

**REPORT OF SERVICE DIRECTOR, TRANSPORT, PROPERTY &
ENVIRONMENT****PERFORMANCE REPORT - CATERING & FACILITIES MANAGEMENT
SERVICES****Purpose of the Report**

1. This report provides information to the Personnel Committee on the performance of the Environment & Resources Department Catering & Facilities Management Services as at 31 March 2013

Information and Advice

2. The Environment & Resources Department provides a range of Catering & Facilities Management services across the County Council predominantly schools and academies; services provided also include the County Office Estate such as County Hall, Trent Bridge House, Lawn View House, Meadow House, Sir John Robinson Way, Sherwood Energy Village as well as Retford, Mansfield and Newark Bus Stations, Bilsthorpe Highways Depot and a countywide hospitality service. The service also delivers tailored services to Libraries, Country Parks, Childrens' Centres & Bassetlaw District Council.
3. The majority of the income to the service is derived from sold services to schools operating on a full cost recovery basis via service level agreements or contracts. With all budgets delegated schools operate within a mixed market economy and are serviced either by the County Council, private contractors or with self-managed arrangements. C&FM are sub-contractors for both Carillion and Balfour Beatty in delivering the frontline services to the East Leake and Bassetlaw PFI service arrangements.
4. C&FM manage operational budgets for the County Office estate which includes, building cleaning, grounds maintenance, facilities officers, assistants, site managers and in the newly refurbished buildings post rooms, stationery supplies. .. These budgets will be the target for cost reductions in 2014/15. As an interim measure and subject to review later in the year C&FM have taken on additional management responsibility for elements of building maintenance and property management issues.
5. C&FM employs just over 3,000 staff most of who are part time. As well as the legislatively compliance requirements covering both food safety and health & safety, with the aid of two specialist skills trainers, resources are targeted at accident and incident reduction, customer care skills together with professional knowledge and skills required in delivering frontline services.

Summary of Performance – Appendix 1

Schools Catering

6. Levels of buy back for 2012/13 remained relatively consistent from previous years however two secondary academies now no longer purchase an NCC provided service. Take up of meals increased this year by benefitting from a number of theme and promotional events. Although slightly below the target set meal take-up still represents an overall increase on previous years with an extra 204,000 being served and turnover increased by 1.4% to £16m
7. Particular mention should be made again of the increase in secondary school meal sales, approximately with overall take-up increased from 38.2% in 2011/2012 to 43.7% in 2012/2013. Primary Schools increased from 43.3% in 2011/12 to 44.7% in 2012/13 and are now at their highest for the last 15+ years.
8. A national action plan is due to be released in the Summer of 2013 following extensive industry and education department consultations which is likely to include the recommendation to move from rigid nutritional standards to food based standards and be extended to include academies who are currently exempt for school food regulations.
9. Financial performance has improved since the last report to Committee. The budget adjustments made which reduced expenditure in non-essential areas such as equipment replacements and sundry items to allow an increase in the food budgets to offset the above inflation food costs has greatly assisted in this process. £154k has been returned as profits to secondary and academies and £353k surplus has been returned to the Authority for future investment representing excellent overall service performance
10. Changes for schools in the budget delegation process from April 2013 have now been implemented. Of particular significance is the change from reclaiming the full free meal budget entitlements delegated to schools, to charging for free meals served linked to the selling price of a meal. The vast majority of schools will see a minimal impact on charges but for some where the level of take-up is higher than the county average then there will be a slight increase. Schools will continue to receive a charge for the delegated school meal lunch grant at £13 per pupil on roll. With an income of £675k to the school meals service this has made it possible to maintain the selling price at £2 for the fourth consecutive year.

County Hall & Other Catering

11. Overall performance for the year has been satisfactory. With an overall increase in income in the Riverview Restaurant & Coffee Shop. Functions and special events catering continue to reduce. Recognising the frozen pay awards for staff over the past 4 years a selling price sensitive approach has been taken to reduce operational costs ahead of extensive price increases to customers. Both Retford Bus Station and the catering facility at Bilsthorpe Highways Depot continue to enjoy high levels of customer satisfaction and are achieving the set financial targets. Consultation is now complete with catering staff delivering services at the refurbished Adult Social Care Day Centres and will move to the line management of C&FM from June 2013. This a new area of work for C&FM and will provide cost effective catering support, financial performance monitoring and service improvements to Adult Social Care colleagues and service users.

