. There is limited up-to-date data on the numbers of families in New Zealand who experience food insecurity. New Zealand studies in the mid-2000s found that 15 percent of the adult population were food insecure, and that household income was the strongest

predictor of food insecurity. A Ministry of Health survey published in 2003 found that 20 percent of households with school-age children experienced food insecurity.

21. Both the Salvation Army and Auckland City Mission have reported increasing numbers of families obtaining charitable food parcels¹. There also appears to be a relatively high level of demand for Food in Schools initiatives in low decile schools. We have not undertaken any direct engagement with schools or Food in Schools providers, but we understand that some providers (e.g. Garden to Table) report being unable to meet current demand for their programmes.
22. One potential indicator of family food insecurity is demand for Work and Income hardship grants to meet food costs. Over 320,000 hardship assistance grants were provided last year by the Government (up from 190,000 five years ago) and food continues to be the main reason for these payments. Grants for food assistance went up by 26,432 between June 2017 and June 2018 (110,992 to 137,424) but this may be a result of changes in the way in which the grants are administered.
23. We are not aware of any New Zealand studies on the effect that food insecurity may have on child diet or health outcomes. The number of children hospitalised with malnutrition in New Zealand is low (less than 100 per year over the period 2014 to 2016) but many children admitted to hospital have a micronutrient deficiency (e.g. iron, calcium, Vitamin D). Much micronutrient deficiency results from high-density food with low nutritional value.

There is complex provider landscape

24. There are multiple providers of food in schools programmes, with different deliver models, underpinning philosophies and objectives. Many low decile schools participate in multiple Food in Schools programmes, which include community and locally-led initiatives that have little visibility at the national level. We do not have comprehensive information on the extent of school participation in various programmes, but the following graph (from the July 2018 External Evaluation of Fruit in Schools) show the proportion of decile 1 and 2 schools that reported participating in selected initiatives.



¹ For example, the Salvation Army reported distributing 28,000 emergency food parcels to families and individuals (covering an estimated 60,000 children) in the year to December 2017 - a 13 per cent rise on the year to October 1 2017.

25. Further work is required to develop a comprehensive picture of programme coverage, but the available information suggests a complex landscape, with multiple large and small-scale programmes and providers, and many schools participating in more than one of the programmes supported by government funding. Many of these schools also participate in other healthy nutrition and health promotion programmes (e.g. Health Promoting Schools, the Heart Foundation Education Settings Services, the Life Education Trust Food and Nutrition Programme, and Project Energize²).

There is evolving New Zealand and international evidence and developments

26. Childhood and adolescence are periods of rapid growth and development. There is good international evidence on the impact of diet on children's cognitive and physical development, and on the negative effect of hunger on children's ability to concentrate and learn. The evidence regarding the relationship between nutrition and behaviour is weaker. Additionally, childhood nutrition, food behaviours, and preferences influence food choices in adulthood, and can have lifelong effects on health outcomes. According to the World Health Organisation, improving food and drink environments in education settings is an essential part of any comprehensive approach to addressing obesity.
27. There is a growing body of evidence that healthy food provision in education settings can improve diet quality, oral health, attendance, concentration and academic achievement. For example, a recent evaluation found that the provision of a free of charge, breakfast club for all students in relatively disadvantaged United Kingdom (UK) primary schools led to an average of 2 months' additional educational progress by students. Schools with breakfast clubs also saw an improvement in pupil behaviour. A recent evaluation of the UK universal infant free school meal programme (introduced in 2014) provides less conclusive results about educational benefits (which are assessed as moderate at best), but noted that parents reported saving ten pounds per week from not having to provide school lunches.
28. A recent (2018) evaluation of the KickStart Breakfast programme, drawing on administrative data, found that one additional KickStart breakfast per student, per week, was associated with a one-sixth reduction in hospital outpatient visits for dental surgery in the current year. However, the researchers caution that the multiple initiatives in place in schools with KickStart Breakfast programmes makes it difficult to attribute this benefit to KickStart alone.
29. The recently published 2018 evaluation of Fruit in Schools indicates that it is highly valued by children, teachers and parents. Eighty percent of principals reported their school had fewer hungry children as a result of Fruit in Schools. Eighty-three percent of the principals surveyed said the overall health of their children would decline if Fruit in Schools ended, concentration would suffer (74%), academic outcomes would suffer (62%), behaviour problems would increase (56%), and absenteeism would increase (53%).
30. The impact of Food in Schools programmes on measured material hardship is less clear. Intuitively, not having to provide breakfast and / or lunch to children should reduce demands

