

## Notice of a Meeting

### Strategy & Partnerships Scrutiny Committee

Thursday, 2 February 2012 at 1.30 pm

County Hall Meeting Room 4

#### Membership

Chairman - Councillor Nick Carter  
Deputy Chairman - Councillor Sandy Lovatt

*Councillors:*

Jean Fooks	Tim Hallchurch MBE	Dr Peter Skolar
Norman Bolster	Hilary Hibbert-Biles	David Wilmshurst
Liz Brighthouse OBE	Chip Sherwood	

#### Notes:

**Date of next meeting: 15 March 2012**

#### What does this Committee review or scrutinise?

- Corporate and community leadership; corporate strategies; regional issues
- Local strategic partnerships and District Council liaison
- Social inclusion & equality; services for members
- Finance; procurement; property
- Culture change and customer focus; human resources; communications strategy; information and communications technology
- The elections and appointments functions of the Democracy & Organisation Committee
- The functions of the Pension Fund Committee

#### How can I have my say?

We welcome the views of the community on any issues in relation to the responsibilities of this Committee. Members of the public may ask to speak on any item on the agenda or may suggest matters which they would like the Committee to look at. **Requests to speak must be submitted to the Committee Officer below no later than 9 am on the working day before the date of the meeting.**

#### For more information about this Committee please contact:

Chairman	- Councillor Nick Carter E.Mail: <a href="mailto:nick.carter@oxfordshire.gov.uk">nick.carter@oxfordshire.gov.uk</a>
Committee Officer	- <i>Julia Lim</i> , Tel: (01865) 816009 <a href="mailto:julia.lim@oxfordshire.gov.uk">julia.lim@oxfordshire.gov.uk</a>



Peter G. Clark  
County Solicitor

January 2012

## About the County Council

The Oxfordshire County Council is made up of 74 councillors who are democratically elected every four years. The Council provides a range of services to Oxfordshire's 630,000 residents. These include:

schools	social & health care	libraries and museums
the fire service	roads	trading standards
land use	transport planning	waste management

Each year the Council manages £0.9 billion of public money in providing these services. Most decisions are taken by a Cabinet of 9 Councillors, which makes decisions about service priorities and spending. Some decisions will now be delegated to individual members of the Cabinet.

## About Scrutiny

Scrutiny is about:

- Providing a challenge to the Cabinet
- Examining how well the Cabinet and the Authority are performing
- Influencing the Cabinet on decisions that affect local people
- Helping the Cabinet to develop Council policies
- Representing the community in Council decision making
- Promoting joined up working across the authority's work and with partners

Scrutiny is NOT about:

- Making day to day service decisions
- Investigating individual complaints.

## What does this Committee do?

The Committee meets up to 6 times a year or more. It develops a work programme, which lists the issues it plans to investigate. These investigations can include whole committee investigations undertaken during the meeting, or reviews by a panel of members doing research and talking to lots of people outside of the meeting. Once an investigation is completed the Committee provides its advice to the Cabinet, the full Council or other scrutiny committees. Meetings are open to the public and all reports are available to the public unless exempt or confidential, when the items would be considered in closed session

**If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, giving as much notice as possible before the meeting**

**A hearing loop is available at County Hall.**

# AGENDA

- 1. Apologies for Absence and Temporary Appointments**
- 2. Declarations of Interest - see guidance note on the back page**
- 3. Speaking to or petitioning the Committee**
- 4. Food with Thought and the new Property & Facilities single service provider contract**

1.40

At its meeting on the 12<sup>th</sup> January the Strategy & Partnerships Scrutiny Committee agreed to hold an additional meeting to consider a report to Cabinet on 6<sup>th</sup> February concerning the inclusion of Food with Thought (FwT) within the scope of the integrated Property & Facilities external service contract.

