

SCHOOL
FOOD
matters

BUSINESS CASE:

THE SCHOOL LUNCH PROGRAM



TASMANIAN
COMMUNITY FUND



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EXECUTIVE SUMMARY

Tasmania is facing considerable challenges in reducing the disparities in health and education when compared to national benchmarks, revealing a landscape where urgent intervention and innovative approaches are needed to deliver significant improvements.

Tasmania has the second lowest Year 12 attainment rate among all jurisdictions, at only 53% compared to the national average of 76%. NAPLAN results indicate that Tasmanian students consistently perform below the national average across all categories, with one in seven requiring additional support to meet expected standards.

We believe the School Lunch Program (SLP) offers a range of benefits, including the potential for improved educational, social, health, and economic outcomes in generations to come.

STRATEGY: VISION AND GUIDING PRINCIPLES

Nutritious school lunches to every child, every day.

At the core of our mission is the belief that every Tasmanian child has access to a nutritious daily meal. The SLP establishes a foundation for academic improvement, social development, and overall healthier lifestyles.

SLP is a data-informed, practical plan built on four guiding principles:

- **Equity and Universal Access** – for every Tasmanian child.
- **Quality Food: Paddock to Plate** – nutritious, fresh and seasonal meals, with an emphasis on local sourcing of ingredients.
- **Health and Wellbeing** – Recognising that preparing students for a successful future is broader than academic process alone.
- **Enhanced Education and Engagement** – using the program to educate and instil healthy eating habits and develop positive social connections between students and their communities.

The program is supported by robust research that demonstrates broad endorsement of the program's framework and its potential impacts:

- Australia stands as the only advanced OECD country without a national school lunch program.
- 78% of schools recognise the SLP benefits and 96% of interested schools plan to participate within the next year.
- The 2022 UK analysis found that every £1 invested in school lunches yields an estimated return of £1.71 in core benefits.
- School lunch programs worldwide, are proven to deliver increased attentiveness and reduced absenteeism among students.
- There is broad support for the program in all participating Tasmanian schools, and high levels of support from parents and the broader Tasmanian context (conducted by external researchers).

STRATEGIC CONSIDERATIONS

The implementation of the SLP requires strategic decisions regarding key variables that will affect its success and scalability:

- **Trade-offs:** Choices around operational days, meal pricing, and school coverage need consideration to balance impact with feasibility.
- **Ramp-Up Strategy:** A gradual increase in operational days and school coverage ensures manageable scaling.
- **Pilot Funding Focus:** This has focused on government schools, allowing for targeted assessments and adjustments before wider implementation.



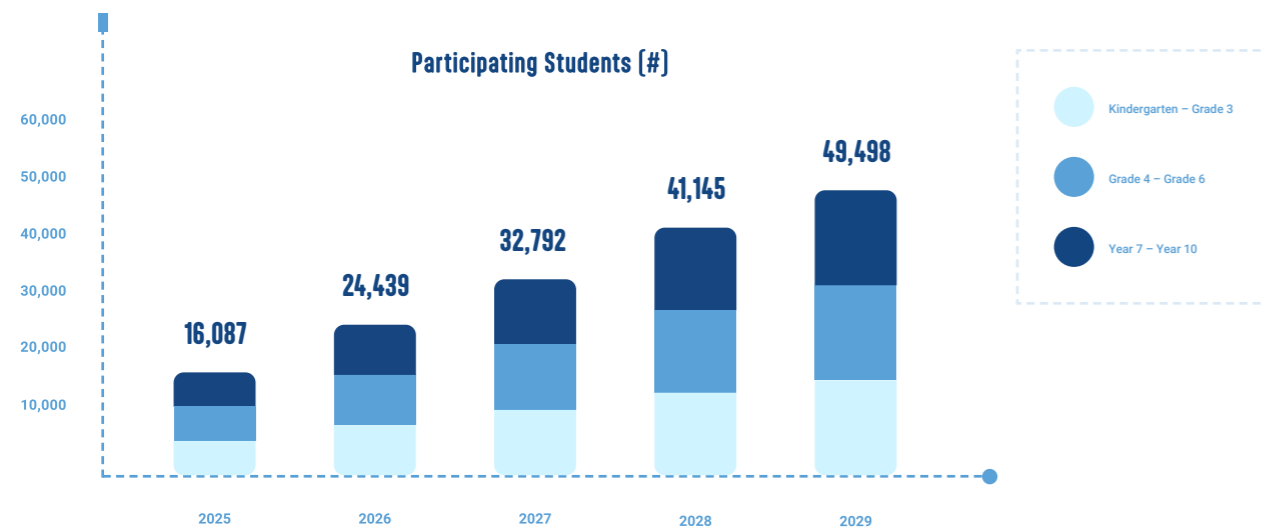
PROPOSED MODEL

The proposed model for the SLP involves a phased approach to accommodate the practical realities of implementation:

- **Operational Days:** Begins with an average of two days per week, expanding as the program matures and schools adapt to a new program. This also needs to balance logistical considerations, and ensuring that in the early stages there is still sufficient volumes to not be prohibitively expensive.
- **School Coverage:** Initially targets all government schools, with a plan to include Independent and Catholic schools in future phases.
- **Grade Span:** Focusing on Kindergarten through to Grade 10 (K-10), ensuring foundational nutritional support is provided where it's most impactful.
- **Meal Pricing:** A co-funding model has been identified for feasibility of a high quality, sustainable program. Market research indicates that a \$4 meal contribution from families is preferred with government funding the balance of the program.
- **Subsidisation of Families in Need:** Means testing is proposed to be the primary mechanism for aiding families who may struggle with affordability of the program. Currently, around 40% of Tasmanian students meet the criteria for subsidies.
- **Delivery Through an Experienced Partner:** The program currently utilises the services of an experienced delivery partner – Loaves and Fishes Tasmania (LFT), to handle procurement, logistics, food preparation and delivery to the schools. LFT have a track record of delivering food programs across the state in a reliable and efficient manner.

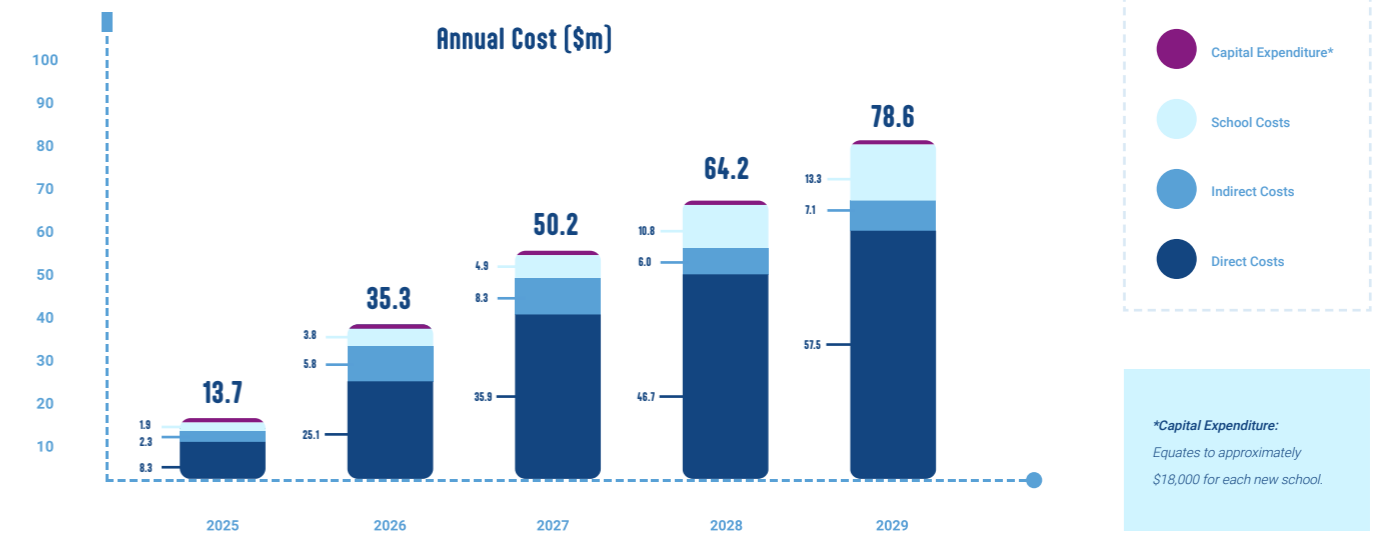
SCHOOL NUMBERS AND SCALE UP PROFILE

In the base case scenario, all Tasmanian Government schools catering to grades K-10 have been included, equating to approximately 190 schools, and 49,000 students. This compares with the full Tasmanian student population of approximately 82,000 in 273 schools which includes Government, Independent and Catholic Schools K-12.



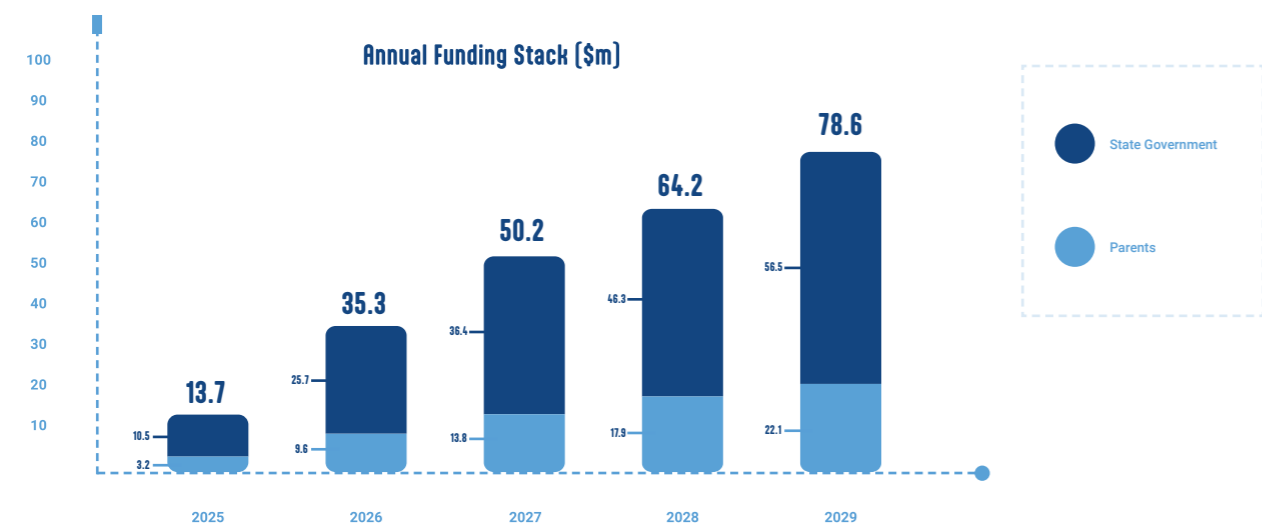
COST OF THE PROGRAM

The cost of the program is split into direct costs (relating to food, preparation and logistics), indirect costs (relating to administrative costs), in-school costs (relating to labour requirements in schools to deliver the program) and capital expenditure (relating to the purchase of additional equipment required to heat/cook, store and distribute the meals once at the school).



FUNDING

This program is proposed to be funded in part by parents, and part from the State Government. It is anticipated that parents will contribute \$4 per meal, with means testing being used to identify families eligible for assistance.



ORGANISATIONAL CAPABILITY

As the scale up continues, School Food Matters has recognised the requirement to build the capability and capacity of their organisation to ensure a well managed and sustainable program roll out can be achieved. A detailed organisational maturity plan is being finalised, and several high profile Tasmanian Directors have been recruited to the Board to help navigate the expansion.



ACKNOWLEDGEMENTS

School Food Matters (SFM) is dedicated to the advancement of children's health and education through access to healthy, sustainably-sourced school meals. Our initiatives, including the School Lunch Program (SLP), aim to establish a foundational understanding of nutrition, foster healthy eating habits, and ensure food security for children across Tasmania. By working closely with schools, communities, and a network of partners, SFM is at the forefront of addressing nutritional challenges and promoting positive change within our education, health and food systems.

We wish to express our profound gratitude to everyone who has played a part in bringing the SFM SLP to life. This initiative represents a significant step forward in our collective mission to ensure every child in Tasmania has access to nutritious meals at school, thereby enhancing their learning, health, and overall wellbeing.

In particular, we would like to acknowledge the following groups and individuals who have made significant contributions to this project, playing a pivotal role in shaping the future of SFM:

- **Tasmanian Community Fund (TCF):** For their essential funding support.
- **Stakeholders:** Loaves and Fishes Tasmania (LFT), Quantum Market Research (QMR), Menzies Institute for Medical Research (MIMR), and representatives and advisors from the Department of Premier and Cabinet (DPAC), Department of Health, Department for Education, Children and Young People (DECYP), and Natural Resources and Environment (NRE).
- **Consultants:** Greg Hudson, Tim Booker, Sarah Feast, Sally Hayne.
- **School Food Matters Team:** Julie Dunbabin (School Lunch Project Manager), Kirsty Grierson (Executive Officer), Alicia Hansen (Administrator), and Elly Rigney (Lead Consultant) for their dedication. Additionally, a heartfelt thank you to Di McShane, Chair of the School Food Matters Board, and all Board and Committee Members for their leadership and guidance.
- **Special Thanks:** To the students and staff from Mole Creek Primary School and East Devonport Primary School for being featured in the photographs, and Moon Cheese Studio for design and photography.

We acknowledge the Traditional Owners of the lands where we work and live in Tasmania. We pay our respects to Elders past and present and recognise their continuing connection to land, waters, and culture.

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Publication Date: April, 2024

BACKGROUND INFORMATION

Tasmania is facing considerable challenges in narrowing the disparities in health and education when compared to national benchmarks. This critical situation is emphasised by a range of statistics, revealing a landscape where urgent intervention and innovative approaches are needed to deliver significant improvements:

- Tasmania recorded the second lowest year 12 attainment rates of any jurisdiction, with only 53% completion compared to the national average of 76%.
- 50 per cent of Tasmania's population has inadequate reading skills for their daily life needs.
- The prevalence of disadvantage in Tasmania exceeds national figures, compounding challenges in education and health.
- 63% of the Tasmanian population are in the overweight or obese range.
- Only 6% of the Tasmanian population are meeting the recommended vegetable intake.
- In 2023, one in two adult Tasmanians experienced some level of food insecurity.

