

**REPORT OF SERVICE DIRECTOR, ENVIRONMENT, TRANSPORT & PROPERTY****OPERATIONAL REPORT - SCHOOLS AND ACADEMIES, CATERING AND FACILITIES MANAGEMENT SERVICES****Purpose of the Report**

1. This report provides the period 6 monthly performance reports for the Schools and Academies Catering and Facilities Management Services ending 30th September 2016.

**Information and Advice**

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

**Performance Reports****School Catering**

3. The Schools Catering Service served an average 42,477 meals per day over the 6 month period, a decrease of 2.2% 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 55.3% in secondary school/academy sector. This compares to 59.9% and 46.9% in the previous year respectively. Historically the summer term is the lowest time of year for the uptake of school meals.

Take-up of Universal Infant Free School Meals (UIFSM) for April – September 2016 is currently 75.7% compared to 79.0% 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 73.4% take-up.

There are indications that the lack of recent media publicity both nationally and locally is impacting on reduced take up. The reductions are mirrored nationally.

4. New menus have been distributed and are due for launch. This launch will focus on rural and health themes. Initial feedback has been positive. Members saw hard copies at the previous Committee. Work is underway on the next school menu cycle.

5. The Cypad Kitchen Manager project is now in its major implementation phase – all 260 primary schools were live at the end of the July school closure. This will achieve major efficiencies for the business and streamline our internal communications capacity and increase effectiveness. Currently there is approximately a 50% reduction on paperwork submitted to the Business Support team. All catering suppliers are now coming ‘on-board’, enabling school kitchen teams to order products direct from devices, receive confirmation and take delivery. Cypad has significantly increased the ability to communicate instantly with the front line teams in school kitchens. Feedback from frontline catering employees continues to be overwhelmingly positive.
6. A number of schools are considering the type of contract they currently have with School Catering and are looking to have individual stand alone contracts rather than the current cross-subsidised contract, especially as schools plan to transfer to academy status. This has a significant impact on the business model in relation to the Services for Schools Contract. A further report on this will be brought to a future meeting of the Committee.
7. The recent changes in the value of the pound have led to cost increases in the food supply chain. The impact on annual food costs will be in the region of £150k per year starting in November.

## Overall Performance

### Financial

Cumulative take up for the period April – Sept 2016:

	Pupil premium		UFSM		Paid Meals		Overall Take Up	
	2016	2015	2016	2015	2016	2015	2016	2015
Primary	73.4%	75.2%	75.7%	79.0%	44.0%	46.3%	61.0%	63.0%
Secondary	74.0%	66.9%	n/a	n/a	44.3%	41.0%	48.9%	45.7%

### Meal Numbers

Meal Numbers – 000s To 30.09.2016	Budget	Actual	Variance
<b>Primary Free Meals</b>	376	341	(35)
<b>Primary Paid Meals</b>	795	791	(4)
<b>Universal Infant Free Meals</b>	1,413	1,405	(8)
<b>Secondary</b>	1,007	1,014	7
<b>Special Schools</b>	21	21	0
<b>Total</b>	3,611	3,572	(39)

## Financial Performance to budget

To 30.09.2016	Actual	Budget	Variance	Forecast Outturn Budget
<b>Income</b>	£8,865,000	£8,945,000	(£80,000)	£20,736,000
<b>Direct Costs</b>	£7,804,000	£8,211,000	£407,000*	£18,180,000
<b>Indirect Costs</b>	£831,000	£899,000	£68,000	£1,679,000
	£437,000	£437,000	0	£874,000
<b>Net Surplus/Deficit</b>	(£207,000)	(£601,000)	£394,000	£3,000
<i>Supplier invoice 2015/16</i>	<i>£73,000</i>	<i>0</i>	<i>-£73,000</i>	<i>-£73,000</i>

## Facilities Services 2016/17 Buy-Back Update

The overall position is a deficit of £295k to date.

8. It is a challenging period for the service as Schools / Academies and also non-school customers continue to review their budget positions. School budgets are estimated to reduce in real terms due to increasing numbers of children and flat funding
9. The Landscape Services business is projected to lose approximately 9% of its turnover this year as customers consider alternatives. However, the most significant cause of turnover reduction with Landscape Services has been the result of existing customers reducing their current work schedules in order to minimize service costs; plus a number of sites who are undergoing development works whereby green space maintenance has been reduced.
10. The Building Cleaning Services is projected to see its turnover reduce by approximately 6% as customers face similar challenges and consider service level reductions to meet their budgetary requirements. This service has continued to see further requests from Schools to supply their Site Management/Caretaking provision and as a result new posts have been created for a number of schools.
11. The Minster Academy contract however has started well following our success in bringing it back from the private sector.
12. Facilities Services are carrying out a review of all contracts and direct costs in order to align the turnover and costs. Budget pressures remain with many customers continuing to review services and are requesting reductions. An example of this is the Children's Service. They have informed us that they would like to reduce their Cleaning provision by £100k per year. Current contract turnover here is £400k per year. The FM team recognise the need for innovative solutions to support customers and will be offering alternatives to customers, including schools , academy's
13. In addition, planned savings in the FM budgets for county offices are on course to be delivered.