² Project Energize is a programme that aims to increase children's physical activity levels, improve their nutritional status and ultimately their overall health. It began at Sport Waikato in 2005 (funded by the Waikato DHB) and was established in Wellington in 2016 (funded by Capital Coast DHB and delivered by the Heart Foundation).

on household budgets, but officials are not aware of any specific studies showing that such programmes have led to reduced material hardship at the household level.

There are multiple objectives and no clear lead agency or policy framework

31. Food in Schools initiatives have multiple objectives, although it can vary as to which one has primacy. Objectives include addressing food insecurity, improving educational engagement and achievement, and improving health outcomes.
32. One consequence of this is that there is no one clear Ministerial or agency lead for Food in Schools policy and / or programmes. KickStart Breakfast and KidsCan are funded and administered by MSD, while Fruit in Schools is funded and administered by the Ministry of Health. The Ministry of Education currently plays a relatively indirect role with regard to these programmes (e.g. the provision of guidelines), but is likely to have an interest in any proposal to provide food in schools on a more widespread or systematic basis.
33. In addition, as noted above, the government in New Zealand has, to date, had a limited role and level of investment in Food in Schools programmes. As a result, there has been relatively little work to establish an evidence base, policy rationale and underpinning framework for Food in Schools. This places the government in a difficult position when responding to approaches by providers for funding, or calls for a system-wide approach to the provision of Food in Schools.

Options for Budget 2019

34. MSD's KickStart Breakfast and KidsCan proposal is the only Food in Schools initiative currently under development for consideration in Budget 2019. For communications around child wellbeing initiatives in Budget 2019, it may also be possible to link this initiative to the potential Budget bid by joint Ministers to improve the quality of nutrition and physical exercise in schools (discussed in paragraph 17 above).
35. Officials are seeking your direction on whether the KickStart and KidsCan roll-over bid is aligned with your expectations for a Food in Schools initiative for Budget 2019. If not, we recommend you propose to the Minister for Social Development that she ask her officials (in consultation with the Child Poverty Unit) to work up something more substantial and / or longer-term (which could encompass funding for KickStart and/or KidsCan).
36. In addition, officials consider that there would be considerable value in undertaking further strategic analysis and providing Ministers with advice on a number of aspects of Food in Schools initiatives. The objective of this work would be to establish an evidence base, policy rationale and underpinning framework for Food in Schools programmes, as a basis for decisions about the Government's ongoing role and investment in this area over the medium to long-term (including for Budget 2020). Specific matters that this analysis and advice could address include:
 - the extent of food insecurity in New Zealand, and level of demand for the provision of food in schools.
 - international evidence and developments in this area, and lessons for New Zealand.

- information gathering on current programmes in New Zealand and their alignment with the evidence on programme effectiveness.
 - the current and potential role of government in Food in Schools programmes (e.g. funding, regulation, accreditation, guidance and support for schools and providers)
 - programme design and delivery models (e.g. targeting, universal or opt-in; breakfast, lunch or grab-and-go; community or provider-led or government provided).
 - other relevant matters (e.g. contracting and procurement; capital considerations; food quality; curriculum integration; and links to other education, nutrition, and health programmes and services).
37. Officials are seeking an indication of your interest in receiving further advice on the matters outlined above. We would note that it is a potentially sizeable piece of work, requiring input from a number of agencies, against a background of already crowded work programmes. In our view, it would be challenging to complete it in time to inform Budget 2019 decisions, unless it is given a high priority by relevant Ministers and officials. Further decisions would be required to confirm which agency should lead this work.