These findings, drawn from the "Health and Wellbeing of Tasmania's Children, Young People and their Families" report, the Tasmanian Population Health Survey 2022, the latest Report on Government Services (RoGS) 2024, and the Tasmanian Project Report by UTAS 2023, paint a comprehensive picture of the hurdles facing Tasmania. They highlight the urgency of innovative interventions to foster a healthier, more educated future for Tasmania.

Whilst a number of these reports provide data on Tasmanian adults, it is possible to extrapolate this data to reflect what children and young people are experiencing and therefore the need for breaking the cycle of disadvantage, poor health and low academic outcomes.

THE SCHOOL LUNCH PROGRAM (SLP)

Nutritious school lunches to every child, every day.

At the core of our mission is the belief that every Tasmanian child is entitled to a nutritious daily meal using local and seasonal produce. The SLP aims to establish a foundation for academic improvement, social development, and overall healthier lifestyles. By ensuring a nutritious meal and communal dining time each day, we address critical factors contributing to educational disparities, setting the stage for a future marked by equality and enhanced prospects for Tasmania's youth.

CORE BENEFITS

The initiative is grounded in three core benefits, each contributing to the holistic development of our children and communities:

- 1 Engaged Learning:** The SLP is dedicated to creating an equitable educational environment, by ensuring that every child has access to a nutritious meal at school. The program also aims to remove hunger and poor food choices as an obstacle to focus, engagement, and learning. It acknowledges that a well-nourished student is prepared to engage deeply with educational experiences and resources. The program is more than just about providing food and improving food literacy; it's a commitment to every child, representing a significant investment in Tasmania's future.
- 2 Health and Wellbeing:** The SLP is devoted to the health and wellbeing of Tasmanian students. Nutritious lunches are critical to the physical and mental development of young learners, fostering overall wellbeing. The SLP also contributes to improved concentration, better school attendance, and the establishment of lifelong positive eating habits. Importantly, the SLP also emphasises the value of socialisation during mealtimes, providing a space for students to connect and interact, reinforcing the social fabric of the school community. This leads to calmer, more focused children, which also has a positive impact on teaching staff. By nourishing the body, the SLP also nurtures the mind, acknowledging that health is the foundation upon which all learning is built.
- 3 Community Capacity Building:** The SLP serves as a catalyst for growth between local producers and school communities. By sourcing ingredients from Tasmanian growers, the program bolsters the local agricultural sector, forging a sustainable economy and fostering community resilience. It also empowers schools to become active participants in the food journey, from farm gate to school gate, enriching the educational experience with practical life skills and strengthening community ties.

The SLP is an investment in the multifaceted growth of Tasmania's children. It goes beyond the provision of meals, it lays the foundation for the educational journey, supports health and wellbeing, brings significant economic benefits, and enhances the capabilities of our communities. The SLP paves the way for a brighter, more equitable future for all Tasmanians.

THE APPROACH

The SLP is a data-informed, practical plan, to provide every student in Tasmania access to a nutritious school lunch in a way that not only nourishes our students, but enriches the broader community.

At the heart of the program is a commitment to flexibility and customisation, recognising that each school in Tasmania has its own unique needs and circumstances. This program is not a 'one size fits all' solution; rather, a versatile framework designed to cater to the diverse requirements of schools across the state.

- 1 Farm Gate to School Gate:** A foundation of the initiative is the 'Farm Gate to School Gate' approach. This involves sourcing fresh, local produce directly from Tasmanian farmers and producers, and displaying the origin of food so that students know where the food has come from. This fosters a connection between the local agricultural community and schools. This not only supports the local economy but also ensures that students receive the freshest and most nutritious ingredients for their meal.
- 2 'Many to Many' Principle:** The initiative connects a network of multiple suppliers to schools through a structured procurement process. This strategy enhances the variety and quality of food offerings and supports a wide range of local producers, from large-scale farms to small local growers.
- 3 Co-payment Approach:** The co-payment approach, linked to a means-tested subsidised model is preferred, ensuring a fair distribution of costs. Parents cover the meal expenses, while the government manages the program's support, administration, and in-school costs. This is based around the idea that people are more inclined to value something they contribute towards, while balancing accessibility to lower socio-economic demographics.
- 4 Varied Delivery Options:** Understanding that schools have different facilities and capacities, the initiative currently offers a range of meal solutions:
 - 'Central Kitchen':** Food procured and prepared centrally and then distributed to schools ready for heating.
 - 'School Kitchen':** Ingredients procured for recipe and distributed to schools ready for cooking.
 - 'Hybrid':** A combination of both 'Central Kitchen' and 'School Kitchen' deliveries.

HOW THE SLP IS DIFFERENT TO BREAKFAST CLUBS AND CANTEENS

The SLP differs from Breakfast Clubs and Canteens in several fundamental ways, centred around its comprehensive approach to nutrition, education, and social cohesion within schools.

Here's how:

- **Nutritional and Educational Alignment:** Unlike Breakfast Clubs and Canteens, which may lack consistent control over nutritional content and do not always focus on educational outcomes, the SLP adheres to stringent standards for meal quality and inclusivity. It is designed with food literacy in mind, ensuring that students not only receive high-quality meals but also learn about healthy eating habits and where their food comes from.
- **Quality and Equity:** The SLP aims to provide quality meals and equitable access across all participating schools. In contrast, Breakfast Clubs and Canteens can vary significantly in meal quality and access due to differences in school infrastructure

and resources. The SLP's model ensures that every student, regardless of their school's infrastructure, has access to nutritious meals.

- **Communal Eating Experiences:** A key vision of the SLP is to foster social cohesion through structured, communal eating experiences. This aspect is often missing in the more decentralised models of Breakfast Clubs and Canteens. The SLP recognises the value of shared mealtimes in building community ties among students and others, which is crucial for their social and emotional development.
- **Nutritional Benefits:** The SLP delivers comprehensive nutritional benefits by guaranteeing access to high-quality meals. It stands superior in its ability to provide consistent nutrition based on the Australian Dietary Guidelines (2013), directly impacting students' health and wellbeing. This comprehensive approach extends beyond the scope of Breakfast Clubs and Canteens, focusing on the holistic development of all students in the school.
- **Integration of Food Literacy:** Beyond providing meals, the SLP integrates food literacy into its program, ensuring students understand the importance of

nutrition and healthy eating habits and where food comes from. This educational component is designed to have lasting effects on students' choices and behaviours, extending the program's impact beyond the school environment.

The SLP represents a shift towards a more integrated and holistic approach to school meals, offering a model that not only feeds students but also educates and unites them. This strategy ensures the program not only meets immediate nutritional needs, but also contributes to broader educational and social objectives.





THE PILOT PHASE

The SLP in Tasmania has been a journey of learning and adaptation. As we reflect on the pilot phase, several key learnings have emerged, shaping the future direction of the program.

KEY LEARNINGS FROM THE PILOT:

OPERATIONAL INSIGHTS

1

- The pilot, initiated by SFM with State Government funding of \$1.87 million for two years, and philanthropic contribution of \$200,000, covered 15 schools in 2022. This increased to 30 schools in 2023 with approximately 7,088 meals prepared each week.
- Originally designed with fixed menus, the program shifted to variable menus based on direct feedback, highlighting the need for flexibility in meal planning.
- By the end of 2022 the SLP exceeded the initial target of 50% of fresh Tasmanian produce, by achieving approximately 75% Tasmanian produce being used in the meals.
- Of the 1,678 students involved in 2022, 55 had an allergy or intolerance. The complexity of managing food allergies in the school setting became more complicated than anticipated and an Allergen Management Working Group was established to outline the approach to allergen risk management.

- There was limited food waste with schools demonstrating initiative in using excess meals to address food insecurity in their local community.
- Plate waste was fed to chickens and/or composted in school produce gardens and worm farms.

FUNDING MODEL AND PARTICIPATION

2

- During 2022, the SLP provided 78,832 nutritious cooked lunches to 1,678 Tasmanian students from 15 schools (3,108 lunches per week).
- In 2023, the SLP provided 191,968 nutritious cooked lunches to approximately 4,104 Tasmanian students from 30 schools (7,088 lunches per week).
- Being fully government funded and free for students, the pilot revealed insights into the implications of a 'free' model. The free model ensured accessibility, but it also presented significant challenges for sustainability of the program.

SCALABILITY AND ADAPTATION

3

- Preliminary findings from the MIMR School Lunch Project Evaluation: Interim Report (2023) indicate that while the current model provided valuable operational experiences, it faced challenges in scalability.
- The need for a model that could be adapted and scaled up to meet the demands of a wider student population became evident.
- The Tasmanian Community Fund provided the funding to consider the scale-up of the SLP to provide all Tasmanian students across all schools with a lunch each school day.



LOOKING AHEAD

SCHOOL LUNCH PROGRAM (SLP)

DESIGN PRINCIPLES

Looking ahead, the SLP aspires to develop and implement an ambitious model, drawing guidance from key learnings, research and successful international school lunch programs.

- **Coverage:** Access to nutritious school lunches for every student in Tasmania. Over a 5-year period, progressively introduce SLP to all Tasmanian schools (Government, Independent and Catholic).
- **Grades:** All years, from Kindergarten to year 12, significantly expanding the program's scope.
- **Frequency:** Provide five lunches each week for every student.
- **Local, Fresh Produce:** From 'farm gate to school gate,' ensuring quality meal ingredients, supporting our farmers and local and regional economies.
- **Inclusive Meals:** Menus that cater to all dietary needs and respect diverse backgrounds.
- **Shared Eating:** Lunchtime becomes a chance to connect - for students, teachers and the broader school community.
- **Food Literacy:** Providing information about the value of food and where it comes from.

FUNDING APPROACH

The SLP has a sustainable model that supports both schools and the government.

The funding model would comprise:

- **Parent Contribution:** It is anticipated that parents will contribute a portion of the meal cost. This aims to share the financial responsibility of the SLP while ensuring its sustainability. The contribution is designed to offset a part of the meal expenses, making the program more financially accessible to all families, and sustaining its long-term viability.
- **Student & Family Support:** This support would be extended to all students who are means-tested which makes the program more inclusive and equitable.
- **Government Support:** It is proposed that the Tasmanian Government would fund the remaining balance of costs associated with the SLP.



THE STRATEGY

GUIDING PRINCIPLES

1

Equity and Universal Access:

Principle:

1). Every student in Tasmanian schools (Government, Independent and Catholic) has access to the SLP

Means:

- A co-funded opportunity will be made available over the next five years for all schools in Tasmania to participate in the SLP.

2

Quality Food – Paddock to Plate:

Principle:

1). Prioritise the procurement of Tasmanian produce

Means:

- Strengthen local capacity and capability by ensuring at least 50% Tasmanian ingredients of which at least 30% is from small local producers.
- How much capacity has been increased on farms, by how many jobs are attributed to the SLP and how much produce has been grown for the SLP.
- Facilitating industry pathways by connecting the dots to career opportunities and increased awareness of the value of the agricultural and hospitality sectors to our communities.
- Traceability of origin displayed at school level.
- Circular food economy, waste management and waste measurement, packaging, reduced packaging in school bins, rubbish audit.
- When Tasmanian produce is not available, Australian domestic produce is procured, then international produce.

3

Health and Wellbeing:

Principle:

1). Optimal Nutrition

Means:

- Menu development to use Australian Nutritional Standards, informed by best practices and the latest research.
- Dietitians and chefs provide menu input.
- Nutritional values available for each recipe.
- Allergen/Intolerance modified meals available.
- Culturally diverse meal options.

4

Enhanced Education and Engagement:

Principle:

2). Health Benefits

Means:

- Student Wellbeing survey results by DECYP.
- Student Health survey results by Department of Health.

Principle:

3). Wellbeing and Socialisation

Means:

- School provides students and staff with designated and inviting spaces to sit down and eat together.
- Students have allocated and adequate time to eat meals, 20 minutes minimum.
- Supervisors dine with students, role-modelling a positive eating experience and fostering connection.

Principle:

1). Educational Integration

Means:

- Food literacy resources developed or sourced and available to schools.
- Integrating food literacy in classroom activities with lesson plans.

Principle:

2). Community Engagement

Means:

- Develop school-specific food plans with co-design teams (including parents or carers, teachers, students, farmers/growers and SLP representatives), reflecting local needs.
- Facilitate collaboration with community organisations aligned with SLP's goals.

Principle:

3). Transparent Assessment and Reporting:

Means:

- SFM and external agencies like DECYP and/or MIMR provide consistent, clear reporting on progress and effectiveness.
- Focus on timely evaluation of important metrics, NAPLAN and PATs ensuring easy access and understanding of this information.
- Maintain a commitment to open communication about SLP's outcomes, both internally and with the public.

STRATEGIC FRAMEWORK

STRATEGIC PILLAR

1

Equity and Universal Access

Outcome: Equitable access to nutritious school lunches for every student in Tasmania.

This pillar is founded on the belief that access to nutritious food is integral to a child's growth, learning, and overall wellbeing. By designing a program that reaches every student, we aim to establish an equitable environment where all children, regardless of their personal circumstances, have the same opportunity to thrive academically and physically.

Objective: To ensure access to the SLP across all Tasmanian schools, irrespective of their category (Government, Independent, or Catholic), through the implementation of a co-funding model.

Strategies:

1. Inclusive Financial Structure.

Develop a financial model that is flexible and inclusive, allowing for the adaptation to different school environments and student demographics.

Ensure transparency and accountability in the funding mechanism to maintain trust and support from all stakeholders.

2. Program Adaptation and Scaling.

Implement the program in phases, prioritising schools in each region with a mix of school types and sizes as part of a statewide expansion plan for all Tasmanian schools.

Continuously evaluate and adapt the model to ensure it meets the changing needs and scales effectively across different school categories.

3. Comprehensive Evaluation and Monitoring and Feedback.

Establish a thorough evaluation and monitoring system to assess the reach and impact of the SLP in different school settings.

Engage with school communities to gather feedback and make necessary adjustments, ensuring the program remains relevant and effective.