Facilities Management

12. The Building Cleaning Service completed the year with turnover of £10.6m which was 1.2% above target. This was achieved despite reducing charges to a number of internal and external customers by remodelling service arrangements. The increase has been achieved by providing additional services including caretaker management and sub-contracted services such as security, window cleaning & waste disposal management.
13. Grounds Maintenance with a turnover of £2m this came in below target due to a reduction in work construction work as a result of severe customer budget pressures. However with the tight control on expenditure and management of overheads the financial targets were achieved.
14. A customer satisfaction was conducted during the year and although only a 13% response rate was achieved 86% of respondents were satisfied with cleaning standards up from 66% in 2010. Overall 94% of respondents considered the overall service good or very good. Some comments were received over insufficient hours allocated in buildings however as these are linked directly to charges these can be increased if required.
15. In an effort to improve customer service and reduce costs the County Offices FM portfolio are now managing additional services on behalf of the Corporate Estates . For the West Bridgford Campus, County Hall & Trent Bridge House these include post rooms, stationery and printing resource hubs as well as the site management for both maintenance, building cleaning and security.
16. C&FM also manage the resource of Solutions 4 Data supported employment team who now scan invoices and other sensitive data on behalf of the Council. They completed a scan of over 1m documents in 2012/13 up from previous years.

Other Options Considered

17. None -Report for information.

Reasons for Recommendations

18. The monitoring of performance of the catering services supports the aspirations of the County Council to secure good quality affordable services.

Statutory and Policy Implications

19. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service 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

20. The monitoring of service performance will ensure that expenditure on catering services will be used efficiently and effectively.

RECOMMENDATION

21. That this report is noted.

Report Author – Kevin McKay

Report Author – Group Manager Catering & Facilities Management.

**For any enquiries about this report please contact: Kevin McKay
Group Manager – Catering & Facilities Management**

Constitutional Comments

Because this report is for noting only no Constitutional Comments are required

Financial Comments

There are no direct financial implications as a result of this report..

