

REPORT OF SERVICE DIRECTOR, ENVIRONMENT, TRANSPORT & PROPERTY**OPERATIONAL REPORT - SCHOOLS AND ACADEMIES, CATERING AND FACILITIES MANAGEMENT SERVICES****Information and Advice****1. Purpose of Report**

This briefing report sets out the performance of the Environment & Resources Department Catering & Facilities Management (C&FM) Trading Services for Period 8 ended 30th November 2016.

2. Information and Advice

The Place Department provides a range of C&FM services sold to schools and other customers across the County largely on a bought-back basis, together with employee dining.

3. Performance Reports

A review of structures is underway as C&FM repositions itself with a view to the future. Options are currently being appraised and information collection has started

3.1 Building Cleaning & FM Services

Building Cleaning & Facilities Management colleagues continue to appraise contracts in line with policy decisions made in 2016 – particularly in staffing reduction and applying the 5% increase in contracts for 2017/18 buyback. Managers are now being encouraged to analyse differentials with regard to how individual contracts are implemented. First indications are that this will improve the position in 2017/18.

Additional financial data is included in **Appendix A**.

3.2 Schools Catering

The Schools Catering Service served an average 43,139 meals per day over the 8 month period, a decrease of 3.2% on the same period for 2015/16 in total meal numbers, in most part, due to a teachers strike day in July and the loss of 3 Secondary and 8 Primary schools over the last year.

Overall cumulative uptake for the period is now 58.9% in primaries and 56.4% in secondary school sector. This compares to 60.0% and 50.7% in the previous year respectively.

Take-up of Universal Infant Free School Meals (UIFSM) for April – November 2016 is currently 76.0% compared to 79.3% in the previous year. It should be noted that figures for Nottinghamshire are based on the assumption that every entitled pupil attends school every day; which in reality is very rarely the case.

Other pupil premium free school meals are recorded at a 74.5% take-up.

Additional financial data is included in **Appendix A**.

- Price increases from Brakes and some meat products procured via Maloney's will impact on food costs from December 2016 onwards.
- Schools are starting the process to consider contract options for April 2017.
- In order to encourage more schools and academies to engage in online payments, a new cashless system is undergoing trials in Meden School – Bio Store Technology. Parental access and knowledge has advanced significantly and it is therefore vital that we embrace the advantages that this technology brings.
- Festive lunch menus began in schools week commencing 5th December 2016 and were once again, very well supported. Whole school events are being encouraged with invitations extended to parents, grandparents and carers. Chinese New Year events are planned for late January and early February 2017.
- New staffing regimes are being introduced from January 2017 as schools change the style of contract with ourselves. This facilitates our ability to be more responsive to variations in income and employee absence; ultimately to improve productivity. Overarching projects are underway in C&FM to ensure that we will compete effectively against private contractors.
- The kitchen management system (Cypad) is now well established. This has had a positive impact on the management and control of school catering. The catering team are now working with Cypad team to implement further modules and make full use of the management information available from the system. We continue to work with Cypad as we further develop the capability of the model.

Appendix A

School Catering

Overall Performance

Financial

	Budget to date (£000's)	Actual (£000's)	Variance (£000's)	Revised Annual Budget (£000's)	Forecast Outturns (£000's)
Turnover	13,070	13,111	41	20,530	20,530
Direct Costs	11,330	10,842	488	18,001	17,801
Indirect costs	1,118	1,039	79	1,652	1,652
Overhead and Support Costs	582	582	0	874	874
Net Surplus - Deficit	38	647	609	0	203

Meal Numbers

Meal Numbers (000's)	Budget to date	Actual	Variance
Primary - Free Meals	500	503	3
Primary - Paid Meals	1,190	1,185	(5)
Universal Infant Free Meals	2,088	2,103	15
Secondary & SLA	1,518	1,526	8
Specials	31	32	1
Total	5,327	5,349	22

Building Cleaning FM

Overall Performance

Financial

	Budget to date (£000's)	Actual (£000's)	Variance (£000's)	Revised Annual Budget (£000's)	Forecast Outturn (£000's)
Turnover	9,205	9,245	39	13,635	13,635
Direct Costs	8,065	8,090	(25)	12,200	12,200
Indirect costs	667	636	31	1,000	1,000
Overhead and Support Costs	527	527	0	791	791
Net Surplus - Deficit	(53)	(8)	45	(357)	(357)

3.3 County Hall & Trent Bridge House Catering and FM

Full internal Health & Safety audits were conducted across all county offices. Observations and non-conformities have been addressed and necessary non-compliance now addressed. We are using this to further develop lasting and robust quality systems.