STRATEGIC PILLAR

2

Quality Food – Paddock to Plate

Outcome: Strengthened local food economy, development of community ties, and enhanced meal quality.

This pillar highlights the importance of Tasmania's local food economy, and the sourcing of ingredients directly from regional producers. The focus is on connecting our schools and the local food industry, creating a direct line that supports regional economies and provides students with fresh, high-quality meals. By prioritising local produce, the initiative not only enriches the nutritional value of school lunches but also contributes to the vitality of the local economy and creating the opportunity for further community connectedness.

Objective: To prioritise the use of fresh, seasonal, and locally-sourced Tasmanian produce in the SLP.

Strategies:

1. Emphasising Local Produce in Menu Planning.

Commit to ensuring that at least 50% of the SLP menu is comprised of ingredients sourced from within Tasmania.

Establish partnerships with local producers to meet a minimum of 30% of procurement needs, supporting the local agricultural sector.

2. Flexible and Responsible Sourcing.

In cases where local produce is not available, prioritise Australian-grown produce to maintain a commitment to supporting national agriculture.

Use international produce only as a last resort, ensuring the continuous provision of quality and nutritious ingredients.

EQUITY AND UNIVERSAL ACCESS

	Objective	Target	Metric	Indicators
Short Term (Year 1)	Program commencement in selected schools.	60 schools by end of Year 1.	Number of schools participating.	School enrolment in the SLP.
	Ensure ongoing transparency and accountability.	100% stakeholder satisfaction with financial transparency.	Rate of positive stakeholder feedback.	Surveys and audits measuring stakeholder trust.
Medium Term (2-3 Years)	Evaluate and expand to additional schools.	100 schools by end of Year 2.	School feedback and program adjustments.	Reports on initial implementation and feedback.
	Increase the number of schools in the program.	150 schools by end of Year 3.	Number of schools with program.	School participation reports.
	Refine program based on initial feedback.	Continuous program improvement.	Quality of program delivery.	Feedback and evaluation data.
Long Term (4-5 Years)	Implement effective program monitoring.	Effective monitoring system in place.	Efficiency and accuracy of monitoring.	Monitoring system reports.
	Program operational in all schools.	Program in all Tasmanian schools by Year 5.	Number of schools participating.	School enrolment and participation data.
	Establish the program as a sustainable model.	Sustainable funding and operations.	Funding and operational stability.	Financial reports and program reviews.
	Show measurable benefits to students.	Improved student performance and wellbeing.	Metrics of student performance and wellbeing.	Student academic and health records.

QUALITY FOOD Paddock TO PLATE

	Objective	Target	Metric	Indicators
Short Term (Year 1)	Incorporate at least 50% Tasmanian ingredients into the SLP menu.	50% of menu items include local ingredients.	Percentage of local ingredients in menus.	Menu audits and procurement.
	Prioritise Australian-grown produce when local options are not available.	Majority of non-local ingredients sourced nationally.	Proportion of Australian to international ingredients.	Supply chain audits and sourcing strategy reviews.
Medium Term (2-3 Years)	Strengthen partnerships with small, local producers to support the local economy.	60% of procurement needs met by local producers.	Proportion of procurement from local sources.	Supplier contracts and economic impact assessments.
	Prioritise Australian-grown produce when local options are not available.	Majority of non-local ingredients sourced nationally.	Increase in the proportion of Australian to international ingredients.	Procurement strategy reports and supplier feedback.
Long Term (4-5 Years)	Ensure a stable and sustainable local supply chain for the SLP.	Ongoing partnerships with Tasmanian producers.	Stability and sustainability of local supply chains.	Renewal rates of local supplier contracts and satisfaction surveys.
	Minimise any use of international produce while maintaining quality.	Minimal use of international ingredients.	Ratio of international ingredients used only as a last resort.	Quality control reports and nutrition analysis of ingredients.

STRATEGIC PILLAR

3

Health and Wellbeing

Outcome: Inclusive menu planning reflecting the diverse needs of students, ensuring every child feels valued and included.

This principle is established in the understanding that the effectiveness of school meals extends beyond just nutrition. It involves creating menus that are not only nutritionally rich but also visually appealing and tasty to children, thus encouraging their consumption, and fostering lifelong healthy eating habits. Recognising the diversity of the student population, this principle commits to inclusive menu planning that reflects various cultural backgrounds, dietary needs and preferences, ensuring that every student feels valued and included.

Objective: To provide nutritionally balanced, appealing, and culturally inclusive school meals that cater to the diverse needs and preferences of students.



Strategies:

1. Nutritionally Balanced and Appealing Meals.

Craft menus that strike a balance between nutritional value and appeal to young palates, making positive food choices attractive and enjoyable for students.

Regularly introduce new, creative, and visually appealing meal options to maintain student interest and engagement with the SLP.

Create a seasonal menu that updates each school term.

2. Adaptive and Inclusive Menu Planning.

Develop culturally diverse menus that are sensitive to and representative of the student population, including options for different allergies, religious dietary restrictions, environmental and lifestyle choices like vegetarianism.

Involve dietitians and chefs in the menu planning process, ensuring that meals are not only culturally appropriate but also meet the highest nutritional standards.

3. Promoting Socialisation Through Shared Meals.

Implement initiatives that encourage shared dining experiences between students and staff, fostering a sense of community and improving social skills.

4. Informative Display of Meal Origin and Nutrition.

Integrate interactive elements like digital screens or informational posters that engage students in learning about their food choices.

5. Interagency Collaboration.

Enhance partnerships to incorporate practical food literacy within schools and extend to family mealtimes, promoting healthy habits across communities.

HEALTH AND WELLBEING

	Objective	Target	Metric	Indicators
Short Term (Year 1)	Create a menu that balances nutritional value with appealing tastes for children.	100% of menus meet nutritional standards while incorporating student preferences.	Compliance with nutritional standards and student satisfaction rates.	Menu approval rates, nutritionist sign-off, and positive student feedback. Waste reports.
	Develop inclusive menus that reflect the diverse population.	Each school menu includes options for common allergies, religious dietary restrictions, environment and lifestyle choices.	Diversity index of menu options available.	Menu selection data and feedback from parents and students.
	Launch shared dining experiences in schools.	Initiate shared meal programs in 50% of participating schools.	Number of shared dining programs implemented.	Program participation rates and quantitative assessments of community impact.
	Introduce educational elements on meal origins and nutrition.	Implement interactive displays in 50% of schools.	Number of interactive displays or informational posters installed.	Usage statistics of interactive elements and student feedback on educational impact.
Medium Term (2-3 Years)	Introduce new, creative meals to sustain interest in the lunch program.	Roll out of a new menu item each term with chef input, achieving a 75% approval rating.	Number of new menu items introduced and student approved ratings.	Menu variety metrics and student taste-test feedback.
	Collaborate with chefs and dietitians for menu planning.	All menus reviewed and approved by professional dietitians.	Number of menu plans reviewed by nutrition professionals.	Sign-off from dietitians and implementation of recommended changes.
	Expand shared dining experiences to all participating schools.	Shared dining experiences available in 100% of participating schools.	Expansion rate of shared dining experiences.	Full implementation across schools and posting community feedback.
	Ensure all schools have interactive educational displays on food.	Interactive educational displays installed in 100% of schools.	Completion rate of installation across all schools.	Engagement metrics with displays and improvements in student nutritional knowledge.
Long Term (4-5 Years)	Maintain high engagement with nutritious and appealing meals.	Annual refresh of 50% of the menu to align with evolving tastes, nutritional guidelines and seasonal produce.	Percentage of the menu updated annually.	Continued compliance with nutritional standards and student preference surveys.
	Establish ongoing review process for menu adaptability and nutritional quality.	Continuous improvement process established for menu updates and nutritional quality checks.	Frequency of menu review cycles and quality audits.	Documentation of review cycles, audit results, and revisions made.
	Sustain and enhance the shared dining experience.	Establish a culture of shared meals as a standard in school dining.	Integration level of shared dining experiences in school culture.	Surveys on social cohesion and student engagement during meals.
	Continuously update and enhance educational displays.	Annual updates to interactive displays to align with current nutritional information and food origins.	Frequency and quality of updates to educational content.	Feedback on the relevance and helpfulness of the information provided.

STRATEGIC PILLAR

4

Enhanced Education and Engagement

Outcome: A more impactful educational experience and increased community involvement in the SLP, resulting in a program that not only nourishes but educates and unites.

In the heart of our communities, the SLP is more than a meal service; it's an educational tool that brings together students, educators, and families. This strategy focuses on harnessing this potential to deepen the educational experience. By integrating education and community engagement directly into the SLP, we aim to transform lunchtime into a collaborative and informative space that extends learning beyond the classroom.

Objective: To embed education within the SLP and enhance community involvement, creating a supportive learning environment.

Strategies:

1. Educational Integration.

Enhance education components into the curriculum including food literacy, utilising the SLP as a practical learning platform.

Utilise and create engaging lesson plans and resources that promote understanding of nutrition and healthy eating habits.

Determine career pathways in food, agriculture, and food hospitality.

2. Collaborative Menu Design.

Establish co-design teams involving parents, teachers, and students to contribute to school-specific meal planning, ensuring the SLP reflects the community's needs and values linking into a statewide approach. This ensures the continuous provision of quality and nutritious ingredients.

3. Community Engagement.

Partner with local organisations that share the objectives of the SLP to broaden its reach and impact.

Leverage these partnerships to introduce students to real-world applications of healthy living principles.

Engage with parents about the SLP.

ENHANCED EDUCATION AND ENGAGEMENT

	Objective	Target	Metric	Indicators
Short Term (Year 1)	<p>Provide information and resources to support the school curriculum across a broad range of subjects.</p> <p>Form community partnerships to support SLP.</p> <p>Collaborative menu designs.</p>	<p>30% of schools utilising the resources.</p> <p>Partnerships in 50% of schools.</p> <p>50% of schools with co-design teams.</p>	<p>Number of schools using the resources.</p> <p>Number of partnerships formed.</p> <p>Schools with active co-design teams.</p>	<p>Number of requests and use of resources and information.</p> <p>Records of partnership agreements.</p> <p>Co-design team formation and activity log.</p>
Medium Term (2-3 Years)	<p>Provide information and resources to support the school curriculum across a broad range of subjects.</p> <p>Strengthen and expand community partnerships.</p> <p>Implement co-design menus.</p>	<p>60% of schools utilising the resources.</p> <p>Partnership with 75% of schools.</p> <p>75% of school implementing co-designed menus.</p>	<p>Number of schools using the resources.</p> <p>Growth rate of partnerships.</p> <p>Schools with implemented co-designed menus.</p>	<p>Number of requests and use of resources and information.</p> <p>Feedback from community partners.</p> <p>Implementation and feedback reports.</p>
Long Term (4-5 Years)	<p>Information and resources utilised within the school curriculum across a broad range of subjects.</p> <p>Community partnerships deeply embedded in SLP.</p> <p>Standardise co-design in menu planning.</p>	<p>100% of schools utilising the resources.</p> <p>Partnerships in 100% of schools.</p> <p>100% co-design in menu planning.</p>	<p>Number of schools using the resources.</p> <p>Integration rate of partnerships.</p> <p>Co-design process adoption rate.</p>	<p>Number of requests and use of resources and information.</p> <p>Assessment of partnership impact.</p> <p>Co-design standardisation on reports.</p>



RESEARCH

Incorporating findings from multiple research streams has been pivotal in shaping the strategic direction of the SLP.

The Menzies Final Report, alongside the targeted research undertaken by Quantum Market Research that involved both qualitative and quantitative research with schools, has provided comprehensive insights into the program's impact and potential.

Additionally, the demand study forecasts have provided critical data to support the program's expansion, ensuring it effectively meets the needs of Tasmania's schools, students and parents or carers.

Collectively, these studies form a robust evidence base to guide the program towards achieving its goals of promoting educational equity, enhancing student health and wellbeing and supporting local economies.

Building on the foundational insights from the Menzies Final Report and qualitative assessments, the quantitative research specifically delves into the operational realities, preferences, and potential demand within Tasmania's diverse school landscape. This targeted approach produces actionable strategies and tailoring of the program to meet the nuanced needs of schools, students, and their families. By conducting this target research, we ensure a holistic view that highlights the program's current successes as well as challenges. It also strategically informed its future direction to support maximising its impact on educational equity, student health and wellbeing, and local economies.

QUANTITATIVE RESEARCH

The objectives for the quantitative research on the SLP were designed to capture a comprehensive understanding of the program's demand, operational readiness, and areas for strategic development. The objectives were as follows:

- **Evaluate Program Awareness and Appeal:** To measure the initial awareness amongst schools about the SLP and assess its appeal as a foundational step for engagement.
- **Identify Perceived Benefits and Address Concerns:** To understand the perceived advantages of the program for educational, nutritional, and community outcomes, and to pinpoint concerns that may hinder program uptake.
- **Assess Infrastructure and Logistical Requirements:** To examine the readiness of schools, both pilot and non-pilot, in managing the logistical demands of the program, focusing on kitchen and dining infrastructure, staffing, and operational logistics.
- **Explore Pricing Sensitivity and Payment Models:** To investigate how different pricing levels (\$6, \$5, \$4 per meal) impact school participation decisions and to evaluate preferences for payment methods, including the feasibility and acceptance of means testing.
- **Determine Operational Preferences for Program Delivery:** To gather insights on schools' preferences for operational aspects of the program, such as the days of the week and specific year levels targeted, aimed at tailoring the program for wider adoption.
- **Strategise for Program Expansion:** To analyse strategic options for the program's expansion, incorporating findings on awareness, appeal, operational capabilities, and pricing sensitivity to inform effective scaling strategies.

METHODOLOGY

The methodology combined qualitative and quantitative approaches, with a final sample size of 76 principals and their executive teams from 273 Tasmanian schools.

Significant findings were reported only when differences between cohorts were statistically significant at a 95% confidence level. The fieldwork was conducted from December 2023 to February 2024, with surveys lasting 10 to 15 minutes, with different versions depending on the respondents from both the pilot and non-pilot schools.

