

## MUNICIPAL YEAR 2014/2015 - REPORT NO.

### ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

### PORTFOLIO DECISION OF Schools and Children's Services

### REPORT OF:

Director of Schools and Children's  
Services (SCS)

Contact officer and telephone number:

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Part: 1	Item:
<b>Subject:</b> Virement to create budget and authority to procure for provision of kitchen equipment to schools to support implementation of Universal Infant School Meals (UIFSM) on 4 <sup>th</sup> September 2014	
<b>Wards:</b> All <b>Key Decision No:</b> N/A	
<b>Cabinet Member consulted:</b> Cllr. Ayfer Orhan	

## 1. EXECUTIVE SUMMARY

SCS is required to support the implementation of the governments UIFSM initiative in all Enfield Schools by 4<sup>th</sup> September 2014. Some schools require no additional support for this; others have required extensive capital investment only partly covered by government grant provided. A third group of schools, which require equipment only, need financial support from another source.

Enfield Catering Services (ECS) have calculated that the increased revenue income that will become available as a result of the increased numbers and the governments £2.30 per meal subsidy is estimated will provide additional income to the service to meet the cost of the additional equipment need to provide equipment to this group of schools.

The need is very urgent as UIFSM is a national initiative and supplies of equipment are running very low so orders need to be placed as soon as possible.

This DAR seeks approval to:

- To vire £150K from the services income budget, based on the estimated additional income that will be generated, to provide a budget for this purpose
- Purchase the equipment up to a value of £150K using Enfield Council approved procurement frameworks

## 2. RECOMMENDATIONS

1. To approve the creation of a UIFSM Equipment Budget through a virement of £150K from the services income budget.

2. To approve the procurement of up to £150K of equipment using Enfield Council approved procurement frameworks

### 3. BACKGROUND

Further to the Central Government's initiative for the implementation of UIFSM for September 2014, surveys on equipment levels and style of service have been undertaken at each school where additional equipment was required, but the costs were not covered by government grant or other identified capital sources.

The service has undertaken a review of current equipment levels across schools using the school meals service and it is estimated that the cost of providing the necessary levels of equipment to deliver the higher levels of meals will be £150K. The service has estimated that under the current SLA charging arrangements it will achieve a net increase in income after accounting for costs of £150k, this will enable the service to provide the necessary equipment to schools.

The funding is intended only for Schools that currently buy back a Catering Service from Enfield Council. However, request from non buy-back schools will be considered on a case by case basis.

A virement of £150k from this increased income is required to create the budget for this equipment to be purchased from.

In terms of identifying and procuring the equipment, surveys identified that additional heavy equipment, i.e. ovens, mobile servery units, and an extensive range of light equipment would be required to deliver the increased production levels.

Failure to purchase this equipment could result in failing to meet the increased production of additional meals that will be needed for the 4<sup>th</sup> September 2014 when the new term starts.

Extensive research has been undertaken to source the commercial catering equipment which will meet our needs. Preferred suppliers have been identified based on the performance and maintenance of existing equipment in kitchens across the service and whether they are already registered on Enfield Council approved Procurement Frameworks.

A total spend of £150,000 has been estimated to be required across all our sites in readiness for September. For information a breakdown of spend identified so far has been attached as **Part 2 – Commercial, Private and Confidential**, (currently amounting to £126,429 –a small contingency has been added to cover any unforeseen circumstances resulting from the installation)

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Use of Capital Grant** – the capital Grant provided by the government has been fully absorbed by schools requiring major works as well as all other possible capital sources, so this option is not viable
- 4.2 Asking Schools to pay themselves** – whilst this is a possible option, it is considered unjustified, when there is a revenue stream available that the schools can access. In addition should we require schools to fund this it would require schools to prioritise school meals expenditure over other school expenditure and in particular teaching and learning priorities which potentially would be very difficult for schools.

#### **5. REASONS FOR RECOMMENDATIONS**

This is a very urgent requirement to implement government policy successfully in a tight timescale with demonstrable benefits to Enfield's youngest school age children. The urgency is due to the great shortage of equipment as this is a national initiative. The funding required is available and appropriate to use for this purpose but need urgent approval both to create the budget and commence the procurement.

#### **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

The Director of Schools and Children's Services estimates that after taking into account the additional costs associated with the provision of the additional meals under the UIFSM initiative there will be sufficient funds available to meet the additional equipment needs, detailed in the Appendix. The amendments to the Equipment budget will be actioned should the recommendation be approved and this budget will be included in the regular monitoring reports to the departments DMT.

##### **6.2 Legal Implications**

- 6.2.1** Section 14 of the Education Act 1996 requires that an authority ensures that sufficient school places are available within its area for children of compulsory school age. Section 111 of the Local Government Act 1972, includes the power to do anything ancillary to, incidental to or conducive to the discharge of any of its statutory functions. The provision of school meals via catering services is ancillary to the discharge of the Councils statutory functions to provide school places. The recommendations within this report are in accordance with these powers.

- 6.2.2 All procurements of goods will be in accordance with the Councils Constitution, in particular Contract Procedure Rules ("CPRs"). In particular, the Council is able to utilise a range of EU compliant frameworks for the provision of these goods in full compliance with the CPRs. Any use of a framework must be in accordance with the framework terms.
- 6.2.3 The contracts will be in a form in accordance with the framework and approved by the Assistant Director of Legal Services.

### **6.3 Property Implications**

- 6.3.1 It is essential that the catering equipment that is purchased to support the UIFSM programme comes with the operating manuals and warranties in case of malfunction.
- 6.3.2 Any item above a book value of £50,000 will need to be entered onto the Council's Asset Register.
- 6.3.3 The manufacturers recommended service regime should be adhered to and any existing service contracts with suppliers such as Hobart will need to be updated to take into account the new equipment.
- 6.3.4 It should be noted that the suppliers of the equipment (if service available) should carry out the installation of the kitchen appliances such as directly linking the items to a mains water supply and or gas mains. All the appliances should also be earthed correctly.

## **7. KEY RISKS**

The major risk is the failure to prepare the kitchens at a number of schools to be able to implement UIFSM on 4<sup>th</sup> September 2014. Other risks should be reviewed and reassessed throughout the project.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

UIFSM initiative is intended by the government to ensure that all children at schools entry and for 2 years after have the opportunity of a nutritious, healthy and well balanced meal to support their learning

### **8.2 Growth and Sustainability**

UIFSM will enable growth in the numbers of school children accessing a free school meal and further increases in availability to older children are planned

### **8.3 Strong Communities**

UIFSM supports parents and families and frees up income for them to fund other urgent priorities in times of economic recession

## **9. EQUALITIES IMPACT IMPLICATIONS**

There are no equalities impact implications other than an improvement in access to a school meal to all younger age children at Enfield Schools

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

None

## **11. HEALTH AND SAFETY IMPLICATIONS**

None

## **12. HUMAN RESOURCES IMPLICATIONS**

None

## **13. PUBLIC HEALTH IMPLICATIONS**

UIFSM implementation will be completed in consultation with Public Health in terms of nutritional requirements, but no impact in terms of equipment