Next Steps

38. Should you wish to include a more substantive Food in Schools initiative in Budget 2019 than what is currently under development, the Child Poverty Unit will work with MSD to take this forward as part of the Budget process.
39. Should you direct officials to provide further strategic advice on Food in Schools programmes, as a basis for decisions about the Government's ongoing role and investment in this area, the Child Poverty Unit will work with other agencies to provide advice to you and the relevant Ministers on the scope, process, timing, and lead agency for this work.
10. We recommend that you refer this report to the Ministers of Health, Social Development, Education and Sport, and the Associate Minister of Health and Education, Hon Jenny Salesa, for their information. It may be useful to do so ahead of their scheduled meeting on Thursday 20 September.

Consultation

40. Officials from the Ministries of Social Development, Health and Education, and the Child Wellbeing Unit, were consulted in the development of this paper.

Attachment A

Health promotion and other programmes that support healthy eating environments in education settings

- **Heart Foundation Education Settings Services:** Services include: support to decile 1-4 schools and early learning services to help them develop and implement policies and practices that improve the food environment and curriculum; classroom materials and professional development on nutrition; workforce development for early learning services; and the 'Food for Thought' programme in partnership with Foodstuffs (teaches students about shopping for, preparing and eating healthy food). Receives government funding of \$1.497m annually.
- **Heart Foundation Food and Beverage Classification Service (Fuelled4Life):** Provides nutrition criteria, tools and resources to support schools and early learning services to improve the food they provide. Also provides advice to organisations that provide food for schools. Receives government funding of \$300,000 per annum.
- **Health Promoting Schools (HPS):** Fifteen District Health Boards (DHBs) are contracted to deliver the free HPS service. HPS facilitators help schools to work with their community to identify and address health and wellness needs and priorities. HPS is an education–settings approach developed by the World Health Organisation in the 1980s, based on the understanding that health and education are inextricably linked (i.e. health is a determinant of education and education is a determinant of health). HPS was introduced in New Zealand in 1997 as a pilot in Auckland and Northland, and following evaluation was expanded nationwide.
- **Healthy Families NZ:** Works with a range of organisations (e.g. local councils, iwi, businesses, event organisers, schools, and early learning services) to promote healthy eating and other actions to create an integrated, community-wide 'prevention system' for good health. Improved nutrition is one of the four areas of focus for preventing chronic disease - the others being physical activity, smoke-free, and alcohol in moderation. Introduced in late 2014, it operates in ten locations with higher-than-average risk factors for and rates of preventable chronic diseases, and is funded at \$9.64m per annum.
- **Regional, local and kaupapa Maori programmes** with a focus on healthy eating and physical activity in education settings, including: Taranaki DHB Mama and Pēpe Hauora, delivered by Tui Ora; Sport Waikato: Under 5 Energize; Diabetes Project Trust; Toi Tangata; and Rangatahi Tū Rangatira (14 providers).

Regulations and Guidelines for Food in Schools and healthy nutrition

- **Guidelines to Support Healthy Eating Environments in New Zealand Early Childhood Education Services and Schools**, published by Ministry of Education. The Ministry considers that there is a need to update these guidelines to better reflect current best practice and recent changes to food safety requirements.
- **Guidelines for School Food Programmes**, published by the Office of the Children's Commissioner (OCC) in 2014. The OCC has identified a need to update these guidelines.
- **Regulations:** ECE regulations require early learning services to supply drinking water and serve food that meets the nutritional needs of enrolled children. If parents provide food, services are required to promote healthy eating guidelines. National Administrative Guidelines for schools require boards of trustees to promote health food and nutrition for all students
- **Requirements under the Food Safety Act:** relating to the preparation, provision and sale of food by early childhood services and through school tuckshops and canteens.