The report will outline the qualitative information received so far from potential providers in relation to the quality of the service they would be able to provide. Cabinet will then determine whether the service outlined meets their aspirations for school meals provision in future and therefore whether Food with Thought should be part of the fully costed tenders submitted for final contract award in March.

Martin Tugwell, Deputy Director Growth and Infrastructure will present the report and answer questions raised by the committee.

The Strategy and Partnerships Scrutiny Committee have an opportunity to provide comments to Cabinet on the response of the potential providers to the specification for the school meals service.

The Cabinet report will be available on 27<sup>th</sup> January 2012.

- 5. Close of Meeting**

## Declarations of Interest

This note briefly summarises the position on interests which you must declare at the meeting. Please refer to the Members' Code of Conduct in Part 9.1 of the Constitution for a fuller description.

### **The duty to declare ...**

You must always declare any "personal interest" in a matter under consideration, i.e. where the matter affects (either positively or negatively):

- (i) any of the financial and other interests which you are required to notify for inclusion in the statutory Register of Members' Interests; or
- (ii) your own well-being or financial position or that of any member of your family or any person with whom you have a close association more than it would affect other people in the County.

### **Whose interests are included ...**

"Member of your family" in (ii) above includes spouses and partners and other relatives' spouses and partners, and extends to the employment and investment interests of relatives and friends and their involvement in other bodies of various descriptions. For a full list of what "relative" covers, please see the Code of Conduct.

### **When and what to declare ...**

The best time to make any declaration is under the agenda item "Declarations of Interest". Under the Code you must declare not later than at the start of the item concerned or (if different) as soon as the interest "becomes apparent".

In making a declaration you must state the nature of the interest.

### **Taking part if you have an interest ...**

Having made a declaration you may still take part in the debate and vote on the matter unless your personal interest is also a "prejudicial" interest.

### **"Prejudicial" interests ...**

A prejudicial interest is one which a member of the public knowing the relevant facts would think so significant as to be likely to affect your judgment of the public interest.

### **What to do if your interest is prejudicial ...**

If you have a prejudicial interest in any matter under consideration, you may remain in the room but only for the purpose of making representations, answering questions or giving evidence relating to the matter under consideration, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

### **Exceptions ...**

There are a few circumstances where you may regard yourself as not having a prejudicial interest or may participate even though you may have one. These, together with other rules about participation in the case of a prejudicial interest, are set out in paragraphs 10 – 12 of the Code.

### **Seeking Advice ...**

It is your responsibility to decide whether any of these provisions apply to you in particular circumstances, but you may wish to seek the advice of the Monitoring Officer before the meeting.

Division(s): All

## CABINET – 6 FEBRUARY 2012

### PROPERTY AND FACILITIES EXTERNAL SERVICES CONTRACT FOOD WITH THOUGHT/QUEST CLEANING SERVICES

#### Report by Director for Environment and Economy

#### Introduction

1. The purpose of this paper is to inform the decision as to whether the proposals put forward by the potential providers in respect of the catering and cleaning services provided by Food with Thought (FwT) and Quest Cleaning Services (QCS) meet the requirements of the contract specification for the proposed Property and Facilities external services contract.

#### Procurement Status

2. At its meeting on 18 October the Cabinet agreed to include the current catering and cleaning services provided by Food with Thought (FwT) and Quest Cleaning Services (QCS) within the scope of the proposed Property and Facilities external services contract.
3. In arriving at this view the Cabinet stressed the need to be assured in the first instance that the service offered by a potential provider meets the County Council's expectations in terms of standards and quality.
4. As part of the procurement process potential providers have submitted detailed technical solutions. These set out how they propose to meet the requirements of the contract specification. The solutions submitted have been the subject of a detailed evaluation by the procurement team. An on-going dialogue has been maintained with the potential providers enabling technical issues to be clarified by both parties as appropriate. In addition the evaluation team has undertaken a series of site visits to experience at first hand the services offered by potential providers.
5. Given the importance attached by the Cabinet to maintaining existing standards and quality of services – in particular the catering services provided to schools – this report summarises the nature of the offer set out in the detailed technical solutions submitted.
6. The next stage in the procurement process will be to invite potential providers to submit their final financial offer. This will be priced on the basis of the detailed technical solution put forward. In inviting final financial offers to be submitted it is essential that the Cabinet can be assured that the proposals put forward satisfies its requirements in terms of standards and quality.