KEY INSIGHTS

Key findings reveal the widespread acceptance of the program and its potential to significantly benefit Tasmania's educational and community environment. It underscores the program's role not merely in meal provision, but as a key component in fostering student health, enhancing educational engagement and strengthening community ties and impact to the local economy.

- **Broad Appeal and Community Support:** The SLP has demonstrated a significant appeal amongst Tasmanian schools, with 78% recognising its potential benefits. This interest translates into a willingness to participate, with over half of the surveyed schools considering joining the program, and an impressive 96% of these likely to do so within the next 12 months. The broad support spans across teachers, students, and parents or carers, highlighting the program's perceived value across educational communities. However, some concerns have been noted amongst canteen staff, potentially affected by perceived job security or operational changes, indicating a need for careful stakeholder engagement and management.
- **Marketing and Communication Needs:** Both qualitative and quantitative findings underscore the ease with which schools can identify the SLP's benefits, though higher ICSEA schools noted fewer advantages than their lower ICSEA counterparts. This disparity suggests that while the program's merits are clear, effectively communicating them to all stakeholders, particularly parents or carers, is crucial. Tailored communications strategies could play a pivotal role in highlighting the program's value, addressing concerns around affordability, and ensuring widespread buy-in.
- **Co-payment Approach:** The co-payment approach, linked to a means-tested subsidised model is preferred, ensuring a fair distribution of costs. Parents cover the meal expenses, while the government manages the program's support, administration, and in-school costs. This is based around the idea that people are more inclined to value something they contribute towards, while balancing the accessibility of the lower socio-economic demographics.
- **Pricing Sensitivity and Financial Planning:** Co-payment meal pricing emerges as a key factor in program participation, with a notable preference for lower meal prices. Additionally, about one-third of schools reported that over half of their students would need financial subsidies to afford the SLP, especially at the \$6 meal price point. This highlights the importance of developing a pricing strategy that balances affordability for parents or carers with the actual food cost – and hence program sustainability. Food subsidies will be required through means testing in schools. Most participants are in favour of some form of support for disadvantaged families, but there are some concerns about its implementation and potential stigma. The data indicates a strong preference for co-payment models, where costs are shared between the program and families, suggesting that a nuanced approach to pricing and subsidies will be essential to maximise participation and equity.

KEY LEARNINGS FROM OTHER COUNTRIES

Australia stands as the only advanced OECD country without a national school lunch program.

The SLP draws upon the extensive findings from the Churchill Fellowship study (2019) conducted by Julie Dunbabin (School Food Matters), who explored the school lunch systems in seven countries—USA, England, Scotland, Finland, Italy, France, and Japan. These nations were selected for their successful approaches to school nutrition, particularly in the way they offer food in environments that encourage enjoyment and social interaction during meals.

Countries around the world recognise school meals as a vital investment in the child and a positive impact on the national and local economy.

Dunbabin's Churchill Fellowship study involved engaging with a wide array of stakeholders, including school staff, students, NGO workers, government officials, parents, academics, and food specialists, amounting to 88 individuals and 205 students. The insights gained from the 48 meetings and school visits, along with the personal experience of eating 24 different school lunches, provided a comprehensive understanding of best practices in school lunch programs across the seven countries.

The consistent findings across these countries have significantly informed the development of Tasmania's SLP:

Universal Provision: In all countries visited, every child was provided with a school-prepared lunch, highlighting a commitment to universal access to nutrition.

Dedicated Eating Time: A notable practice was the allocation of at least 20 minutes for children to sit and eat, emphasising the importance of a relaxed and social mealtime environment.

Skilled Workforce: A critical aspect observed in the school lunch programs across the countries visited was the presence of a skilled and dedicated workforce, particularly in kitchen and catering services.

Planned Menu Design: Input from dietitians, chefs, school staff, parents or carers and students to provide a diverse meal selection catering for cultural and dietary aspects.

Use of Local and Seasonal Produce: Local pride in students eating local produce.

These findings highlight the importance of not only the nutritional content of school lunches but also the environment and the manner in which they are consumed. These aspects have been integral to the design of the SLP, aiming to enhance educational outcomes, promote health and wellbeing and build capacities within Tasmanian producers and school communities.

Results of the research are used in the following section: 'Variables for School Lunch Program (SLP)' with the full research results in the appendix of SFMQT Final Report.

INDICATIVE ECONOMIC BENEFIT

The SLP represents a significant step towards enhancing the educational, nutritional, and socio-economic landscape of schools, drawing inspiration from international models that have demonstrated substantial benefits from investing in school lunch programs.

The 2022 UK cost-benefit analysis on expanding free school meal programs, in response to the socio-economic impacts of COVID-19 and cost of living increases, showcases compelling evidence of the program's value, both directly to students and the broader community. This analysis highlights the importance of the SLP's comprehensive approach to improving children's health, educational outcomes, and broader societal impacts.

COST-BENEFIT ANALYSIS OVERVIEW

The 2022 UK analysis found that every £1 invested in school lunches yields an estimated return of £1.71 in core benefits, directly stemming from the improvements in the lives of children receiving free school meals.

This return encapsulates a spectrum of advantages across educational, health, and economic domains:

- Educational and Employment Benefits:** Enhanced learning capabilities and reduced absenteeism, fostering improved educational outcomes and, consequently, better employment prospects and lifetime earnings.
- Health and Nutrition:**
 - At School:** Better nutritional balance during the school day compared to packed lunches, leading to improved eating habits and reduced childhood obesity.
 - At Home:** Decreased food provision costs for low-income families, enhancing household food security and promoting healthier dietary habits into adulthood.
- School Food Economy:** Boosts employment opportunities in school catering and strengthens local economies through the expansion of the catering supply chain and local procurement initiatives.

Global Perspectives and Policy Implications:

Internationally, the successful implementation of school lunch programs centres on strong political leadership, cross-sector collaboration, supportive evidence, community backing, and leveraging existing governmental structures. A 2021 World Health Organisation (WHO) review also emphasises the need for comprehensive policy considerations, including values, cost-effectiveness, equity, acceptability, and feasibility, to ensure the successful delivery and sustainability of school lunch programs.

Tasmania's Position:

The initial evaluation of the pilot phase of SLP, conducted by the MIMR, emphasises the necessity of ongoing funded evaluation to accurately measure the program's multifaceted impact. Such evaluation is not only essential for affirming the value of government spending on the SLP but also for demonstrating its broad-ranging benefits.

The SLP is designed to deliver educational, health, and economic advantages, reflective of successful international models. By committing to a holistic evaluation and embracing a cost-benefit analysis framework, Tasmania can ensure the SLP's alignment with broader objectives of promoting equity, supporting local economies, and fostering a healthier, more educated future generation.

SCALING THE SCHOOL LUNCH PROGRAM (SLP)

Our analysis examines various strategic variables to implementing the SLP across Tasmania. This analysis is grounded in research and feedback from Tasmanian schools, aiming to identify the most effective and equitable methods of delivering nutritious meals to students.

By exploring a range of variables, government-only funding, reduced number of days, reduced grade coverage, co-payment and pricing options, means tested food subsidy, flexible implementation schedule and different delivery channels, we aim to address the diverse needs and challenges of schools while maximising the program's reach and impact.

Each variable is evaluated for its pros and cons, with supporting statistics drawn from recent studies, to guide

decision-making and ensure that the SLP can achieve its goals of enhancing student health, wellbeing, and educational outcomes.

It's important to note that the scaling of the SLP is in addition to the 30 current legacy pilot schools. The 30 legacy schools will be converted to the new (co-payment) program and a new group of schools added which will include the need for investment in capital to ensure they have appropriate infrastructure and facilities.

Whilst SFM aspires to have the program in all schools, inclusive of K-12, it is acknowledged that this is unlikely in the first five years. The scale up and proposed model is based on the research gathered to ensure that the program achieves a successful scale up in the initial period.

	Ideal Model	Variables for Consideration	Demand Study
Types of Schools	Government, Independent, Catholic; For the benefit of all Tasmanian students	Government Schools Only	Government, Independent, Catholic
Number of Days	5 Days per Week; Ensure maximum impact for core project outcomes	Reduced days of implementation	Preferred days to begin SLP; Wednesdays and Fridays with the view to expand over the next 6 months
School Grades	K-12	Primary School K-6	Although preferred grades to start SLP were Grade 3/4 (72%) and Grade 5/6 (66%) there was strong interest K-10
Pricing Point	Price point to be set where it does not make participation in the program prohibitive for parents and allows long term sustainability	Co-payment between School, Government and Parents to be determined	Data indicated an uptake of 49% for a \$4 lunch compared to 35% uptake for a \$6 lunch
Means	Means testing benefits are most evident in the lower ICSEA schools	Means testing benefits are most evident in the lower ICSEA schools	The research indicated there would likely be around 44% of students that would qualify for subsidy on a co-payment based on current assessment criteria
Implementation Schedule	SLP is available in all schools, in 5 years time, 5 days per week	Flexibility of schedule and timing possible	Of the schools who are considering participating in the program, 93% of these are likely to do so within 12 months
Alternatives	-	Alternative delivery channels such as Breakfast Clubs do not offer the same consistent high nutritional standards or social benefits as SLP	The highest perceived benefits of SLP are 86% Quality Meal and 84% Student Wellbeing, which supports the preferred model

SCHOOL LUNCH PROGRAM DESIGN

'IDEAL' MODEL

At its fullest extent, the optimal 'ideal' SLP aspires to be a pioneering initiative encompassing:

- Every student across all Tasmanian schools.
- Spanning Kindergarten through to Year 12.
- Operational 5 days a week.
- Provision of planned nutritious meals using local produce.
- Co-payment system.
- Meal costs are means tested.

This framework is designed to ensure that every child has access to the essential nourishment needed to support their educational journey and physical wellbeing, establishing a benchmark for universal access to quality school lunches.

PROPOSED MODEL FROM THE DEMAND STUDY

To transition from the theoretical maximum to a viable, practical model, the SLP acknowledges the complexities and varied needs within the Tasmanian educational system. Achieving the program's goals requires a flexible approach that considers financial sustainability, equitable access, and widespread stakeholder endorsement. It is critical to navigate the intricacies of setting appropriate pricing, structuring co-payment arrangements, and devising equitable subsidy schemes. These efforts aim to strike a balance between affordability for families and ensuring the program's quality and reach, aligning with the overarching mission to enhance the wellbeing and educational success of Tasmanian students.

After complete analysis and consideration of the diverse needs on the evidence-based feedback from Tasmanian schools, the Proposed Model for the SLP forms around a more targeted, yet inclusive approach:

- **Operational Days:** The program aims for an average of two days per week in the first year of implementation, before moving to five days per week. This allows for a phased, manageable roll-out and acknowledges the logistical and financial realities schools face.
- **School Coverage:** All government schools are to be included in the initial 5-year scale up, with non-government schools to join in future years.
- **Grade Span:** Focusing on Kindergarten through to the 10th Grade (K-10), ensuring foundational nutritional support is provided where it's most impactful.
- **Co-contribution:** A \$4 meal price point is identified as feasible, considering the economic landscape and the necessity for a high-quality, sustainable program. This price reflects a careful balance between the actual meal cost, quality of the meal, and the economic capacities of Tasmanian families, with a strong emphasis on subsidy and support mechanisms for those in need.



This Proposed Model represents a pragmatic approach, integrating the program's aspirational goals with the operational and financial constraints identified through stakeholder feedback and research insights. It lays the groundwork for a phased, sustainable expansion of the SLP, with the ultimate aim of fostering a healthier, more equitable educational environment for all Tasmanian children.

SLP VARIABLES

The variables for the SLP were designed in line with the outcomes of the comprehensive research and consultation.

Each one is designed to address specific aspects of the program's implementation, weighing both benefits and drawbacks. Supported by in-depth insights from the cumulative research findings, these variables are critical to formulating a strategy that is both practical and impactful.

The variables consider the unique needs and constraints of Tasmania's school communities, aiming to optimise the program's reach and effectiveness. The variables include:

- 1 Government School Only Funding
- 2 Reduced Number of Days
- 3 Targeted Grade Coverage
- 4 Co-payment Pricing
- 5 Means-tested Food Subsidy
- 6 Alternate Implementation Schedule/Timing

This structured approach ensures that each aspect of the program is carefully analysed, offering a balanced perspective on its potential implementation scenarios.

VARIABLE 1: GOVERNMENT SCHOOL ONLY FUNDING

1

A targeted approach where the SLP is implemented only in schools under the state's jurisdiction, leaving out Independent and Catholic schools from the program.

Summary:

The 'Government School Only Funding' approach for the SLP focuses on directing resources and efforts exclusively towards Government schools, excluding Independent and Catholic institutions from its remit.

This strategy aims at streamlining the allocation and operational aspects of the program by leveraging the uniform administrative structures of government schools, which could potentially facilitate a more efficient use of funds and ensure a focused impact on areas with higher socio-economic challenges.

However, this model introduces significant equity concerns, notably excluding a substantial segment of the student population that attends non-government schools. Such exclusion risks widening the disparities between different sectors of the education system and overlooks vulnerable or disadvantaged groups within Independent and Catholic schools who might equally benefit from the program. Likewise, limiting the SLP to government schools could inadvertently stigmatise students based on their school type, undermining social cohesion and broader acceptance of the program. Insights from the Menzies report and qualitative research underscore the importance of a comprehensive approach that addresses the diverse needs of all Tasmanian schools.

Despite the operational simplicity and potential for targeted interventions, the 'Government School Only Funding' model poses challenges to the SLP's overarching goals of equity and inclusivity, suggesting that a more inclusive funding strategy may be necessary to ensure that every student, regardless of school affiliation, has access to nutritious lunches.

Pros:

- **Focused Resource Allocation:** Restricting resources to government-operated schools only could streamline early program implementation, simplify operational processes, and reduce the overall cost of the program. This approach ensures that the program can uniformly benefit all government schools.
- **Equitable Impact within Government Schools:** Given government schools often serve a diverse socio-economic student body, this approach ensures a wide-reaching impact across demographics.

