

2023 Student Nutrition Program Service Subsidies

Date: May 12, 2023

To: Board of Health

From: Medical Officer of Health

Wards: All

SUMMARY

Student nutrition programs are meal and snack programs offered primarily in school settings. They help to ensure that children and youth at risk for poor nutritional intake have access to safe, adequate, and culturally appropriate nutritious food. Research shows that when students eat healthy meals at school they focus better, score higher marks in reading, math and science, and are more likely to graduate high school. Students also have the opportunity to develop healthier eating habits, which can lower rates of childhood obesity and overweight.

The Student Nutrition Program has two streams: the Public Schools Stream, which is for public schools and a few grandfathered independent schools and community sites, and the Independent Schools Stream. Student nutrition programs depend on funding from the City of Toronto (the City), the Province of Ontario (the Province), student and parent contributions, community fundraising, school board fundraising, and corporate donations. Additional funding and support from the federal and provincial governments is needed to meet the needs of students and ensure sustainable programs.

This report outlines recommendations for the 2023 Student Nutrition Program service subsidy allocations, which includes an approved 5.0 percent cost of food inflationary increase of \$827.1 thousands from the 2022 approved budget for the Public Schools Stream. The funding envelope for the Independent School Stream has sufficient funding to support a 5.0 percent cost of food increase. The proposed combined allocations to the Angel Foundation for Learning (AFL) and the Toronto Foundation for Student Success (TFSS) are for the purpose of administering the 2023 approved municipal funding to eligible student nutrition programs across the City of Toronto and total \$17,638.4 thousands, which includes \$245.9 thousands held in reserve for appeals/late applications.

RECOMMENDATIONS

The Medical Officer of Health recommends that:

1. City Council authorize the Medical Officer of Health to enter into agreements and other suitable arrangements, on behalf of the City of Toronto, for the transfer of funds to the Angel Foundation for Learning (\$4,543.5 thousands) and the Toronto Foundation for Student Success (\$13,094.9 thousands) for the purpose of administering the 2023 approved municipal funding (totalling \$17,638.4 thousands) to eligible student nutrition programs across the City of Toronto on terms satisfactory to the Medical Officer of Health and in a form satisfactory to the City Solicitor.
2. The Board of Health and City Council reiterate their requests to the Province of Ontario to increase its grant funding investment proportionally to match the increased City of Toronto investment and further request the Province of Ontario provide increased funding to address the inflationary cost of food.
3. The Board of Health and City Council request the Government of Canada to provide details on progress toward their 2022 Federal Budget commitment "to develop a National School Food Policy and to explore how more Canadian children can receive nutritious food at school".
4. The Board of Health forward this report to the Federal Minister of Agriculture and Agri-Food, the federal Minister of Families, Children and Social Development, the federal Minister of Health, the provincial Minister of Children, Community and Social Services, the provincial Minister of Health, the provincial Minister of Education, the Toronto District School Board, the Toronto Catholic District School Board, le Conseil scolaire Viamonde, le Conseil scolaire catholique MonAvenir, the Toronto Foundation for Student Success, the Angel Foundation for Learning, the Daily Bread Food Bank, and United Way Greater Toronto.

FINANCIAL IMPACT

The 2023 Approved Operating Budget for Toronto Public Health includes funding of \$17,668.4 thousands gross and net for municipally-funded student nutrition programs, as follows:

- \$17,368.4 thousands toward the cost of nutritious food for the Public Schools Stream which will reach 612 school communities across Toronto.
- \$300.0 thousands toward the cost of nutritious food and capacity building for the Independent Schools Stream which will support seven (7) eligible independent schools and assessment for eligibility of three (3) independent schools in Toronto.

This report recommends an allocation of \$17,638.4 thousands: \$4,543.5 thousands to the Angel Foundation for Learning and \$13,094.9 thousands to the Toronto Foundation for Student Success, which includes all funds held in reserve as outlined in Tables 1

and 2. The proposed combined allocations are for the purpose of administering the 2023 approved municipal funding to eligible student nutrition programs in Toronto.

