

30 November 2015**Agenda Item: 6****REPORT OF THE INTERIM SERVICE DIRECTOR, NORTH
NOTTINGHAMSHIRE AND DIRECT SERVICES****DEVELOPMENT OF A SINGLE INTEGRATED MEALS PRODUCTION AND
DELIVERY SERVICE****Purpose of the Report**

1. To provide an update to Committee on the progress with the work and savings in relation to County Enterprise Foods that falls within the scope of the Direct Services Delivery Group.

Information and Advice

2. The Direct Services Delivery Group is responsible for the successful delivery of the savings target that has been agreed for the County Enterprise Foods Service, which is £293,000. The proposal agreed as part of last year's budget aims to co-locate elements of the meals production and delivery service in tandem with other changes to achieve efficiencies within the service.
3. The proposal to increase the price of a delivered meal to Nottinghamshire residents by 30p (7.5% increase) to £4.25 per meal was introduced on 1 April 2015. To date there has been a reduction both in the number of individual meals delivered and the number of lunch club meals delivered.
4. Assuming the figures remain at current levels, it is anticipated that 269,159 meals will be delivered in 2015/16 in comparison to 275,000 meals delivered in 2014/15. This reduction of 5,841 meals represents a shortfall of £24,824 of the anticipated £82,500 saving required, which was based on 2014/15 sales. It is anticipated that this shortfall should be offset by the increase of external meals sales.
5. Consultation took place with County Enterprise Foods Production and Distribution staff and trade union colleagues between July and September 2015 with final proposals fed back to staff on 3 November 2015.
6. In response to consultation comments, food production at Rainworth will cease and be relocated to the Worksop site however a central storage, collection and delivery 'pick and pack' facility, secure vehicle parking for 40+ vans and an office base retained at the Rainworth site.
7. Consideration was given to the complete closure of the Rainworth site and transfer of all elements of production and delivery to Worksop, however there is insufficient space at the

Workshop site and relocation to the north of the county would incur additional overheads in terms of staff disturbance, additional vehicles, delivery costs and replacement of secure vehicle parking.

Overhead	Additional cost
Staff disturbance	£108,000
Additional vehicles	£80,000
Replacement secure parking	Unknown as sites hard to find, but initial exploration indicated that costs would be prohibitive.

8. Due to these additional costs, the anticipated savings would be significantly impacted, therefore retention of a central hub at Rainworth is deemed to be the most cost effective option.
9. Property colleagues have undertaken a full feasibility study and scoped the capital works required to both sites in order to allow the service to make the required changes and efficiencies. Works will commence in January 2016.
10. Remaining savings will be met by removing vacant posts in the structure and removing 2.95 FTE Distribution Assistant Posts and 1 FTE Operations Manager post no longer required at the Rainworth site. The Council's policy on redeployment will be applied to those staff identified as at risk. Delivery vehicles will be returned to site at the end of each shift and the weekend cover for Team Leaders will move to an 'on call' system.
11. Some current drivers are employed on contracts in excess of 20 hours. The intention is to keep these staff on their current contracted hours but to standardise future contracts by introducing 20 hour contracts for all new staff
12. Discussion and work with staff at risk will commence late November 2015. It is the intention to serve notice of any contractual changes on 1 December 2015 in order to implement these on 1 April 2016.

Other Options Considered

13. The option to cease all activity at the Rainworth site (see paragraph 6 above) was considered but deemed to be unviable with regards to the site restrictions and increased overheads.

Reason/s for Recommendation/s

14. There are no recommendations being made in the report, other than for Committee to note the contents of the report.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such

implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

16. There are capital costs of £300,000 in 2015/16 related to the co-location to Worksop and cessation of food production operations at the Rainworth site.
17. The reported anticipated savings shortfall of £24,824, which has been identified due to a reduction in the number of meals delivered, should be offset by the increase of external meal sales.

Human Resources Implications

18. The Council's policy on redeployment will apply to staff identified as at risk.

Implications for Service Users

19. The proposal has an impact on all service users who have a meal delivered from this service from the increase in price of 30p per meal.

RECOMMENDATION/S

- 1) That the Committee notes the progress with the work and savings of County Enterprise Foods that falls within the scope of the Direct Services Delivery Group.

Peter Davis

Interim Service Director for North Nottinghamshire and Direct Services

For any enquiries about this report please contact:

Lorraine Mills
Service Manager, Day Services
T: 07967 711325
E: lorraine.mills@nottsc.gov.uk

Constitutional Comments

20. As this report is for noting only, no Constitutional Comments are required.

Financial Comments (KAS 17/11/15)

21. The financial implications are contained within paragraphs 16 and 17 of the report.

Background Papers and Published Documents

None.

Electoral Division(s) and Member(s) Affected All

ASCH352