

SURREY COUNTY COUNCIL**CABINET****DATE: 19 DECEMBER 2023****REPORT OF CABINET MEMBER: DAVID LEWIS, CABINET MEMBER FOR FINANCE AND RESOURCES****CLARE CURRAN, CABINET MEMBER FOR CHILDREN, FAMILIES AND LIFELONG LEARNING****LEAD OFFICER: LEIGH WHITEHOUSE, DEPUTY CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR OF RESOURCES****SUBJECT: APPROVAL TO PROCURE SCHOOL MEALS TRANSPORTATION****ORGANISATION STRATEGY PRIORITY AREA: EMPOWERING COMMUNITIES**

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Purpose of the Report:

The purpose of this report is to secure the necessary approvals and delegated authority for School Meals Transportation. This report provides a high-level summary and rationale for the recommendations for approval to procure.

This will enable the Council to continue providing school meals for primary school children in reception, year 1-year 6 across Surrey, where the school does not have their own kitchen facilities, this will positively contribute to the Empowering Communities priority objective in the refreshed organisational strategy.

Recommendations:

It is recommended that Cabinet:

1. Gives approval to procure for the supply of transport for school meals to primary schools that do not have adequate kitchen facilities to prepare and cook a compliant school meal service over 5 years (3 year with the option to extend up to a further 24 months).
2. Approves the delegation of contract award decisions to the Deputy Chief Executive and Executive Director of Resources in consultation with the Cabinet Member for Finance and Resources and the Cabinet Member for Children, Families and Lifelong Learning.

Reason for Recommendations:

- The current School Meals Transportation contract will end on 31st August 2024.

Executive Summary:

1. Twelve15 are a department of Surrey County Council who provide school meals to Surrey schools and some nurseries. Whilst most schools have a kitchen facility, some do not and rely on nearby schools with adequate facilities to prepare and cook the school lunch. There is then the requirement to transport the meal. From September 2014 every Key Stage 1 pupil (Reception, year 1 and year 2), became entitled to a free school meal (Universal Infant Free School Meals [UIFSM]). Pupils eligible to pupil premium are also entitled to a free school meal regardless of age group. The school meal must comply with the Government School Food Standards (www.gov.uk/school-meals-food-standards).
2. Twelve15 has a binding agreement with 23 school settings that do not have adequate facilities to prepare and cook a school meal that meets the Government School Food Standards. There is a requirement in each of these settings to provide a transported school meal service from another school.
3. The Twelve15 Business Continuity Plan includes the use of a transported school meals for schools where infrastructure default has arisen (i.e. gas/water supply/equipment failure in a school kitchen). This measure ensures the continuity of school meal provision to all pupils.

Procurement route to market and market testing

4. Procurement have carried out an options appraisal to determine the most appropriate and compliant routes to market to source School Meal Transportation services which can be delivered from 1st September 2024.
5. The options considered and the reasons they were/weren't chosen are below.
6. Crown Commercial Services (CCS), Yorkshire Purchasing Organisation (YPO) and Eastern Shires Purchasing Organisation (ESPO) were approached to understand if any suitable existing framework options were available. No existing framework options for the transport of school meals are available.
7. To ensure continuity of the school meal service provision, it was determined that a competitive tender process in accordance with The Public Contracts Regulations 2015 is necessary.
8. Market intelligence suggests that there are a limited number of suppliers that currently provide a school meal transport service. It is anticipated that a tender in the open market will attract new suppliers to bid to deliver these services, ensuring competition and value for money.

Benefits of the proposals

9. The proposal will ensure continuity of the school meal provision in line with Twelve15's binding arrangement with schools.

10. The proposal will support schools in complying with their statutory duty in the provision of Free School Meals as determined in The Children’s and Families Act 2014.
11. Approval of the recommendations in this report will allow the Council to carry out a new procurement for the supply of transport for school meals to those school settings that do not have adequate kitchen facilities to prepare and cook a compliant school meal. The proposal will seek to achieve value for money in carrying out this activity.

Consultation:

12. A benchmarking process was undertaken with other LA catering services to consider available options to enable service delivery to schools without adequate kitchen facilities. A transported school meal service was the preferred solution in this exercise.

Risk Management and Implications:

13. The risks of the procurement for the supply of transport for school meals to primary schools are summarised in the table below.

The key risks include:

Risk	Mitigation
The procurement is delayed, and there is no ability to provide service continuity to schools without adequate kitchen facilities.	There is a sufficient timeframe to allow for a robust tender process.

Financial and Value for Money Implications:

14. The contract is funded from the Twelve15 budget.

Section 151 Officer Commentary:

15. Significant progress has been made in recent years to improve the Council’s financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
16. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority, in order to ensure the stable provision of services in the medium term.
17. The estimated costs of this proposed procurement are provided for in the current Medium Term Financial Strategy. As such, the Section 151 Officer supports the recommendations.

Legal Implications – Monitoring Officer:

18. Officers are recommending approval of the recommendations cited in paras 1 and 2 of this report. A competitive tender exercise for the services is being recommended as the preferred route to market. The services which are the subject of this procurement are classed as over the UK Procurement Threshold Schedule 3 (Public Contracts Regulations 2015) services, therefore the procurement must be conducted in accordance with the requirements of Regulations 74-76 of the Public Contracts Regulations 2015. A contract notice or PIN must be published advertising the opportunity and the procurement must be conducted in conformity with the information contained in such notice. Provided the above are followed this will meet the requirements of Table 2.7a column F of the Council's Procurement and Contract Standing Orders (PCSOs) and offers a legally compliant route to market.
19. As to the second recommendation section 9E of the Local Government Act 2000 would permit this delegation.

Equalities and Diversity:

20. This will enable Twelve15 to fulfil its obligations to schools in the provision of a compliant school meal service and support schools in complying with their statutory duty in the provision of Free School Meals as determined in The Children's and Families Act 2014.

Other Implications:

21. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	These proposals have no significant implications on this area.
Safeguarding responsibilities for vulnerable children and adults	These proposals have no significant implications on this area.
Environmental sustainability	The procurement will contain environmental criteria.
Compliance against net-zero emissions target and future climate compatibility/resilience	The procurement will contain compliance against net-zero emissions target and future climate compatibility/resilience criteria.
Public Health	These proposals have no significant implications on this area.

What Happens Next:

22. Subject to Cabinet approval:
- Completion of procurement documentation, and drafting and agreement of contracts with successful supplier (June 2024)
 - New supplier mobilisation (July – August 2024)
 - New service to commence (September 2024)

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Consulted:

- Finance
- Legal

Annexes:

Part 2 Report

Sources/background papers:

None

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