It would not be unrealistic to expect a catering breakeven position at the conclusion of the current financial year. We continue with work through the Riverview restaurant and Porthole in Trent Bridge House, to make this a reality for the first time. Period 8 figures bear this out.

Production of a further 60 school meals commenced in the Riverview from 12th Sept 2016. These are for Ash Lea School. This arrangement continues to progress well. We receive regular positive feedback from the school.

The catering team are planning a minor refurbishment of the Coffee shop in County Hall to improve access for guests and employees with reduced mobility.

4. Refurbishment County Hall

All communications are now in place for phase II of the CLASP demolition process. The temporary cycle lockup facility is functioning well.

This phase necessitates the loss of substantial car parking. To this end, updated line marking with clearly defined visitor bays and Blue Badge parking are in place. The demolition phase has now commenced. Facilities Management colleagues are managing the situation on a daily basis.

Interim arrangements are in place for delivery management during the period of time that the loading bay is within the demolition zone.

5. General

C&FM are considering a new Customer Relationship Management System (CRM) across our service areas that will enhance the real time business information available to us. We see this working in partnership with the Cypad project.

CRM is a term that refers to practices, strategies and technologies used to manage and analyse customer interactions and data throughout the customer lifecycle, with the goal of improving business relationships with customers, assisting in customer retention and driving sales growth. CRM systems are designed to compile information on customers across different channels or points of contact between the customer and C&FM.

We are also currently undertaking a full appraisal of our marketing and merchandising in line with competitor practices.

6. Car parking

A stronger stance will be implemented in January 2017 at LVH regarding the double and triple parking. Specifically, electronic communications have been sent to all Lawn View House employees regarding inconsiderate parking at the venue. This has resulted in an immediate reduction in double parking.

Corporate communications have been posted on the Intranet and via posters and leaflets. White line repainting, together with identification of no parking zones will take place at the end of January 2017. A car-park working group has now been established; to include

operational, legal and Trades Union representation. The initial meeting of the new group is scheduled for the 18th January 2017.

Consistent and regular communications will be fed through Tenants Group meetings on a building by building basis, and as a core agenda item.

7. Door Access

Hardware rollout per building started 30th January 2017 - simultaneous testing by the project team will also take place - one card will do all, including the possibility to facilitate food payment at Trent Bridge House and County Hall. Trent Bridge House and County Hall will be the final buildings to be completed for two reasons:

1. They are the largest projects and require the most dedicated input.
2. We envisage that all potential issues will have been addressed as part of the smaller building rollouts ensuring minimal disruption and maximum efficiency.

8. Confidential Waste

A full appraisal for county offices & care homes is underway to confirm current practice and to establish a generic procedure going forward. A progress update was submitted to the Information Management Group (IMG) for their meeting on January 18th 2017.

The objective of this work is to build on the existing systems and ensure all buildings and departments are following compliancy procedures for their area of work.

9. Sickness monitoring

Catering & Facilities Management are now focusing on sickness absence. Monthly clinics are now in place whereby area managers are being asked to report on current figures and the actions in place to reduce the level in line with Nottinghamshire County Council targets.

9. Reasons for Recommendation

The monitoring of performance of the Catering & Facility Management service supports the aspirations of the County Council to secure good quality affordable services.

10. Statutory and Policy Implications

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 only), the public sector equality duty, safeguarding of children and vulnerable adults, 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.

11. Financial Implications

The financial implications are contained within the body of the report.

RECOMMENDATION

That the Committee notes the contents of this report.

Jas Hundal
Service Director
Environment, Transport & Property

For any enquiries about this report please contact: John Hughes
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12. Constitutional Comments

This report is for noting only no Constitutional Comments are required

13. Financial Comments

The financial implications are set out in the report