7. Final financial offers will be invited on the basis of pricing with FwT and QCS included in the contract. Once those offers have been received they will be assessed on the basis of their value for money. The Cabinet will consider the final financial offers and make a final decision at its meeting on 13 March.

### **Specification**

8. The specification against which detailed technical solutions have been prepared reflects the current standards and services that FwT currently aim to deliver. It was prepared by the County Council's manager responsible for delivering the current service, with input from the area managers within FwT. The specification has also been shared with the relevant Cabinet members and members of Strategy and Partnership Scrutiny Committee.
9. Whilst overall FwT has made substantial improvements in the service offered to schools, pressures within the service have meant that management focus has varied from school to school. As a consequence standards have not always been consistently achieved in all schools. The specification for the contract requires the appointed Service Provider to achieve levels of service consistently across all schools and to demonstrate this to the satisfaction of the County Council.

### *Scope*

10. The specification requires the Service Provider to support local Healthy School Programmes as well as other appropriate Government led and local initiatives (e.g. Fit for Life and Five-a-Day): this includes County Council requirements to continue with the use of fresh and locally sourced produce. The Provider is obliged to maintain and improve current service levels, promote healthy eating to pupils and parents, and the Council's Food and Health Policy, as well as to meet all statutory food and health standards: the current standards exceeding the statutory minimum. They are also required to provide a service that is capable of serving all those who request a meal during core hours.
11. The minimum level of service to schools is defined as being:
  - Morning fruit bar – where currently provided and/or requested
  - Two hot main meal protein items, one of which must be suitable for vegetarians, along with a potato, rice/pasta choice, and two vegetables that complement the main meal
  - Crudités and fresh fruit, bread and drink will be available from the start till the end of the meal
  - Deserts served with an appropriate accompaniment
  - Packed lunches where requested to the same nutritional standard as hot meals, and containing 5 items as a minimum
  - Buffets and ad hoc catering requests

12. The Provider is required to ensure that meals served take into account special dietary requirements, including those resulting from the diverse cultural and religious background of the schools' population.
13. The specification also requires the Provider to invest in staff training, to include:
  - Statutory training for all staff
  - NVQ 2 in professional cookery for cooks and supervisors
  - Apprenticeships
  - Management training and development
  - The continued development of the County Council's school catering service training facilities
14. As set out in the previous report to the Cabinet, the specification ensures that the County Council retains control in determining the school meal price. Potential providers have been told that the price per meal for the new academic year (starting September 2012) will be set at £2.00 per meal (down from the current £2.10 per meal)

*Service Customisation*

15. The scope of service documents describe the range of services to be provided under the contract and the standards to which they must be delivered. Under the current contract arrangements individual schools have the ability to tailor the service provided to suit their particular needs and budgets.
16. This flexibility will be retained within the new contract. The Service Provider will take on the delivery of the service into each school through a Service Level Agreement (SLA) between the school and the Council, with the Service Provider acting as a sub-contractor supplier. Requirements relating to quality, hygiene, health and safety and food standards will be maintained within the context of a SLA. Schools will have the ability to adjust their SLA annually.

*Performance Management*

17. Performance Management of the new contract will be through a series of sixteen Key Performance Indicators (KPIs). Of these, two are directly related to the catering service with a third influenced by it. The relevant KPIs are:
  - KPI 4 requires that as a minimum the Service Provider achieves 95% of the Performance Requirements set out in the Scope of Services in any monitoring period; within schools catering there are 28 Performance Requirements, and there are a further 18 Performance Requirements within the civic catering Specification
  - KPI 7 requires that Customer Satisfaction achieves a minimum score of 85%
  - KPI 15 requires the Service Provider to achieve 100% adherence to the food standards identified in the Specification.