There is no financial impact associated with this report beyond what has been approved in the 2023 Approved Operating Budget for Toronto Public Health.

The Chief Financial Officer and Treasurer has reviewed the report and agrees with the financial impact information.

DECISION HISTORY

At its meeting held on February 15, 2023, City Council adopted Item MPB4.1 "2023 Capital and Operating Budgets" and approved 2023 municipal funding for student nutrition programs of \$17,668.4 thousands.

<https://secure.toronto.ca/council/report.do?meeting=2023.CC4&type=decisions>

At its meeting held on June 15, 2022, City Council adopted Item HL37.6 "2022 Student Nutrition Program Service Subsidies" and requested the Federal Government to provide ongoing core funding for a universal national school food program and requested the Provincial Government to increase its grant funding investment proportionally to match the increased City of Toronto investment.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.HL37.6>

COMMENTS

Student Nutrition Programs are run by students, parents and volunteers

The Student Nutrition Program has two streams: the Public Schools Stream, which is for public schools and a small number of grandfathered independent schools and community sites, and the Independent Schools Stream. These are community-based meal programs that are run locally by students, parents and volunteers. Most are breakfast and morning meal programs that provide students the energy and nutrients they need to support their learning and development during the school day. These programs also create opportunities for community capacity building, volunteering, and job skills development, which align with City priorities in [Toronto's Poverty Reduction Strategy](#).

Community Partnership Model Supports for Student Nutrition Program

Student Nutrition Ontario-Toronto (SNO-Toronto) recommends the allocation of municipal and provincial funding to Toronto's student nutrition programs, provides program support, and monitors program quality and accountability. SNO-Toronto is made up of a main Committee and an Allocations Sub-Committee. The SNO-Toronto Committee is comprised of student nutrition stakeholders, including representatives from Toronto Public Health (TPH), Toronto District School Board (TDSB), Toronto Catholic District School Board (TCDSB), AFL, and TFSS.

Annual Review of Applications

The joint application process for municipal and provincial student nutrition program grants began in December 2022, when all currently funded student nutrition programs in Toronto were notified of the grant opportunity. Staff from each SNO-Toronto partner agency assisted program applicants with completing grant applications.

Annually, applications are reviewed by a panel of staff from TPH, TFSS and AFL using standardized review procedures. The SNO-Toronto Allocations Sub-Committee recommends applications for funding, which are considered by the SNO-Toronto Committee for approval. Standardized meal costs per student are used to estimate program costs and are adjusted annually for food inflation, when applicable.

The process satisfies the requirements laid out in the *City of Toronto Community Grants Policy*, approved by City Council on July 16, 2019 in Item [2019.EC6.19](#).

Summary of Allocations and Recommendations

The SNO-Toronto Committee received and approved the following recommendations for the distribution of municipal funds as outlined in Tables 1 and 2.

Table 1 - Summary of Allocations and Recommendations: Public Schools Stream

Foundation	Funding Amount (in thousands)
Angel Foundation for Learning (166 school communities)	\$ 4,543.5
Toronto Foundation for Student Success (446 school communities)	\$ 12,709.4
Toronto Foundation for Student Success (held in reserve for late applications and appeals)	\$ 115.5
Total (612 school communities reaching 225,919 participants)	\$ 17,368.4

The funds held in reserve for late applications and appeals will be used to make adjustments to the allocations as required prior to December 31, 2023. The entire municipal grant for existing programs is distributed to programs and directed towards the cost of nutritious food.

Table 2 - Summary of Allocations and Recommendations: Independent School Stream

Foundation	Funding Amount (in thousands)
Toronto Foundation for Student Success (7 independent schools reaching 1,366 participants)	\$ 99.6
Toronto Foundation for Student Success (held in reserve for late applications, appeals, and new independent schools pending needs-assessment results)	\$ 130.4
Toronto Foundation for Student Success (for community capacity building)	\$ 40.0
Sub-Total	\$ 270.0
Administered by TPH to support the assessment process	\$ 30.0
Total	\$ 300.0

Statistics Canada has been contracted to complete the needs-assessment analysis of student postal codes submitted by three (3) new independent schools. Pending the results from Statistics Canada, funds held in reserve will be used to support schools that are eligible for funding.