Cons:

- **Exclusion of a Significant Student Population:** By limiting funding to government schools, approximately 30% of the total student population in Independent and Catholic schools would be excluded from the program. This creates a noticeable gap in program coverage and equity.
- **Risk of Widening Disparities:** There is potential to exacerbate nutritional and health outcome disparities between students in government schools and those in non-government schools. Such a divide would challenge the overarching goal of universal access to nutritious meals.

Findings to Support:

- **Support for Means Testing:** A notable portion of schools (56% of respondents) recognised the importance of means testing to ensure equitable access to the SLP. This underscores a widespread acknowledgment of the varying economic realities faced by Tasmanian families.
- **Varied Benefits by ICSEA:** Lower ICSEA schools (below 900) perceived more SLP benefits compared to higher ICSEA schools, indicating greater value seen in lower socio-economic areas. Benefits extended beyond nutrition to include community building, behaviour improvement, and broader social impacts.
- **Greater Perceived Benefits for Lower ICSEA schools:** Qualitative findings show lower ICSEA schools anticipate additional SLP advantages like enhanced community sense and social mobility, with a notably higher appreciation for the program's potential developmental impacts on students.

Focusing on government schools aligns with efficient resource distribution and broad impact goals. However, it risks excluding a significant student segment and potentially widening existing disparities. Insights on ICSEA variations underscore the importance of understanding and addressing the nuanced needs across Tasmania's diverse school landscape to ensure equitable and impactful program implementation.



VARIABLE 2: REDUCED NUMBER OF DAYS

2

This option limits the service to a reduced number of days per week, providing schools access into the program hence maintaining its educational, nutritional, and social objectives.

Summary:

The 'Reduced Number of Days' variable for the SLP proposes a strategy of limiting meal service to one or two days per week which provides an alternate option to the full five days per week.

This approach is designed to ease administrative and operational challenges by providing schools with the flexibility to adapt to the program's requirements without overwhelming their existing resources. It allows schools to maintain the program's core objectives of improving educational, nutritional, and social outcomes for students while managing logistical constraints.

However, while this model reduces immediate pressures on school infrastructure and staffing, it dilutes the program's impact on student health and learning outcomes by providing inconsistent access to nutritious meals. A limited-service schedule would slow the development of consistent eating habits amongst students and reduce the social benefits of communal dining experiences.

Despite these challenges, starting with a reduced number of days could encourage broader participation among hesitant schools by demonstrating the program's benefits with minimal initial commitment, thereby laying the groundwork for future expansion to a full-week service model.

Pros:

- **Operational Savings:** Limiting operational days directly reduces meal related expenses, reducing the cost of the program.
- **Increased Reach Within a Limited Funding Envelope:** Less days per week allows the maximum number of schools to participate where there are funding constraints to the program.

Cons:

- **Unchanged Fixed Costs:** Despite a reduction in the number of operational days, the fixed costs related to core staffing, infrastructure, and equipment persist. These fixed costs do not decrease with the program's scale-back - only variable cost reduction will provide anticipated savings from reduced food expenses.
- **Effective Evaluation:** A reduced days model is more challenging to evaluating academic performance in a robust way.
- **Reduced Program Impact:** Offering the program less frequently risks diluting its potential benefits on students' health and educational outcomes. Consistent access to nutritious meals is pivotal for the program's success in improving student wellbeing and engaged learning.
- **Limited Community Engagement:** A reduced schedule may hinder the program's capacity to foster a sense of community and buy-in amongst students, families, and staff. Regular shared meal experiences are crucial for building communal bonds, formation of healthy habits and support for the program.

Findings to Support:

- **Operational Challenges:** Significant logistical concerns are highlighted by 74% of schools citing school staffing costs and meal affordability as major hurdles for daily operation. This underscores the need for a model that accommodates varying school capacities and resources.
- **Preference for Less Frequent Service:** There's a clear inclination towards offering the program on fewer days, with 37% of schools favouring a weekly option as a first step into the program with an expectation to expand after six months. Both Wednesday and Friday emerge as a popular choice, suggesting schools seek to balance program benefits with logistical feasibility.

The viability of reducing operational days as an option centres on the balance between achieving cost savings and preserving the program's core benefits. Ensuring equitable access to nutritious meals while accommodating the logistical and financial realities faced by schools remains paramount. This approach requires strategic planning to optimise the benefits within the constraints of reduced service days, ensuring that the program continues to effectively support student health and educational achievement.





VARIABLE 3. TARGETED GRADE COVERAGE

3

This approach focuses on a targeted implementation across specific grade levels to optimise resource allocation and impact.

Summary:

The 'Targeted Grade Coverage' variable in the SLP strategically narrows its implementation to specific grade levels, aiming to optimise the use of resources and maximise impact within a focused demographic. By concentrating efforts on selected grades, the program could tailor its nutritional offerings more precisely to the developmental needs and preferences of different age groups, potentially enhancing the effectiveness of its health and educational outcomes. This targeted approach allows for a more manageable rollout, enabling schools to address logistical and infrastructural challenges more efficiently.

However, it would introduce disparities within the school community, as students outside the selected grades wouldn't benefit from the program's nutritional support. This would lead to inequities in access to healthy meals, affecting the overall cohesion and sense of community within schools.

Despite these considerations, focusing on specific grades could provide valuable insights into the program's impacts and inform future decisions on expansion to ensure all students eventually benefit from the initiative.

Pros:

- **Focused Impact and Cost Control:** Targeting specific grade levels allows for concentrated benefits and more manageable costs. This strategic focus can enhance the program's effectiveness where it's most needed, offering a pathway to gradual, sustainable expansion.

- **Gradual Expansion Potential:** Starting with selected grades provides a foundation to test and refine the program, setting the stage for eventual extension to additional grades based on initial successes and learned efficiencies.

Cons:

- **Community and Family Inequities:** Limiting the program to certain grades could create disparities within communities and amongst families, particularly affecting siblings in different grades who may have unequal access to the program.
- **Variability in Perceived Value:** Different grades may perceive the value of the program differently, affecting overall participation and engagement levels.

Supporting Statistics:

- **Pricing Sensitivity and Grade Coverage:** The preference for the program significantly increases at lower price points, with two in five schools willing to offer the program across all grades at \$4 per meal, compared to only one in four at \$6. This indicates that cost is a decisive factor in schools' willingness to participate, suggesting that reduced grade coverage combined with affordable pricing could maximise program uptake.
- **Grade-Level Preferences:** The research highlighted specific preferences for program offerings across grade levels. Notably, grades 3 and 4 were favoured by 72% of respondents for program inclusion, suggesting these years are seen as optimal for intervention. In contrast, Kindergarten was less favoured, with only 38% preference, and in secondary levels, Grades 7-10 were preferred over Year 11-12, with Year 9 slightly more favoured than others. These preferences indicate schools' strategic considerations in targeting certain grades that may benefit most from the program.
- **Early Learning Centres:** Currently provide a sit-down lunch for children. School lunches provided to Kindergarten children would provide continuity in nutritious meals.



Reducing grade coverage within the SLP presents a nuanced approach to implementation, balancing focused impact with broader program goals. While this option offers potential for cost savings and targeted benefits, it also raises concerns about equity and community cohesion. The significant increase in program appeal at lower price points underscores the importance of affordability in maximising participation, and suggests that carefully selected grade coverage, combined with strategic pricing, could optimise a successful, phased expansion of the program. It is crucial to consider these dynamics to ensure the program effectively meets its objectives while fostering equitable access across Tasmania's diverse student population.

VARIABLE 4: CO-PAYMENT PRICING

4

This model introduces a shared financial responsibility, blending government support with parental contributions to sustain the program's reach and effectiveness.

Summary:

The 'Co-payment Pricing' variable introduces a model of shared financial responsibility for the SLP, where government support is combined with parental contributions. Findings from the MIMR School Lunch Project Evaluation: Interim Report (2023) show that parents are willing to pay between \$3 and \$5 per meal. This approach aims to sustain the program's reach and effectiveness by distributing the cost burden more equitably between stakeholders.

By requiring parents to contribute towards the cost of meals, this model seeks to ensure the program's long-term viability without compromising its accessibility to students in need. The inclusion of co-payment is designed to foster a sense of investment and value in the program amongst families, potentially increasing its appreciation and support within the community.

However, careful management and means testing are essential to ensure that no student is excluded due to financial constraints, preserving the program's commitment to universal access and nutritional equity.

This pricing strategy reflects a balance between financial sustainability and the goal of providing every student with nutritious meals, contributing to their health, educational outcomes, and overall wellbeing.

Pros:

- **Co-payment Shared Cost Arrangement:** Principals favour a balanced funding approach, advocating for a co-payment model that divides the financial responsibility of meal provision between the government and families, rather than opting for completely free or fully charged meals.
- **Shared Cost Burden and Enhanced Accessibility:** A co-payment model with a thoughtful pricing strategy can distribute the financial responsibility, enhancing the SLP's sustainability while ensuring broader accessibility. By setting a nominal fee, the program aims to increase its reach and support more students in accessing nutritious meals, ensuring there is a balanced approach to subsidies for those in need.
- **Encourages Participation and Program Sustainability:** This approach encourages broader participation by making the program accessible to a wider range of families and contributes to the sustainability of the initiative. Thoughtful pricing ensures the program's financial viability, balancing reach with the ability to cover operational costs.
- **Value Perception and Cost Awareness:** Co-payments not only enhance the program's perceived value but also builds awareness of its costs, fostering greater acceptance and commitment from parents whilst also identifying that this isn't an additional cost but a shift in cost from a home prepared school lunch to a school prepared lunch.

Cons:

- **Risk of Exclusion and Economic Barriers:** Without robust means testing and careful pricing, there is a significant risk that these financial requirements could deter participation, especially among lower-income families. This could introduce economic barriers, limiting access to the program.
- **Administrative Complexity and Pricing Structure Challenges:** Implementing a co-payment system with a fair, sustainable shared cost pricing model introduces some additional administrative load and complexity at a school level. It is envisaged that schools would use the existing levy system to collect payments and would also need to determine subsidy eligibility.

Supporting Statistics:

- **Subsidy and Means Testing Necessity:** A significant portion of schools (42%) indicated a need for subsidies, with schools with an ICSEA below 500 noting all their students would require subsidisation. Although 57% of schools support means testing, concerns about creating disparities and administrative challenges were raised.
- **Pricing Sensitivity and Participation Rates:** The demand for the SLP significantly increases at a \$4 meal price, highlighting the critical role of affordability in maximising participation. The data reveals that operational readiness to participate is adaptable, with a strong preference for the more affordable price point to ensure widespread access and benefit.

The co-payment approach, linked to a means tested subsidised model is preferred, ensuring a fair distribution of costs. Parents or carers cover the meal expenses, while the government manages the program's support, administration, and in-school costs. This setup aims at achieving a near 50:50 cost-sharing in the program's early phases to mitigate socio-economic disparities.

Incorporating insights from recent research by Flinders University and WHO, parents or carers are already contributing to their children's school lunches, whether through homemade meals or canteen purchases. There is however a high variation in the content and nutritional value.

The variability in lunch quality highlights the need for a more consistent nutritional standard across schools. However, the transition to a paid model within the SLP, while designed to ensure sustainability and equity from the program's perspective, may present a significant shift for families. For parents or carers, especially those on tighter budgets, the perception of the SLP as an additional expense rather than an investment in their children's health and education, could pose concerns. Recognising the potential financial implications for families, it's crucial to approach this transition with empathy and clear communication about the benefits and supports available, including subsidies for those in need. This nuanced understanding and responsive messaging will be essential to navigate perceptions and ensure the program's acceptance and success within the community.

VARIABLE 5. MEANS TESTED FOOD SUBSIDY

5

The food subsidy utilises socio-economic indices to provide targeted financial assistance for school lunches, ensuring equitable access for students from varying economic backgrounds.

Summary:

The 'Means Tested Food Subsidy' variable aligns subsidies with the specific financial needs of students' families, ensuring that the most vulnerable populations receive the necessary support to participate fully in the program. By tailoring financial assistance to those most in need, the model seeks to mitigate the risk of economic barriers that could prevent students from accessing healthy meals.

This method emphasises the program's commitment to fostering an inclusive environment where every child, irrespective of their socio-economic status, has access to the same nutritional opportunities.

Careful implementation and oversight are crucial to ensure the subsidy accurately reflects the financial landscapes of Tasmanian families, supporting the broader objectives of enhancing student health, educational achievement, and social equity within the school community.



Pros:

- **Targeted Assistance:** Implementing a means tested food subsidy ensures that support is directed towards students and families most in need, enhancing the program's equity. This approach acknowledges and addresses socio-economic disparities, ensuring that the benefits of the SLP are accessible to all children regardless of their socio-economic status.

Cons:

- **Risk of Exclusion and Economic Barriers:** Without a robust means testing mechanism and careful pricing, there is a risk that these financial requirements could deter participation, especially amongst lower-income families. This could introduce economic barriers, limiting access to the program.
- **Administrative Complexity and Pricing Structure Challenges:** Implementing a co-payment system with a fair, sustainable shared cost pricing model introduces some additional administrative load and complexity at a school level. It is envisaged that schools would use the existing levy system to collect payments and would also need to determine subsidy eligibility.

Supporting Statistics and Insights:

- **Subsidy and Means Testing Necessity:** A significant portion of schools indicated a need for subsidies, with schools with an ICSEA below 500 noting all their students would require subsidisation. Although 57% of schools support means testing, concerns about creating disparities and administrative challenges were raised.
- **Pricing Sensitivity and Participation Rates:** The demand for the SLP significantly increases at a \$4 meal price, highlighting the critical role of affordability in maximising participation. The data reveals that operational readiness to participate is adaptable, with a strong preference for the more affordable price point to ensure widespread access and benefit.

The co-payment and pricing strategies are integral to the success and sustainability of the SLP, requiring a balanced approach that considers financial feasibility, family affordability, and program sustainability. While sharing the cost burden can enhance program viability and encourage broader participation, it is essential to carefully design these models to prevent financial barriers for families and ensure equitable access to nutritious meals. The significant price sensitivity amongst schools suggests that affordability is key to maximising participation, underscoring the need for a pricing model that supports the program's overarching objectives of improving student nutrition and educational outcomes.

The co-payment approach, underpinned by means testing, is the preferred model, ensuring a fair distribution of costs. This setup leverages means testing to mitigate socio-economic disparities.

