



## TRUST BOARD RESOURCES COMMITTEE

Minutes of a Meeting of the Resources Committee of the Trust Board of South East Cornwall Multi Academy Regional Trust held at Liskeard School & Community College on Thursday 16<sup>th</sup> May 2019 at 5.00 pm

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**Present:** Mr B Cook  
Mr K George  
Mr J Kitson  
Mr R Newton Chance

**Absent:**

**In Attendance:** Mr D Buckley, CEO  
Mrs J Lumbard, CFO  
Mr P Taylor, Business Manager, Liskeard School & Community College  
Mrs K Williams, Clerk to Trust Board

32. **Welcome and Evacuation Procedure**  
The Chair welcomed everyone to the meeting. The evacuation procedure was explained.
33. **Declaration of Business or Pecuniary Interest and Academy-related parties - update on any changes since completion of written declaration**  
There were no changes.
34. **Apologies for Absence**  
All Trustees were present.
35. **Catering Contract**  
Documents had been circulated in advance of the meeting. From these:
- a) Mr Newton Chance clarified the remit of the meeting; the Trustees are required to form a recommendation for the catering contract which will then be forwarded to the full Trust Board for final approval due to the size of the contract.
  - b) Mr Taylor explained that this has been a long and involved process which began in November 2018. SMART have used a catering and facilities management consultant called Litmus throughout this process as they have a high level of expertise in this sector. A Trustee commented that the Trustees were unhappy with the initial processes and Mr Taylor advised that Mrs Lumbard had discussed this with him to ensure that tenders follow a set and agreed process in future.
  - c) On Tuesday 7<sup>th</sup> May and Wednesday 8<sup>th</sup> May, the shortlisted bidders gave presentations. There were three shortlisted companies for the primary schools and two for the secondary schools. The bidders' presentations included showcasing the food and answering questions from the delegates. Mr Taylor noted that the marking matrixes were not based upon the bidder presentations.
  - d) **A Trustee asked who was involved in the weighting of the matrixes.** Mr Taylor advised that this

involved the schools and Business Managers and although this is one contract, it still includes the specific requirements of each school.

- e) Mr Taylor advised that the financing of the primary school catering is simpler than the secondary schools. **A Trustee asked if Caterlink are an ex County Council company** and Mr Taylor clarified. Aspens are a small private company and relatively new to this sector and it was felt that the predictions given by them were quite high and it was noted that they do not have the same staffing and capacity as the other bidders. Aspens are not based in Cornwall and therefore do not have cover staff available whereas Chartwells have a pool of supply cover staff.
- f) Chartwells are providing the catering service at Looe and Liskeard already. They have expertise and knowledge of the schools and will refresh their investment on a nil return basis.
- g) For the primary schools, Chartwells is the favoured supplier and financially the most viable. Caterlink was contracted through a previous primary school cluster bid.
- h) Financially for the secondary schools, the favoured company is also Chartwells. Mr Taylor explained that there are some concerns from the governors and staff at Liskeard regarding the quality of food and noted that Chartwells need to ensure that they are providing quality food for the staff and students. The schools need to monitor this and Mr Taylor has discussed this with the LGCs (Local Governing Committees). The contract is currently in draft form and can be re-drafted to include agreements to ensure quality and service. **A Trustee asked if there were any doubts regarding the capability of Chartwells even though the quality has reduced over time.** Mr Taylor advised that they felt reassured by the information provided during the Chartwells presentations.
- i) Chartwells are being proactive in their approach to environmental issues. The use of plastic is being reduced and as they have substantial buying power, they are requesting that their suppliers also reduce the amount of waste packaging.
- j) **A Trustee asked for clarification on the Chartwells structure.** Mr Taylor explained that there will be an area manager which schools can liaise with and a regional manager overseeing. Mr Taylor advised that there will be spot checks at the schools. **A Trustee asked if there have been any unannounced visits at Liskeard by Chartwells and if any evidence has been provided.** Mr Taylor advised that Chartwells send a report after they have visited and they also complete an annual H&S inspection. This is not a new concept so features in the current agreement as well as the proposed new contract.
- k) Mr Taylor advised that Chartwells are very specific on their requirements of staff on food presentation and booklets are provided to ensure that it is presented correctly.
- l) **A Trustee asked for clarification on the finance of this contract.** Mr Taylor explained that the contract is for a fixed term of three years with a guaranteed figure for that term. There is a guaranteed return for three years, any extra profit will be a 50/50 split between the school and Chartwells.
- m) **A Trustee queried the level of risk regarding the sales and associated costs** and Mr Taylor advised that this is the contractors liability. **A Trustee asked if there is a monthly fee** and Mrs Lumbard advised that it is invoiced monthly.
- n) It was noted that there will be a deficit at Landulph based on the pupil numbers on the contract calculations. This will be covered by the Central Budget rather than affecting the Landulph budget. The staffing element is an issue at Landulph and this the also the case with current contract.

