

Name of meeting: Cabinet

Date: 22nd February 2022

Title of report: Catering Service Baseline Capital Plan – Proposed allocation of funding for the 22/23 & 23/24 - 2-year baseline programmes

Purpose of report:

A 2-year self-investment programme of £200k per annum to support contract renewal business retention.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	Key Decision – No This is only applicable to Cabinet reports Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	No If no give the reason why not
Date signed off by <u>Strategic Director</u> & name	19/01/2022 Colin Parr – Strategic Director – Environment and Climate Change
Is it also signed off by the Service Director for Finance?	18/01/2022 Eamonn Croston Service Director – Finance
Is it also signed off by the Service Director for Legal Governance and Commissioning?	18/01/2022 Julie Muscroft Service Director - Legal, Governance and Commissioning
Cabinet member portfolio	Cllr Carole Pattison

Electoral wards affected: All

Ward councillors consulted: No

Public or private: Public

Has GDPR been considered? Yes no implications

1. Summary

- 1.1 Members are asked to consider a 2-year investment programme and to authorise delegated powers for officers to manage the programmes within their respective budget envelopes.
- 1.2 The report to seeks members spending approval for 22/23 and 23/24 of £200k per annum for the below outlined programme.
- 1.3 The reports overviews to members details of spending for 21/22, seeking retrospective approval, details in appendix A

2. Information required to take a decision

(a) Background

- 2.1 The School Catering Service is traded service and is in contract with 152 schools throughout Kirklees serving over 37,000 meals a day. The service is allocated a baseline budget of £200k per annum in the Capital Plan and this funds upgrades to furniture, new catering service areas and equipment for school catering development and aiding business retention in a competitive market in both primary and high schools. The school catering sector is now a highly competitive market which has driven up standards and expectations from pupils. As a result, the catering service needs to continue to invest in the infrastructure to maintain a competitive edge to sustain existing business, bid for new business, increase uptake and continue to deliver a surplus to the council. Previous capital investment has included the renewal of service counters, mobile “Deli Bar” units, improved branding utilising the “eat in” (high school) and “munchin” (primary school) branding, biometric cashless systems and dining furniture. The benefits of continuing with this investment are maintaining existing business and continuing to drive up standards across all schools the service contracts with. This investment would include maintained schools and academies to ensure consistency of service across the district.

Projected Spend Categories 22/23 & 23/24

Kitchen – Ceilings, floors, tabling, décor electrical work, dish washers sterilising units	£75k
New service areas – New counters full rebrand and external PODS highs	£100k
Service Trolleys – New service trolleys and rebrand Primaries	£100k
Health and safety work – storage, fire shutters	£25k
Furniture – tables, chairs, replacement programme	£75k
Till/ biometrics upgrades	£25k
Total	£400k

- 2.2 Where appropriate, the Catering service works together with Corporate Landlord to co-ordinate with any condition works being undertaken within a school.

(b) Financial Delegations

- 2.3 In order to aid the implementation of the Catering baseline 2 year plan, Members are requested to delegate authority in accordance with the Council’s Financial Procedure Rules

3.13, to the Service Director – Culture and Visitor Economy, to manage the implementation of the identified works within the respective agreed total programme budget.

2.4 Delegated powers would include the authority to:

- Add new urgent projects to the programme without prior Cabinet approval providing that the total cost of the programme remains within the approved capital allocation set by Council.
- Defer or delete projects during the course of the financial year to enable the effective management of the programme concerned.

2.5 All virements, additions and deletions will be reported retrospectively to Cabinet in accordance with Financial Procedure Rules 3.18.

2.6 The budget of £200k per annum is used as a part of proactive and reactive investment and is allocated to key projects throughout the financial year. Elements of this budget will also support new business investment required when new contracts go live with the service that require upgrades to bring service to the required level, meaning capital will sometimes be rolled forward to support new business. The items identified in appendix (A) show the spend profile for 21/22 for which we are seeking retrospective approval.

3. Implications for the Council

- **Working with People**

The service regularly engages with stakeholders and end users to ensure investments are appropriate and will enhance how they engage with our services. We work closely with schools, head teachers, business managers, governors, pupils and parents when developing investments plans to ensure we achieve shared outcomes. Feedback is then sought upon project completion to ensure key outcomes were achieved.