With parents or carers already accustomed to providing school lunches – either lunchbox or canteen, the additional financial burden is expected to be minimal, making this a sustainable and equitable solution.



VARIABLE 6. ALTERNATE IMPLEMENTATION SCHEDULE/TIMING

6

The alternate implementation schedule/timing recognises the unique needs of each school, offering the flexibility to adapt the SLP rollout according to specific circumstances and requirements.

Summary:

The 'Alternate Implementation Schedule/Timing' variable for the SLP provides adaptability to meet each school's unique circumstances and requirements. This flexibility allows schools to tailor the rollout to their operational capacities and specific needs, such as staffing and kitchen facilities, thereby enhancing their readiness and overall participation in the program.

This approach, however, introduces potential challenges, including inconsistent delivery and outcomes across schools, as well as increased complexity in coordination and support. Tailoring the implementation schedule requires careful management to ensure that all students receive equitable benefits, requiring a balance between adaptability and the goal of consistent program effectiveness.

Pros:

- **Adaptability to School Needs:** Offering flexibility in the implementation schedule allows the program to adapt to the unique circumstances and operational capacities of each school. This school-by-school tailored approach can accommodate diverse needs, ranging from staffing capabilities and curriculum connection to kitchen facilities, ensuring that schools are better positioned to participate successfully.
- **Enhanced Engagement and Preparation:** Schools can engage with the program at a pace that suits their readiness, potentially increasing overall participation. By allowing schools to prepare adequately, from infrastructure upgrades to staff training, the program can achieve more sustainable and impactful integration into school routines.

Cons:

- **Inconsistent Delivery and Outcomes:** Variability in implementation timing across schools could lead to disparities in program access and the benefits received by students. Such inconsistencies may impact the program's overall effectiveness, with students in different schools experiencing unequal levels of support and nutritional benefits over the implementation period.
- **Complexity in Coordination and Support:** Tailoring the implementation schedule to individual school needs adds complexity to program management, requiring more nuanced coordination and support from the administering bodies. This could challenge the efficiency and scalability of the program's rollout.

Supporting Statistics and Insights:

- **Broad Program Appeal and Participation Readiness:** The significant interest in the SLP, with 78% of schools finding it appealing and 53% considering participation within 12 months, underscores the potential for widespread adoption. Readiness to participate is high with 96% of schools likely to be ready to do so within 12 months, indicating that most schools need time to prepare but want to be involved.
- **Infrastructure and Staffing Concerns:** Most schools indicated a need for additional infrastructure and staffing to participate in the program effectively. Concerns about the adequacy of kitchen facilities and the availability of staff or volunteers highlight the necessity for a flexible implementation strategy that considers these operational challenges.
- **Preference for Flexibility in Meal Preparation and Service Options:** Schools expressed a preference for flexibility in how meals are prepared and served, whether through on-site kitchens or central meal delivery services. This suggests that an adaptive implementation schedule could support schools in choosing the most feasible and effective meal service approach for their context.

Altering the implementation schedule and timing of the SLP offers a strategic opportunity to address the varied operational landscapes of Tasmanian schools. While this flexibility can facilitate tailored and effective program adoption, it also demands careful management to ensure consistency in delivery and outcomes. Balancing adaptability with the goal of uniform program benefits will be crucial, necessitating robust support systems and clear guidelines to assist schools in navigating their unique implementation journeys.

VARIABLES FOR CONSIDERATION

Criteria	Total Cost to Government	Impact to Students	Impact to Parents	Implication to Scale Up
Proposed Model	Sets a sustainable \$6 meal price that balances meal cost, quality, and family economics, supported by subsidies for those in need.	Guarantees foundational nutrition for students K-10 across all school types, enhancing overall student health and learning capabilities.	Offers a consistent support framework for parents across different school systems, reducing potential disparities.	By including all schools and grades K-10, the model sets a foundation for a universally accessible program, with the potential for incremental growth.
1 Variable 1: Government School Only Funding	Reduced significantly by focusing on government schools, potentially simplifying budgeting and operational processes.	Creates a gap in access for students in non-government schools, affecting equity.	Increases divide in support and resources between government and non-government school parents.	Could limit the reach and perceived success, affecting community acceptance of the program.
2 Variable 2: Reduced Number of Days	Savings on variable costs like food with reduced operational days, though fixed costs remain.	Inconsistent nutrition support, potentially impacting focus and learning.	May increase burden on non-operational days, leading to potential food insecurity issues.	Limiting the days may affect the program's overall effectiveness and long-term expansion potential.
3 Variable 3: Reduced Grade Coverage	Controlled cost expansion with targeted grade coverage, offering financial predictability.	Potentially misses critical nutritional support for excluded grades.	Variation based on student grade levels; additional support may be needed for older students.	Gradual expansion possible but may not fulfill the vision of a universal program.
4 Variable 4: Co-payment and Pricing	Aligns financial contributions and government, enhancing the programs sustainability while accommodating affordability.	Encourages wider participation with a focus on affordability, ensuring more students benefit from nutritious meals without significant financial barriers.	Balances cost-sharing between parents and the government, potentially increasing acceptance while highlighting the need for targeted subsidies to ensure no family is left behind.	Provides a scalable model that adjusts to the economic realities of families and the funding capabilities of the government, fostering a sustainable path for full program rollout.
5 Variable 5: Means Tested Food Subsidy	Flexibility allows for school-specific adaptations, potentially enhancing participation without uniformly increasing costs.	Ensures support is directed where most needed, enhancing equity.	Requires careful administration to avoid stigma and ensure awareness.	Targeted subsidies could enhance participation but require ongoing administrative resources.
6 Variable 6: Alternate Implementation Schedule/ Timing	Diversifies methods, possibly requiring varied funding allocations to support different models.	Tailored approaches may better meet diverse needs without ensuring uniform benefits.	Adaptability could ease implementation, but parental confusion or inconsistency may arise.	Enhanced flexibility might support phased adoption but complicate uniform scale-up.

FOOD SUBSIDY AND PRICING

FOOD SUBSIDY FOR THE SCHOOL LUNCH PROGRAM (SLP)

Insights from qualitative research have underscored a consensus amongst Tasmanian schools for the SLP to adopt a co-payment model, enhancing its value and sustainability. Schools indicated a preference for a structured payment approach, with \$4 per meal seen as an optimal starting point for broad participation. However, as the meal price increases, willingness

to participate diminishes, highlighting the need for a careful pricing strategy. A clear trade-off exists between increasing the number of schools participating in the SLP and determining the final co-payment price charged to parents for each meal.

CO-PAYMENT STRUCTURE:

It is proposed that the SLP introduces a simplified co-payment pricing model, reflecting the actual cost of meal preparation and delivery. This model prioritises financial sustainability, family affordability and program accessibility. Means testing is applied to disadvantaged families so as to provide direct subsidies for eligible students, ensuring that the program remains accessible to students from all financial backgrounds. This balanced approach ensures the SLP's viability and aligns with the economic realities of Tasmanian families, making nutritious meals accessible to every student.

Flexibility in Participation

Opt-In Flexibility for Schools: Schools have the autonomy to decide when they wish to participate in the SLP, allowing them to join the program at a time that best suits their operational readiness, including tailoring the appropriate number of days, days of the week, lunch seating arrangements and integration with existing food preparation facilities and canteen arrangements.

Parental and Student Choice: Parents and students have the flexibility to opt into the program based on their individual preferences and needs. This ensures that the program is adaptable and respectful of the diverse circumstances within the Tasmanian community.

The SLP is designed to be financially viable and sustainable while providing nutritious meals to students. By setting a consistent price and applying means testing, the program aims to be equitable, ensuring no child is left behind due to financial constraints.





CURRENT RESOURCES AND CAPABILITIES ACROSS THE PROGRAM

Infrastructure	<ul style="list-style-type: none"> • Corporate office. • Vehicles for travel to schools. • Central kitchen - Devonport (owned and operated by Loaves and Fishes Tasmania – LFT).
Human Resources	<ul style="list-style-type: none"> • SFM staff made up of project officers, project managers, administrative support and specialists (such as allergy consultants and dietitians). • LFT is responsible for providing labour associated with procurement, logistics, processing and delivery. • School staff are not currently accounted for, but do provide labour in reheating, preparation, supervision and cleaning.
Technology	<ul style="list-style-type: none"> • Ordering system for food ingredients (currently limited sophistication). • Ordering system for schools to place orders directly with LFT. • Accounting, marketing and other internal systems by both LFT and SFM.
Procurement	<ul style="list-style-type: none"> • Procurement of ingredients (inbound logistics). • Procurement of packaging materials (operations).

Inbound Logistics	Operations	Outbound Logistics	Program Support	Customer Service
<p>Procurement of ingredients from wholesalers and direct to farm suppliers.</p> <p>Ingredients procured are based on the pre-selected menus from each school for the fortnight.</p> <p>This cost of procuring ingredients includes the food itself as well as the transportation to the central kitchens.</p>	<p>At the central kitchens (operated by LFT), specialised kitchen staff cook the raw food ingredients into batches of lunches.</p> <p>Lunches are then packaged into large vacuum sealed bags that contain multiple lunches that can be reheated at schools.</p>	<p>Refrigerated vehicles (or trucks) currently operated by LFT pick up the packaged lunches to be delivered to the schools.</p> <p>Coordination with schools is essential to ensure just-in-time delivery and to allow for short term fluctuations of meal quantities.</p>	<p>Regular engagement with the schools allowing them to pre-select their meals for the period.</p> <p>Project officers visit each of the schools twice per term and provide support where required.</p> <p>More support is offered upfront to ensure schools understand the process and have the correct equipment.</p>	<p>Teachers and support staff reheat the food that is provided to the schools.</p> <p>After reheating, the staff supervise and serve the food to the students during the allocated lunch breaks.</p> <p>Program evaluation provided by MIMR.</p> <p>Training and resolution of issues dealt with by the SFM team.</p>

ASSUMPTIONS REGARDING LOAVES AND FISHES TASMANIA – LFT (CURRENT DELIVERY PARTNER)

This business case is based on the continuation of the contractual collaboration with Loaves and Fishes as the main delivery partner for the SLP over the next two years, anticipating a competitive review through standard government procurement procedures thereafter.

Key Considerations:

Partnership Stability: LFT is projected to remain a central figure in delivering the program, showcasing adaptability and growth, including upgrading facilities to enhance service delivery. Their alignment with the program's core values instils confidence in their intent and capability to support the program's expansion.

Infrastructure Capability: Existing facilities at LFT are adequately equipped to handle the initial surge in demand, mitigating the immediate need for new infrastructure. This readiness is pivotal for the smooth scale-up of the program beyond the current pilot involving 60 schools. However, additional infrastructure will be needed as part of the ongoing scale-up.

Synergetic Benefits: The contractual partnership between SFM and LFT unlocks numerous operational synergies, notably in logistics and kitchen operations. LFT's existing delivery networks across Tasmania offer cost-effective transport solutions, particularly beneficial for efficiently reaching regional, rural and remote locations.

Mission Synergy: LFT is an organisation that is dedicated to addressing food insecurity and the delivery of nutritious food, of which the SLP is a clear part. The delivery partnership allows both organisations to achieve more together, whilst harnessing a highly advantageous overlap in their missions.

Cost Efficiency: The program anticipates significant cost reductions through scaled operations and refined demand forecasts. Initial cost estimates are seen as the upper limit, with potential reductions exceeding 20%, as efficiencies in both direct and indirect costs are realised through scaled administration and operations.

This approach highlights the importance of leveraging existing partnerships and infrastructure to foster the program's growth, ensuring efficient delivery and maximisation of resources for the benefit of Tasmanian students.



KEY OPERATING ASSUMPTIONS

The procurement strategy for the SLP is anticipated to maintain its core structure focusing on enhancing efficiency through technological advancements in product ordering and real-time school requests. This model's evolution is expected to align with the program's growth, potentially incorporating more specialised procurement roles depending on the primary delivery partner in the future.

PROCUREMENT MODEL AND FOOD PRICING:

- **Technology Investment:** Initial improvements will concentrate on technology solutions to optimise ordering processes, enhancing efficiency as the program expands.
- **Local Sourcing Principles:** While the current phase does not explicitly develop local procurement models, future plans include exploring such strategies to support local economies, contingent upon understanding demand and volume projections.
- **Food Costs:** Food costs are currently determined by market testing, offering pricing around 20% below retail levels. These prices are expected to become more efficient with the program's maturation.

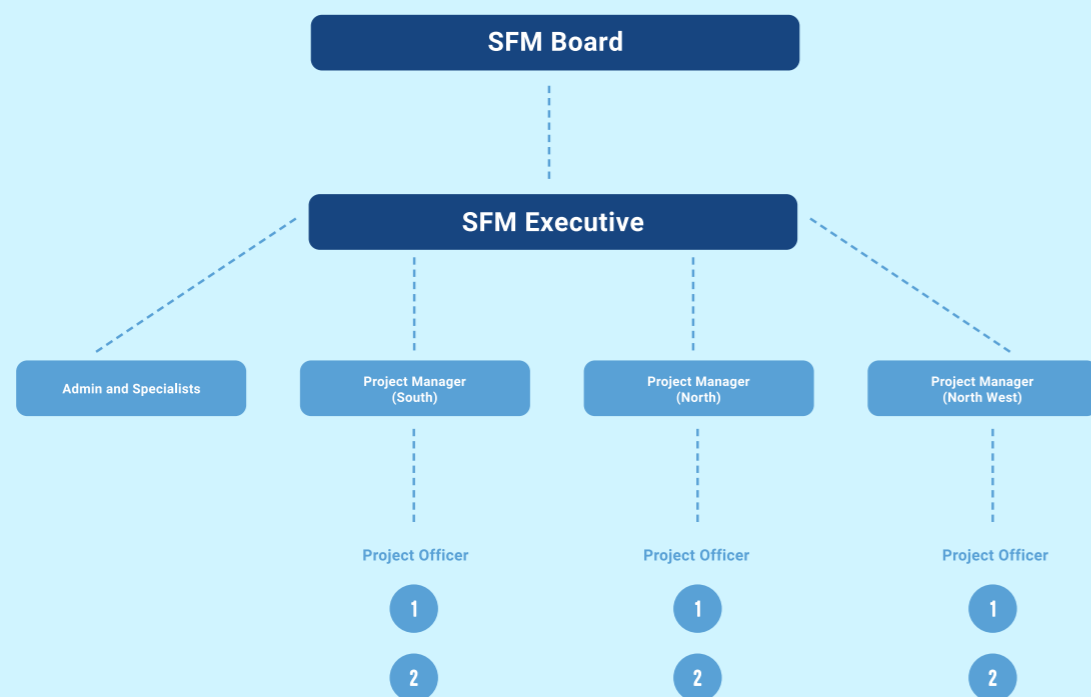
CAPITAL AND ESTABLISHMENT COSTS:

- **School Contributions:** Government funding will cover the essential capital investments for kitchen equipment across schools, with anticipated needs varying significantly. On average, the investment per school is expected to align with SFM's observed benchmark of approx. \$18,000, acknowledging that some schools may require more or less depending on their specific circumstances.
- **IT Infrastructure:** An initial allocation for IT systems in the first year will support program operations, with future costs and responsibilities to be defined based on the chosen long-term operational model.