- o) **A Trustee asked for clarification on the number of contracts.** Mrs Lumbard advised that there will be one for the primary schools and two secondary schools. **A Trustee asked about the FSM (Free School Meals) grant and what is being charged. A Trustee asked if there is a potential risk for deficit across SMART.** Mrs Lumbard advised that overall there is £4k deficit for the primary schools and £34.5k guaranteed surplus for the secondary schools, therefore Mrs Lumbard and Mr Taylor advised that there is no financial risk.
- p) **A Trustee asked for clarification on the monthly payments** and Mrs Lumbard advised that all the charges are included on one invoice and this includes hospitality meals for visitors and FSM charges which are costed as an average. If the uptake of FSM is lower uptake than expected, this does not pose a risk for SMART.
- q) **A Trustee asked how Landulph is in a negative** and was advised that this is due to staffing costs. Trewidland is working from a mother kitchen and do not have the same type of overheads. The mother kitchen will hopefully be provided from Liskeard.
- r) **A Trustee asked if a credit check has been performed** and Mrs Lumbard that this has been completed as part of the process.
- s) Mr Taylor noted that Chartwells offers a risk free service. There is also capacity for mobilisation. Saltash felt nervous in terms of using Aspen for this reason.
- t) **A Trustee asked about the current kitchen equipment, what will be refreshed and if there is any liability in terms of ovens etc.** Mr Taylor explained that these items are the schools' responsibility. It was queried if there may be issues with the ovens needing to be replaced. Mr Taylor advised that this would be our liability. **Trustees was noted that Chartwells should perhaps inspect the kitchens in the first instance.**
- u) **A Trustee asked if Mr Taylor has any reservations on Chartwells capability** and Mr Taylor noted that they do need to ensure that they perform as expected and this will need monitoring by using of KPIs.
- v) **A Trustee queried the size of the contract** which is £1.6 million across the Secondary cluster. (this is per annum. The value for SMART secondary cluster is £572k per annum) It was unsure if this was over the three years or not. It was noted that liabilities are low. Saltash staff are being TUPED across to Chartwells.
- w) The Trustees unanimously agreed to the recommendation for full Trust Board approval of this contract.
- x) The contract needs to be agreed by the end of May 2019. Approval will be required by email and the Clerk will circulate. It was agreed that Mr Taylor's summary would be provided with a simple email with the recommendation and should Trustees require more details, this can be provided.  
**Action: Clerk**
- y) It was requested that Mrs Lumbard and Mr Taylor update the documents with additional information; that are is no liability attached to the operation of the contract and Saltash staff are TUPED across to Chartwells.  
**Action: J Lumbard/P Taylor**

36. **Date of next meetings:** 4<sup>th</sup> June at 6.30 pm

The meeting closed at 17.49.

<b>Action Summary</b>	
<p><b>35. Catering Contract</b>  The contract needs to be agreed by the end of May 2019. Approval will be required by email and the Clerk will circulate. It was agreed that Mr Taylor's summary would be provided with a simple email with the recommendation and should Trustees require more details, this can be provided.</p>	<p><b>Action: Clerk</b></p>
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