14. Work continues with the improvement programmes, in particular Smarter Working, and corporate business support teams to review operating procedures within county offices and in developing a service delivery model across the county office estate that is aligned to the resource hub operating in both County Hall and Trent Bridge House. The most advanced aspects of these projects are at Lawn View House (LVH) and Sir John Robinson Way. New seating arrangements for C&FM are in place at LVH.

### Overall Financial Performance

	Budget to date (£000's)	Actual (£000's)	Variance (£000's)	Revised Annual Budget (£000's)	Forecast Outturn (£000's)
Turnover	6,780	6,775	(5)	0	13,386
Direct Costs	5,947	6,135	(187)	0	11,904
Indirect costs	503	539	(36)	0	1,006
Overhead and Support Costs	395	395	0	0	791
Net Surplus - Deficit	(66)	(295)	(229)	0	(315)

### County Hall & Trent Bridge House Catering & Facilities Management

15. A number of improvements have taken place at County Hall and Trent Bridge House.

Performance highlights are as follows:

#### Riverview

- The first 4 periods of 2016/2017 are on target to achieve year end breakeven.
- West Bridgford catering have added an additional 80 school meals per day to production. To date the feedback has been excellent.
- Introduction of additional hot items in the County Hall coffee shop venue has resulted in sales of approximately £260 - £300 per day in total. This range of products will be extended in the forthcoming months to reflect both trends and seasonality.

#### Porthole:

- Regular management/supervision taking place.
- Income is rising. It is anticipated that this will increase, as services relocate to Trent Bridge House.

#### General:

- It is planned to extend the Cypad programme to the West Bridgford catering and FM operations in addition to its inspection and audit capability proposed for Building Cleaning operations.
- FM are reviewing the feasibility of upgrading the CCTV system in 2016/17.
- A full review of personal emergency evacuation plans for all areas/floors of both County Hall and Trent Bridge House is underway. Call Point training for Fire Marshalls

and Wardens has already taken place in both buildings. This includes coordination after evacuation has taken place. This is being extended to all county offices.

- County Hall & Trent Bridge House catering expect a breakeven result at the conclusion of the current financial year.

### **Further works underway within the West Bridgford campus:**

- Emergency Lift evacuation and servicing – ensuring continuity of service.

Additional external call point's system access for communication during an evacuation to be installed at TBH and CH. We are also updating the lift void inspection protocols in partnership with Property colleagues; to ensure adherence to asbestos management and safety procedures. Work continues with Property/Arc to create a procedure for shutting off the vents in the event of a 'white powder' incident. It is proposed to extend this to other buildings in the estate.

- Deaf-Alert systems implemented across county buildings – procedures and user guides to be produced.

### **Temporary cycle lock up facility**

This is located at the Bridgford North end of the H block will be in use for the duration of the Clasp demolition works.

### **Clasp demolition update**

The work commenced on the 19<sup>th</sup> September 2016. Detailed communication with Members/Staff/Public & residents has been highly effective. Proposals for revised/defined visitor/staff parking being drawn up.

### **Training and Development**

16. Training over 2500 employees dispersed over 400 operational units throughout the county remains both a priority and a challenge. The electronic Kitchen Manager project (Cypad) will facilitate our mandatory and additional training requirements across all school kitchens. It also has the ability to encompass our inspection and audit requirements with report capability sent directly and electronically to the customer; together with its instant ordering and communications capability.
17. A number of ongoing training modules and courses which cover areas such as safeguarding children, food safety, control of substances, FM services, health and safety, asbestos awareness and Prevent. Core training activity remains on target. An update will be included in the next Personnel Committee report.
18. The services continue to achieve ISO 9001 and OHSAS 18001 accreditations. This is currently receiving particular focus from C&FM into 2016 with full senior management support. FM are currently exploring the feasibility of having only one accreditation body across CFM.
19. A new round of asbestos awareness sessions are planned 2017.
20. C&FM managers are now utilising the BSC e-recruitment functionality which is being supported by C&FM business support colleagues.

21. A number of Health & Safety specific audits have taken place across several NCC county offices. Non conformities and observations are currently being addressed by and within C&FM.

22. Performance data for both Schools Catering and Facilities Management are contained at the end of this report.

### **Other Options Considered**

23. None – report for noting only.

### **Reasons for Recommendation**

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

### **Statutory and Policy Implications**

25. 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.

### **Financial Implications**

26. 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**  
**Group Manager – Catering & Facilities Management or alternatively Shane Grayson**

### **Constitutional Comments**

27. This report is for noting only no Constitutional Comments are required

### **Financial Comments**

28. The financial implications are set out in the report