Background Papers

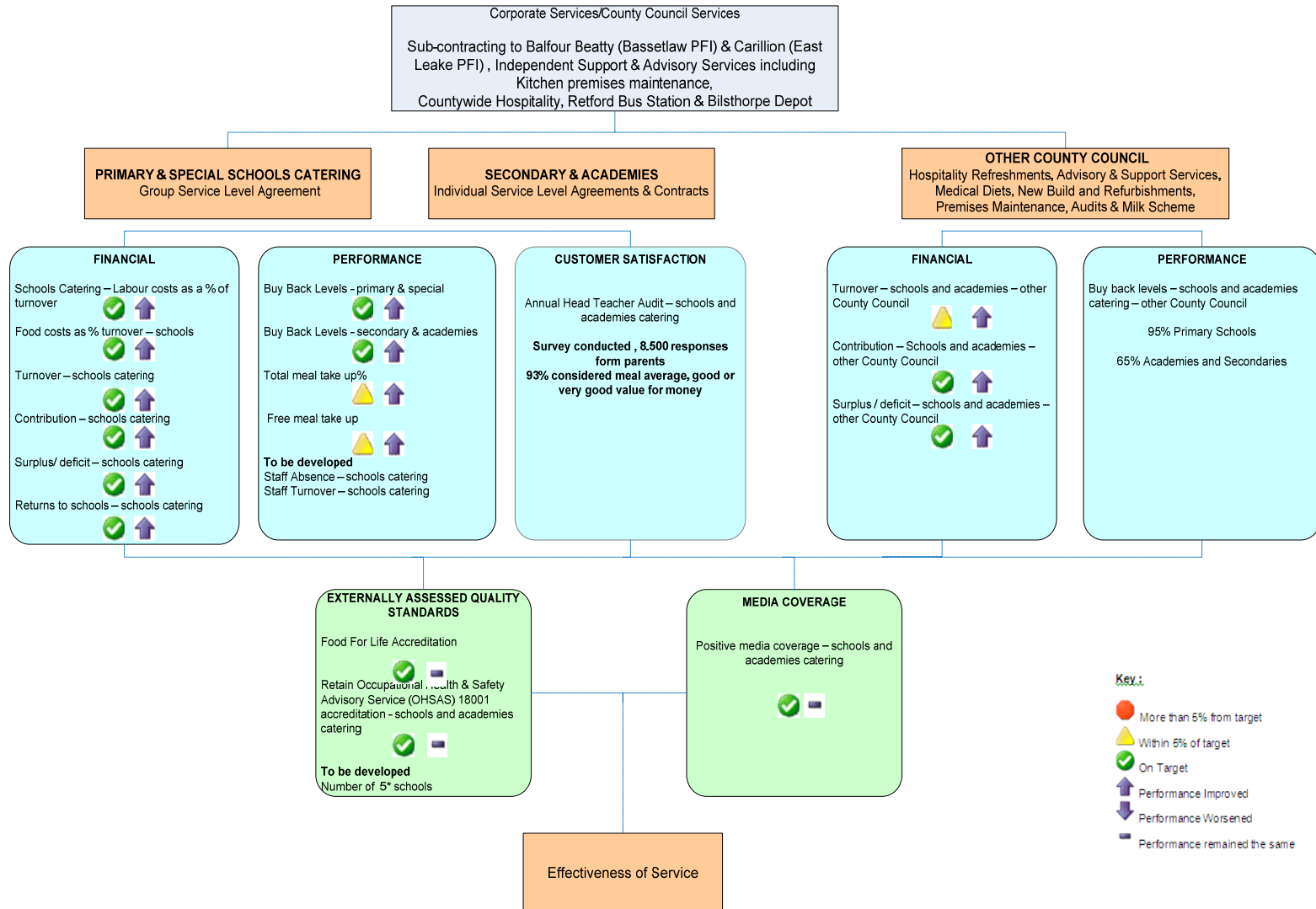
None

Electoral Division(s) and Member(s) Affected

Nottinghamshire

CATERING & FACILITIES MANAGEMENT GROUP

SCHOOLS & ACADEMIES CATERING 2012/13



CATERING & FACILITIES MANAGEMENT GROUP

FACILITIES MANAGEMENT 2012/13

Schools & Academies, Library Services, Children's Centre, Bassetlaw District Council, Area County Offices, Retford & Newark Bus Stations, Sub-contracting to Balfour Beatty (Bassetlaw PFI) & Carillion (East Leake PFI)
Independent Cleaning and Janitorial Support & Advisory Services.

BUILDING CLEANING & CARETAKING
Individual Service Level Agreements & Contracts Sub Contracting for:- Waste Management, Washroom, Facilities, Window Cleaning, Security

GROUND'S MAINTENANCE
Individual Service Level Agreements & Contracts for:- Day to day planned maintenance, Construction Projects

FINANCIAL

Contribution - Landscape Services



Labour costs as % of turnover - Landscape Services



Turnover - Landscape Services



Contribution - Building Cleaning



Labour costs as % of turnover - Building Cleaning



Turnover - Building Cleaning



Contribution - Peripatetic caretaking



Turnover - Peripatetic caretaking



Direct Costs - Facilities Management-Security and Building Cleaning



PERFORMANCE

Buy Back Levels - Building Cleaning
Buy Back Levels - Caretaking
Buy Back Levels - Grounds Maintenance

CUSTOMER SATISFACTION

Annual Survey

86% of respondents satisfied with standards
98% consider cleaning staff perform good

EXTERNALLY ASSESSED QUALITY STANDARDS

Retain Occupational Health & Safety Advisory Services (OHSAS) 18001



Retain ISO 9001 accreditation



Key:



More than 5% from target



Within 5% of target



On Target



Performance Improved



Performance Worsened



Performance remained the same

Contract Monitoring

Effectiveness of Service

CATERING & FACILITIES MANAGEMENT GROUP

FACILITIES MANAGEMENT (WEST BRIDGFORD CAMPUS) COUNTY HALL & TRENT BRIDGE HOUSE 2012/13