The municipal expansion for independent schools will continue through to December 31, 2023 and, similar to the Public Schools Stream, funds held in reserve may be used for late applications and appeals. Funds held in reserve may also be allocated towards programs offered by independent schools under the Public Schools Stream as a measure to alleviate some of the funding pressure experienced by all municipally-funded programs.

The municipal grant in the Independent Schools Stream, except for the portion allocated to community capacity building and assessment, is distributed to programs and directed towards the cost of nutritious food. The funds for community capacity building are allocated to align with the current capacity and program coordination model used by the SNO-Toronto partnership with a focus on supporting the operational needs of new programs in independent schools.

All student nutrition programs approved for funding will receive municipal funding in instalments. They must meet program requirements, including financial reporting to their respective foundation, to receive subsequent instalment cheques.

Use of Municipal Budget Enhancement for 2023

The 2023 allocation of the municipal investment continues to support the vision endorsed by the City in 2012 to strengthen and grow student nutrition programs in Toronto, by:

- Focusing investment on breakfast/morning meal programs;
- Strengthening existing programs; and
- Strengthening the partnership funding model.

Toronto Public Health's 2023 Operating Budget increased by \$827.1 thousands to \$17,668.4 thousands for the Public Schools Stream. The increase in funding will help programs offset some of the increased food costs.

The City contributes a portion of the total funds student nutrition programs need to operate. This contribution, or municipal funding level, when taken as a percentage of the total budget programs need to run a fully funded program, will decrease from 18.2 percent in 2022-2023 to 17.4 percent for the 2023-2024 school year. The decrease in municipal funding level is largely due to increased participation numbers reported by existing programs in their 2023 funding application. In addition to municipal funding, student nutrition programs depend on funding from the Provincial Government, student and parent contributions, community fundraising, school board fundraising, and corporate donations. Often programs do not receive or are challenged in generating funds from other sources which can result in funding pressures in programs.

Toronto Public Health's 2023 Operating Budget also includes \$300.0 thousands for the independent schools stream, an initiative that began in 2019. From 2019 to 2023, of the 46 independent schools which expressed interest in offering a student nutrition program, ten (10) independent schools met the needs-based eligibility criteria outlined in the funding stream and seven (7) of those applied for funding. The late application and appeal process, which will conclude by December 31, 2023, may change these numbers.

Increased Operating Pressures

There are three primary operating pressures affecting student nutrition programs: the COVID-19 pandemic, the increased cost of food and the increased demand from more students to participate.

The COVID-19 pandemic changed how student nutrition programs were delivered in schools. To support the safety of children, student nutrition programs modified their delivery models, which led to increased food costs. Most programs turned to purchasing pre-packaged food items directly from the distributors (e.g., single-serve yogurt, single-serve cheese string, single-serve packaged apple slices) or where possible, bagged snack items per student (e.g., apple, cheese string, half whole wheat pita placed in paper bag per student). Programs reported that these extra steps increased program delivery costs, at a time when volunteers and additional funds were not readily available.

In 2022, the cost of food increased by 10.3 percent, higher than the projected 5 percent to 7 percent reported in the *Canada's Food Price Report*^{1,2}, and higher than the 2022 approved municipal budget increase of 2.5% for municipal student nutrition program funding. When food inflation is gradual, student nutrition programs are better able to manage fluctuations in food prices. The steep increase in food prices in 2022, the comparatively low inflationary increase applied to the 2022 municipal student nutrition program funding (2.5 percent), coupled with the impact of COVID-19, challenged the student nutrition programs' budgets. Programs revisited their operating plans and often took measures such as reducing the number of operating days and/or reducing the nutritional quality and quantity of foods served.

For 2023, the *Canada's Food Price Report* is predicting a cost of food increase of another 5 percent to 7 percent from 2022 to 2023³. Based on recent events, it is likely that the actual increase in the cost of food will exceed this prediction, further challenging student nutrition programs.