- **Working with Partners**

The service works closely with key partners internal and external to the council to ensure projects are appropriately scoped out to meet their needs. Partners are engaged throughout the process to ensure they are updated with progress and when key milestones are achieved.

- **Place Based Working**

As a result of working with people and our key partners in each of the school settings we ensure the projects are developed in a place-based manner. This ensures that we don't apply a one size fits all principle and each project is developed to meet the needs of that school and community.

- **Climate Change and Air Quality**

The refurbishment schemes identified in this report will ensure that we are replacing inefficient equipment and electrical systems with modern, energy efficient materials and equipment that will contribute to an ever-reducing carbon footprint for the Council.

- **Improving outcomes for children**

General improvements in the condition of school kitchens will have a positive impact in that it will contribute to a safe environment for all pupils and staff. The school food plan puts great emphasis on a healthy balanced meal and improving the social element of dining as an integral part of the school day in supporting social skills and academic achievement. The modernisation of dining rooms will enhance the offer encouraging the maximisation of school meal uptake and business retention.

- **Other (eg Legal/Financial or Human Resources)**

Financial - The Catering Service baseline 2-year programme is also funded from prudential borrowing at a revenue financing cost of £24,000 per annum for 20 years. Schools pay this back as an additional charge to their catering contract. Any procurement will be undertaken in accordance with the council contract procedure rules.

4. Consultees and their opinions

Schools value the opportunity to invest in their kitchens and dining rooms through the school meal revenue stream and see capital investment as a vital part of their decision making when awarding catering contracts.

5. Next steps and timelines

Subject to approval of the proposed programmes, officers from the Catering Service will work with Technical Officers in corporate landlord and external suppliers to ensure the projects concerned are developed, designed, procured and implemented.

6. Officer recommendations and reasons

Members are requested to:

(a) consider and approve the proposed programmes of works and school catering equipment upgrades and replacement up to £400k max outlined in this report for the 2-year baseline capital programme.

(b) Members are requested to delegate authority in accordance with the Council's Financial Procedure Rules 3.12, to the Service Director – Culture and Visitor Economy, to manage the implementation of the identified works within the respective agreed total programme budget.

Delegated powers would include the authority to:

- add new urgent projects to the programme without prior Cabinet approval providing that the total cost of the programme remains within the approved capital allocation set by Council.
- slip or delete projects during the course of the financial year to enable the effective management of the programme concerned.

All virements, additions and deletions will be reported retrospectively to Cabinet in accordance with Financial Procedure Rules 3.18.

This investment will allow the service to continue to invest in key aspects of service delivery enabling the service to retain existing business and grow, whilst continuing to drive up standards of food and the overall dining experience.

7. Cabinet Portfolio Holder's recommendations

Cllr Carole Pattison

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8. Contact officer

Jaime Nalson – Operational Manager – Venues
 01484 221000
Jaime.nalson@kirklees.gov.uk

Spencer King – Contracts and Systems Manager
 01484 221000
Spencer.king@kirklees.gov.uk

9. Background Papers and History of Decisions

Catering Service Capital Plan – Proposed allocation of funding for the Compliance Essential Works 5 year and 18/19 – 20/21 2-year baseline programmes – August 2018

10. Service Director responsible

Adele Poppleton – Service Director – Culture and Visitor Economy
 01484 221000
Adele.poppleton@kirklees.gov.uk

Appendix A – Overview of Spending 21/22

	Revised Budget 2021	Actual Costs Period 9	Commitments to YE	Total Year End Forecast
School Catering	£ 200,000.00			
Boiler Replacement				£ 0.00
High School Service Counters				£ 0.00
Gas Regs Alterations		£ 0.00	£ 4,206.95	£ 4,206.95
Oven Replacements for Schools		£ 17,527.01	£ 0.00	£ 17,527.01
Service Counters		£ 20,160.60		£ 20,160.60
Dining Furniture		£ 25,697.68		£ 25,697.68
Replacement Trolleys in Primary Schools		£ 22,710.00	£ 10,493.80	£ 33,203.80
Rep of Dishwashers for Schools		£ 31,674.34	£ 9,435.59	£ 41,109.93
Biometric Till Upgrades			£ 20,000.00	£ 20,000.00
Refridgeration Upgrades			£ 15,000.00	£ 15,000.00
Total	£ 200,000.00	£ 117,769.63	£ 59,136.34	£ 176,905.97