OVERHEAD MODEL:

- **Wage Structure:** Overhead wages are projected to grow proportionally with the program's reach, leveraging the number of participating schools as a key metric. The expectation of operational efficiencies aligns with the program's scaling, suggesting a streamlined approach to resource allocation and management.

The organisational structure below is illustrative only but outlines the broad structure of the SFM organisation into the future (but excludes external specialists from other agencies and organisations).



VEHICLES AND ADMINISTRATIVE EXPENSES:

- **Vehicles:** The expansion in the number of participating schools is expected to correspondingly increase vehicle requirements, which will be leased, to service schools and to facilitate efficient food delivery across new locations.
- **Administrative Expenses:** A provisional allowance of 2.5% of direct costs is allocated to cover miscellaneous administrative expenditures such as telecommunications, office IT, audit and accounting services, ensuring the smooth operation of the program.
- **Government Administration:** Similarly, another 2.5% of direct costs has been used as an indicative quantum to be used to cover Government Agency services and support costs.
- **Treasurer's Instructions:** SFM as an independent entity is exempt from the Treasurer's Instructions – specifically, for procurement and some financial and accounting processes. This may change as the program expands.



FUTURE DELIVERY MODEL

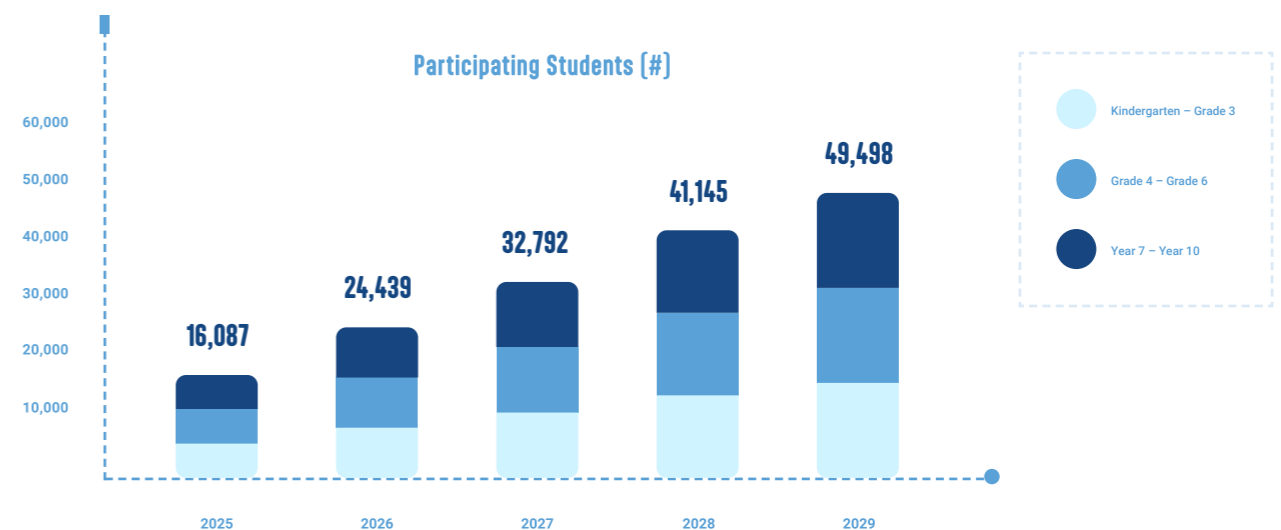
The model outlined below is the SFM Proposed Model and does not reflect the election commitments of any political party. All numbers are also included in 2024 dollars, and will need an escalation allowance to account for inflation through the program.

This model is shaped by several key factors:

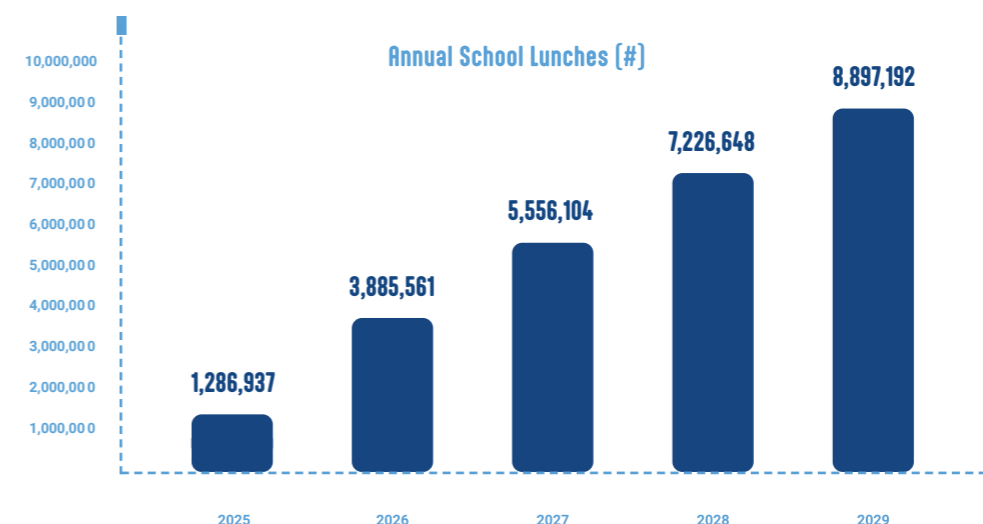
- Independent school research conducted by Quantum Market Research.
- A strategically designed scale-up profile that strikes a balance between achieving early scale for cost and operational efficiencies and allowing schools, suppliers, and SFM adequate time to expand operations sustainably.
- Ensuring alignment with the Guiding Principles outlined earlier in this document.
- Consideration of feedback gained throughout this project from key stakeholder groups.

SCHOOL NUMBERS AND SCALE-UP PROFILE

In the base case scenario, all Tasmanian Government schools catering to grades K-10 have been included, equating to approximately 190 schools, and 49,000 students. This compares with the full Tasmanian student population of approximately 82,000, which includes State, Independent and Catholic Schools K-12.



As new schools join the cohort, it is assumed that there will be a 12-month period where there are two lunches per week provided, before the program increases to the full 5-days per week. In year 5, this equates to approximately 9 million school lunches being served per annum.



TOTAL COSTS AND COMPOSITION

Efficiency Expectations with Scale:

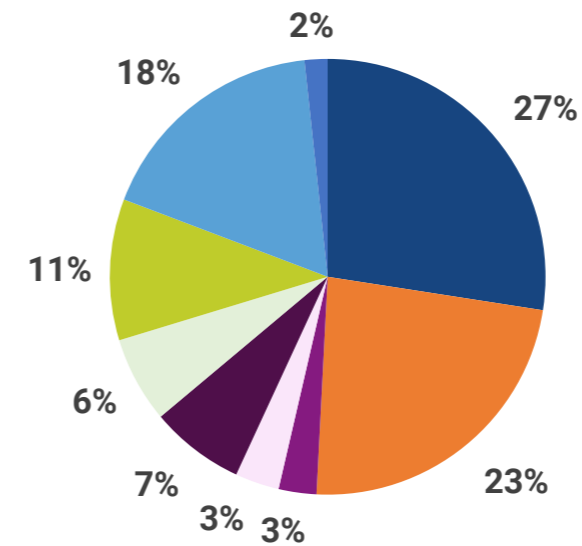
As the program progresses and moves towards a more mature market-tested model after its second year, additional efficiency gains are anticipated across the cost structure, which are not included in this business case for conservative forecasting. For instance, food ingredients costs are currently about 18% below retail price, suggesting potential for further margin improvements through increased volume and enhanced procurement strategies. Moreover, indirect costs associated with program delivery are expected to decrease as the program optimises its organisation, and as it develops more efficient assessment, onboarding, and training systems.

These potential efficiency gains have been deliberately excluded from the cost projections due to the uncertain nature of the procurement environment, the variability in program uptake, and the challenges associated with managing a rapidly scaled program. Consequently, this approach favours conservative per meal cost estimates, with the anticipation of realising additional financial benefits in the future.

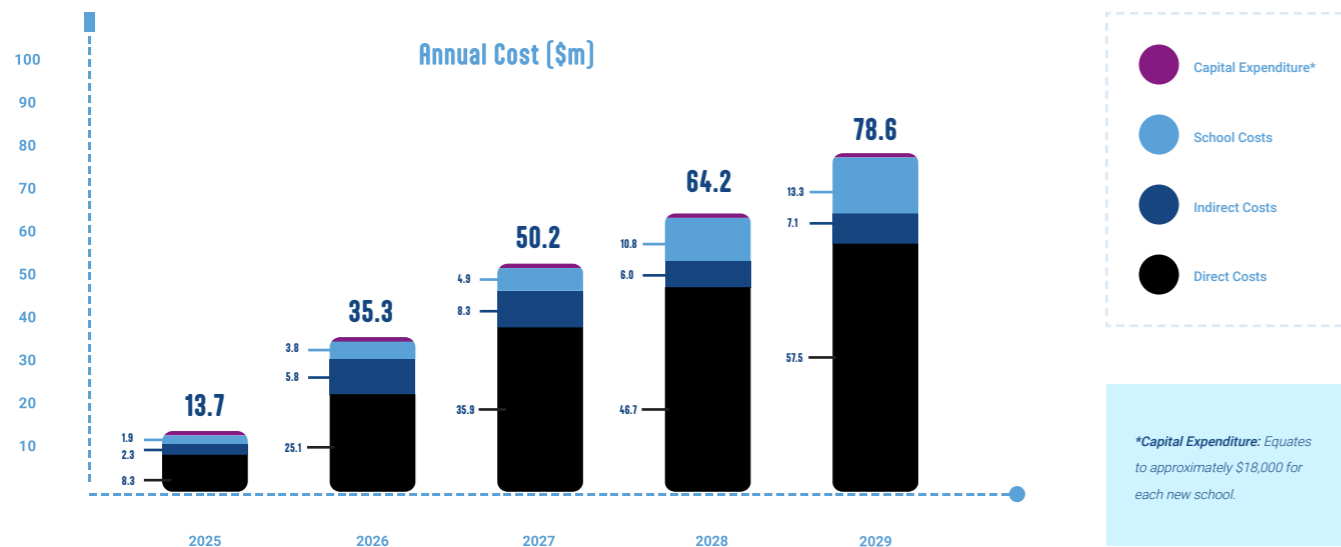
Program Costs:

The program's total cost is initially set to start at \$13.7 million in the first year, increasing to \$78.6 million by the fifth year, at which point it will extend to all Government schools. The costs in the program are split by:

- Direct costs, which includes the food sourcing, purchasing, preparation and transportation. These costs are primarily borne by the delivery partner, LFT. The direct costs compose the majority of the cost of this program.
- Indirect costs, which include the administration and project management costs incurred by School Food Matters, along with an allocation for evaluation of the program and government administration costs.
- In-school costs, which relate to the additional labour costs incurred by the schools in preparing and serving the meals.
- Capital costs, which include both funding for in-school capex, such as cooling and reheating facilities, along with SFM's IT infrastructure for the development of an ordering and administration platform to be used across the program. Any capex requirements of the delivery partner are expected to be covered by the commercial margin included in the direct costs line and are therefore excluded from this category.



Total Cost Breakdown FY25 - FY29 (\$m)

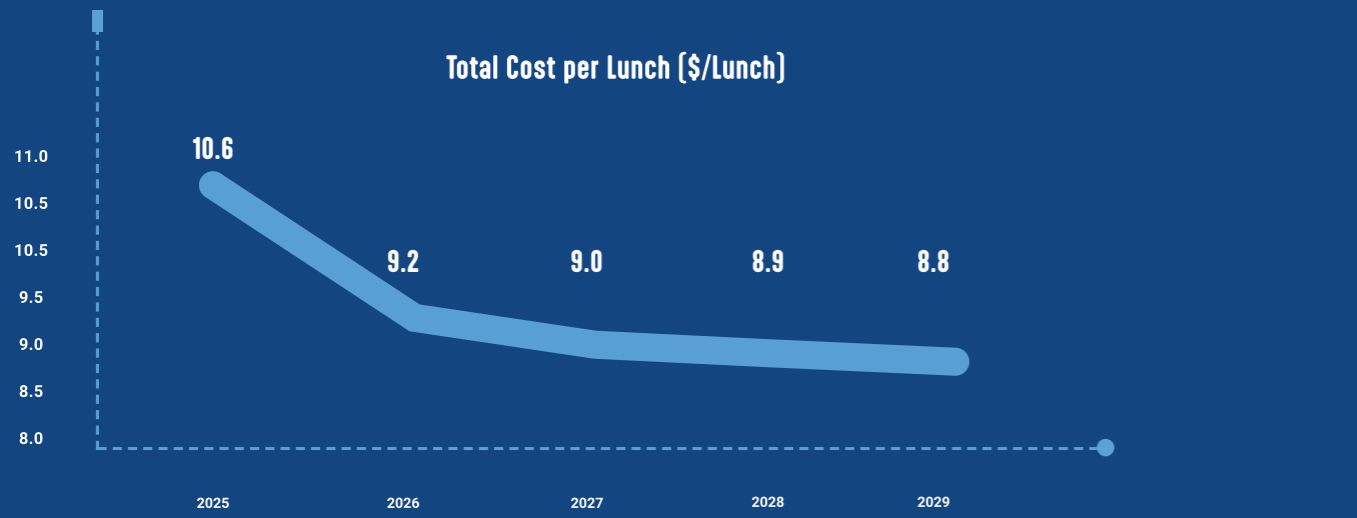


*Capital Expenditure: Equates to approximately \$18,000 for each new school.