Inflation is not limited to the cost of food, but extends to other costs of living items such as housing, utilities and health care. Student nutrition programs are seeing the far-reaching impact of inflation in increased demand for more students to access student nutrition program, as households seek to manage other costs. Table 3 demonstrates this pressure, showing that the number of participants has increased year over year for existing student nutrition programs from 2021 to 2024.

Table 3 - Change in Participant Numbers in Funded Applications

School Year	Number of Participants	Change from Prior Year
2021-2022	216,342	0.8% ⁴
2022-2023	219,378	1.4%
2023-2024	227,285	3.6%

Efforts to reach more children in need, in addition to increased demand for the program, have contributed to increases in student participation rates, including: an influx of refugees attending schools, housing/apartment development in the community resulting in higher enrolment, more students returning to in-person learning, expansion to school-

1 Canada's Food Price Report 2023, <https://www.dal.ca/sites/agri-food/research/canada-s-food-price-report-2023.html>

2 Canada's Food Price Report is released annually since 2007 by Dalhousie University, the University of Guelph, the University of British Columbia, and the University of Saskatchewan.

3 *Canada's Food Price Report 2023*, <https://www.dal.ca/sites/agri-food/research/canada-s-food-price-report-2023.html>

4 Number of participants in 2019 were 211,000, as reported in the 2020 Student Nutrition Program Service Subsidies Report.

wide program delivery, and change in program type offered in order to reach more students (e.g. change from a before school breakfast program which reaches a subset of students to a morning meal program offered mid-morning to reach all students).

The 2023 grant application process highlighted the increased demand. During the 2023 grant application cycle, there were 29 applications received from school communities not previously funded for student nutrition programs under the Public Schools Stream. These new applicants requested funds to reach almost 12,000 additional students not currently reached by the municipal grant. In addition, 20 sites currently funded for at least one student nutrition program requested funds to offer an additional program to meet the growing need within their student population; this would collectively increase the number of meals provided per school day to approximately 4,000 more meals. The priority of current municipal funding for the Public Schools Stream is to provide stable and reliable funding to existing programs. SNO-Toronto could not recommend expanding the student nutrition program as doing so would have reduced the funding provided to existing programs.

Provincial Funding

Toronto Foundation for Student Success is the lead agency for the Ontario Student Nutrition Program funded by the Ontario Ministry of Children, Community and Social Services (MCCSS) and is accountable to ensure provincial program criteria are met. Toronto Foundation for Student Success subcontracts with the AFL to administer the provincial funding for programs located in TCDSB sites and support program-level community development. Programs will receive their provincial funding at the same time as their municipal funding.

The 2023 provincial investment for Toronto's student nutrition programs has yet to be confirmed; however, it is not expected to change from the current funding for 2022. Table 4 outlines the Government of Ontario's investment in Toronto's student nutrition programs in 2022-2023. While the province has provided one-time funding enhancements in the past several years to support program implementation, a cost of food increase has not been consistently applied year-over-year to the provincial base funding. Given the significant increases to the cost of food in recent months, additional provincial support is needed for student nutrition programs.

Table 4 - Summary of 2022 Provincial Funding Investment

Funding Use	Funding Amount (in thousands)
Base funding for new and existing programs towards food cost	\$ 6,340.2
Community development and administration funding	\$ 2,147.6
Total	\$ 8,487.8

Federal support for national school food program

The Board of Health and City Council have a history of advocacy to the federal government for a national student nutrition program. Although no funds were committed in the 2022 federal budget, it committed that "[over] the next year, the Minister of Agriculture and Agri-Food and the Minister of Families, Children and Social Development will work with provinces, territories, municipalities, Indigenous partners, and stakeholders to develop a National School Food Policy and to explore how more Canadian children can receive nutritious food at school".

The Federal Government held cross-Canada open and focus consultations toward the end of 2022, with TPH participating in the November 2022 municipal stakeholder consultation. To date, the consultation report and details of a National School Food Policy have not been released and the 2023 federal budget did not include a financial commitment for a national student nutrition program.

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SIGNATURE

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