18. Achievement of the Performance Requirements will be monitored and recorded by the Service Provider and reported monthly to the Council; the Council's contract management team will review the reports against helpdesk and other records, and also undertake regular performance audits to ensure the accuracy of the reports.
19. Responsibility for the assessment and reporting of customer satisfaction will lie with the Service Provider; a questionnaire will be issued quarterly to customers requesting feedback on a range of defined aspects of the service.
20. Failure to achieve the KPI targets will require the Service Provider to take corrective action. The Provider will be required to demonstrate to the Council's Facilities Management staff that it has dealt with the cause of the failure.
21. The vast majority of service performance issues will be dealt with at this (operational) level. However if the issue is not resolved satisfactorily it will be escalated to the Council's contract management team.

### **Detailed Technical Solutions**

22. The contents of the detailed technical solutions are commercially confidential and therefore cannot be set out in detail.
23. The evaluation undertaken by the procurement team has examined at length the content of the detailed technical solutions. As a result of this evaluation it is satisfied that the solutions put forward by all three of the potential providers meets the requirements set out in the Council's specification.
24. In addition each of the potential providers has identified a number of initiatives over and above the requirements set out in the specification. The evaluation team is satisfied that the additional initiatives would bring added value to the new contract: they reflect the commitment of each provider to seek to grow the service.

### **Links with Corporate Priorities**

25. Inclusion of the catering and cleaning services provided by FwT and QCS within the proposed external services contract will support the following corporate policies and priorities:
  - Value for Money – the proposal will help achieve the County Council's value for money objectives
  - Customer Focus – the proposal will ensure that customers are central to the way the services are delivered and measured to ensure continuous improvement
  - Efficient and Effective – the proposal will ensure the services are delivered in the most efficient and effective manner, removing duplication and ensuring smart systems and new technology are adopted.



## Financial and Staff Implications

26. Given the Cabinet's commitment to ensuring that the new contract provides a high quality catering service, the potential providers were not tasked with achieving a financial saving target to be achieved through efficiency and cost reduction. Instead they were required to identify and commit to growth targets in order to achieve a surplus based on the current operating model: this could include a commitment to increase the take up in existing schools; selling the service to schools that currently don't take it; and selling the service to other organisations. As part of this approach the Service Provider will look to work with academies at their risk to increase the business base.
27. As part of their detailed technical solutions the potential providers have submitted 10-year business plans that set out their expected operating costs, investment, growth and surplus. Potential providers have had to demonstrate that they can deliver the required services without the benefit of the 'Jamie Oliver' grant from year 2 of the contract: a £450k annual grant from Government.
28. Utility costs will be paid for by the County Council, but the Service Provider will be required to use reasonable endeavours to minimise energy consumption.
29. Under the terms of the new contract the Service Provider will take on the risks associated with service delivery, the retention of participating schools, meal take up, staffing, health and safety and operating costs.
30. The Service Provider and County Council will share the risks associated with growth in the service and the dependence on devolved school budgets.
31. The County Council will retain the risks on the provision of the 'Jamie Oliver' grant in year 1 of the contract and historic employment based claims.
32. Staff currently employed in the provision of catering services through Food with Thought would be transferred to the Service Provider under the provisions afforded by TUPE.

## RECOMMENDATION

33. **The Cabinet is RECOMMENDED to confirm that the proposals put forward by potential providers meet the requirements of the contract specification for the proposed Property and Facilities external services contract and that accordingly it confirms its 'in principle' decision to include Food with Thought and Quest Cleaning Services in the invitation to submit final financial offers.**

HUW JONES

Director for Environment and Economy

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February 2012

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