COST PER LUNCH

The cost per lunch drops significantly after the first year, which both incurs additional set up costs and penalty through lack of scale. As referred to in previous points, the direct costs per meal are expected to substantially reduce as the procurement model matures. It is also important to note that this number includes the capital costs, as well as those incurred by the individual schools.



	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29
Direct Cost	\$ 6.47	\$ 6.47	\$ 6.47	\$ 6.47	\$ 6.47
Indirect Cost	\$ 1.81	\$ 0.98	\$ 0.87	\$ 0.83	\$ 0.80
School Cost	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Capital Expenditure	\$ 0.84	\$ 0.15	\$ 0.19	\$ 0.08	\$ 0.07
Total Cost	\$ 10.62	\$ 9.09	\$ 9.04	\$ 8.88	\$ 8.83

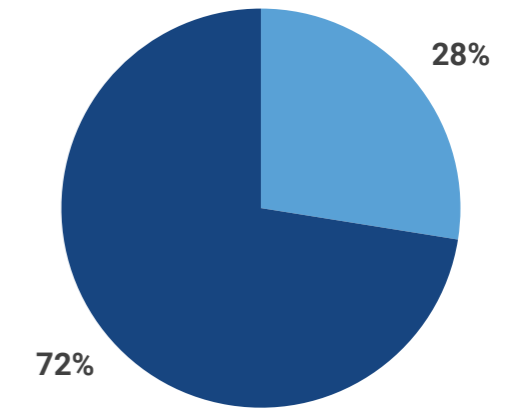
FUNDING

This program is proposed to be funded in part by parents, and part from the State Government. The methodology regarding price points for parental contribution is referred to earlier in this document.

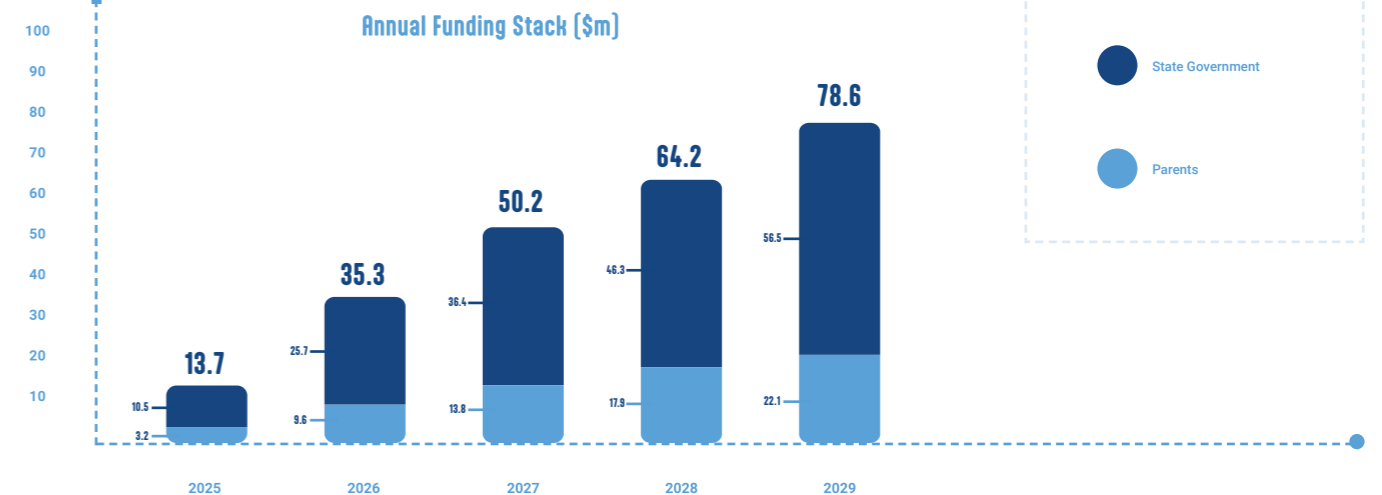
Parents are expected to contribute \$4 per meal, with means testing being used to identify families eligible for assistance. This number is currently 38% of students that are eligible for a full subsidy, which has formed the basis of our assumptions in this model.

The balance of the program costs is proposed to be covered by the State Government.

Funding Breakdown FY25 - FY29 (%)



● Parents ● State Government



● State Government

● Parents



It is noted that there may be other avenues in the future to explore regarding additional funding, including philanthropy, community grant funding and the Commonwealth. None of the options are immediately evident, accordingly these have been excluded from our assumptions.

SUMMARY PROFIT AND LOSS

A summary five-year Profit and Loss is included below.

A Balance Sheet has not been included, given the lack of organisational assets, assumptions regarding the receipt and payments occurring within the month, and a cost recovery model which does not anticipate the building of cash reserves.

PROFIT AND LOSS (\$m):

Revenue		2025	2026	2027	2028	2029
Parents	\$	3.2	9.6	13.8	17.9	22.1
State Government	\$	10.5	25.7	36.4	46.3	56.5
Total Revenue	\$	13.7	35.3	50.2	64.2	78.6

Expenses		2025	2026	2027	2028	2029
Direct Costs	\$	8.3	25.1	35.9	46.7	57.5
Indirect Costs	\$	2.3	3.8	4.9	6.0	7.1
School Costs	\$	1.9	5.8	8.3	10.8	13.3
School Costs - Capital	\$	0.6	0.6	0.6	0.6	0.6
Total Expenses	\$	13.2	35.3	49.7	64.2	78.6

EBITDA*	\$	0.5	-	0.5	-	-
Depreciation	\$	0.1	0.1	0.2	0.2	0.2
Net Profit Before Tax	\$	0.4	(0.1)	0.3	(0.2)	(0.2)
Taxation	\$	-	-	-	-	-
Net Profit After Tax	\$	0.4	(0.1)	0.3	(0.2)	(0.2)

*EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization

Structure: The future organisation will operate in a not-for-profit context (potentially becoming incorporated as a company limited by guarantee), with full alignment with The Australian Charities and Not-for-profits Commission (ACNC), and any grant acquittal, financial and audit requirements. The organisation will be governed by a Board, with an appropriate constitution, charter, and Board subcommittee charters (as applicable). Initially, the organisation will operate on a cost recovery basis only, with plans to build cash and other reserves in subsequent years to enhance organisational resilience.

Board: The Board will oversee the organisation and have direct responsibility for strategy, risk management and financial stewardship of the organisation. The current SFM Board consists of diverse, dedicated members, each with varying capacities to contribute to the future scale-up phase. Efforts to enhance Board capabilities to support organisational growth have begun. It is expected that future strengthening will include individuals with senior leadership experience in a range of disciplines including audit and financial management, along with organisational change and health leadership. There is a continuing commitment from the SFM Board to bolster its capabilities as this program enters the next phase through assessing the skill, expertise and experience required for a program of this scale.

Strategic Stakeholder Engagement: Given the breadth and profile of this project, core to the governance obligations is the need for ongoing stakeholder engagement, evaluation and consultation. The range of interested stakeholders is broad, and includes:

- State Government Agencies
- Ministers' offices
- MIMR
- School staff
- Families and the broader community
- Suppliers and partners of the program, including LFT.

Ensuring ongoing engagement with all these groups (and others) will be critical to ensure the ongoing success of the program.

Oversight and Risk Management: One of the core decisions of the initial years of the scale-up is the ongoing partnership with LFT as the primary deliver partner. Whilst this model has a vast range of advantages, the governance role that the SFM Board has regarding the oversight of a single supplier model that is responsible for the following key processes is significant:

- Local, regional and statewide sourcing
- Food processing (including facilities)
- Food logistics (chilled and fresh food chain)
- Cost and operational management.

The SFM Board and Management team will be required to put in place a number of risk management strategies and monitoring initiatives including regular reporting, quality monitoring, visibility of the internal processes and capabilities of the delivery partner, as well as being satisfied with a detailed risk management plan, complete with contingency and mitigation planning by the delivery partner. It is proposed that after the initial two years of ramp up, the procurement process and supporting processes will revert to SFM. This will enable potential suppliers to the program to tender in a competitive process to achieve best value is being achieved.



SFM OPERATIONS

Staffing structure: The SFM staff structure will include an executive team, project managers, project officers, administrative staff, and specialists. The executive team will lead the organisation, manage daily operations, serve as the organisation's primary public representatives, and liaise with key stakeholders.

Project Managers will oversee specific regional communities and schools, managing the assessment, onboarding, training, and troubleshooting processes, with support from Project Officers who will act as the primary SFM presence within schools.

The specialist team will focus on meal and menu design, curriculum links, allergen management, food safety, professional development for school food service staff, and compliance with regulatory obligations. It is recognised that some responsibilities may be supported with expertise from Departments of Health, Education, and Natural Resources. The financial model includes the costs for these specialised services.

Engagement and Communication: In addition to the strategic stakeholder communication, which falls under the purview of the Board, there is a range of important day to day engagement activities to ensure the program is successful.

School engagement is an ongoing critical success factor in the successful uptake of this program which includes initial queries and sign-ups through to infrastructure assessment, ongoing communications, training, liaison, feedback and monitoring.

Broader community engagement, including with parents or carers, the local communities, rural supplier groups, and other interested parties will also need to be addressed in a sustainable manner with committed resources. Consultative groups will be used as the mechanism to grow the programs reach, awareness and effectiveness.

The ongoing liaison with Departmental (Health, Education and Natural Resources) divisional specialists and operational staff will also be adequately systematised through standing committee arrangements.

People and Culture: As SFM grows, so will its needs to ensure that the robust leadership and positive culture is maintained. As with any rapid growth program, there will be challenges placed on the organisation as it contends with 'growing pains' and a considered people and culture strategy will be developed to support the necessary blend of community commitment and commercial practice.

Finance: The finances of the organisation will be managed by the central administration team, who will have responsibility for reporting, acquittals, contract compliance with LFT, and sound stewardship of public funds. Appropriate accounting software will be deployed to manage this, and a culture of continuous improvement will be required to ensure the function continues to operate effectively as the scale increases to meet State Government contractual obligations.

Systems and processes: SFM will have responsibility for the core IT platforms which will provide a centralised platform for ordering, and coordinating the day-to-day logistics, visibility and management requirements of the program. The operational logistics and processing platforms will be provided by the operating partner for the first two years and assessed thereafter. Supporting IT infrastructure will also be procured by SFM including finance, HR, customer (school) management, contract management and risk management solutions.

A contemporary suite of policies/processes/procedures will be required to be developed at the Board level and at the operating level across the suite of SFM's activities.

RESEARCH AND EVALUATION

Core to the sustainability of the program is the ability of SFM to demonstrate the economic, social/community and environmental benefits that are being realised by the program.

The immediate benefits are easily observed however, a robust evaluation program will be set up to formalise the collection and analysis of this data which can be used both to validate the anecdotal evidence, and provide vital insights for future program refinement and optimisation.

Whilst there is a range of short-term benefits that have been observed through the pilot program, there is a distinct lack of longitudinal (multi-year) evaluation that enables broader observations to be made in the areas of social, education and health benefits. It is anticipated that a substantial level of benefit will be observed in these areas. Suitable partners to conduct the long-term evaluation and to provide an evidence base for the ongoing benefits realised by the program will be appointed to perform these specialised tasks.



GLOSSARY

Term	Description
Breakfast Clubs and Canteens	Existing school food services evaluated for integration within the SLP, with noted differences in delivery models and impacts.
Cost-Benefit Analysis	An evaluation highlighting the societal benefits of the SLP, including its positive impacts on education, health, and local economies.
DECYP	(Department for Education, Children and Young People): Tasmanian State Government Department.
Equity and Universal Access	The SLP's core goal of providing every student in Tasmania with access to healthy school lunches.
Grade Span	The range of student grades the SLP targets, focusing on K-10 for broad nutritional support.
LFT	(Loaves and Fishes Tasmania): The current delivery partner for the School Food Matters (SFM) program.
Local Food Economy	The SLP's emphasis on sourcing ingredients from local producers to support Tasmania's agricultural sector and ensure meal freshness.
Meal Pricing	The cost set for each meal within the SLP, with \$4 identified as the optimal price point balancing cost, quality, and accessibility, subject to subsidies for those in need.
Means Testing	A means test is a determination of whether an individual or family is eligible for government assistance or welfare.
MIMR	(Menzies Institute for Medical Research): A research institute evaluating the SLP, providing data for its development and expansion.
NAP	(National Assessment Program): Assessments measuring student progress across Australia.
Operational Cost	Costs associated with the logistics and delivery of the SLP, including infrastructure and IT, separate from meal pricing.
Operational Days	The days on which the SLP is active within schools, aiming for an average of 2 days per week initially.
Parent Contribution	The portion of the meal costs covered by parents, making the program financially sustainable and equitable.
Pilot Phase	The initial testing phase of the SLP in a controlled setting to identify best practice and areas for improvement.
Proposed Model	The SLP rollout approach, optimised based on strategic considerations and research findings.
Qualitative Research	Studies focusing on collecting and analysing non-numerical data to understand various aspects of the SLP.
Quantitative Research	Studies involving the collection of analysis of numerical data to identify patterns or predictions related to the SLP.
School Coverage	The inclusion of all school types (government, Independent, Catholic): in the SLP to ensure comprehensive access.
SFM	(School Food Matters): An organisation contributing insights to the SLP's development during the pilot phase.
SLP	(School Lunch Program): A program aimed at providing equitable access to nutritious meals for students, enhancing their education, nutritional, and social outcomes.
WHO	(World Health Organisation): A global health authority within the United Nations system.



BUSINESS CASE:
**THE SCHOOL
LUNCH PROGRAM**

**SCHOOL
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