
Meeting	Cabinet Resources Committee
Date	25 February 2014
Subject	Home Meals Contract Extension
Report of	Cabinet Member for Adults
Summary of Report	The report seeks a waiver to the Council's Contract Procedure Rules in order to extend the contract with Sodexo Healthcare Limited for the provision of meals at home for a further year.

Officer Contributors	Sally Smith, Interim Category Manager, Adults and Communities
Status (public or exempt)	Public (with separate exempt report)
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	None
Function of	Executive
Enclosures	None
Contact for Further Information:	Sally Smith, Interim Category Manager, Adults and Communities, sally.smith@barnet.gov.uk

1. RECOMMENDATION

- 1.1 That the Committee agree to a waiver to the Contract Procedure Rules as necessary to extend the Home Meals contract with Sodexo Healthcare Limited for one year until 1 April 2015.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Member for Community Service, 28 November 2006, Delegated Powers 147, Award of Contract to Sodexo Healthcare Services Limited.
- 2.2 Cabinet Resources Committee, 23 February 2010, Item 6 (Report of Cabinet Member for Adults – Home Meals contract variation and extension).
- 2.3 Cabinet Resources Committee, 13 January 2011, Item 9 (Report of Cabinet Member for Adults – Contract Award – Meals at Home).
- 2.4 Cabinet Resources Committee, 4 November 2013, Item 14 (Report of Resources and Performance – Forward Plan 2014/15).
- 2.5 Cabinet Resources Committee, 16 December 2013, Item 7 (Report of Resources and Performance – Forward Plan Remaining Part of the Financial Year 2013/14).

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Council's Corporate Plan, 2013-2016, priority outcomes are 'to promote a healthy active, independent and informed over 55 population in the borough so that Barnet is a place that encourages and supports residents to age well'. The aim of this extension is to maintain the current service and to support older people to retain their independence, health and dignity.
- 3.2 The meals service will promote the strategic objective to "move investment from acute services to prevention" as this service may reduce admissions to residential care and other costly forms of institutional care. The service enables people to remain as independent as possible at home.
- 3.3 As part of the Council's Business Continuity Planning and Risk Register, Sodexo Healthcare Limited contribute to Adults and Communities Business Continuity Plans.

4. RISK MANAGEMENT ISSUES

- 4.1 There is a risk of a fall in volumes should people opt for other meal services or options which may impact on the viability of the service along with the cost per meal. However, it is hoped that the service will remain static over the one year extension and the supplier and service users will not be impacted, due to service capacity remaining in the current volume bandings in place. Council Officers will also undertake contract management to ensure that any risks relating to viability or quality of the service are managed.
- 4.2 The current service to date has a good track record in relation to quality and customer feedback and it is expected that this will continue for the extension.

Any changes to the current service would require consultation with service users, residents and members.

- 4.3 There will be no change to the client contribution to the cost of their meal service, and the Council will continue to collect client contributions to this service.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The current contract states that the provider of the service must comply with the Council's Equalities Policy and this will continue as part of the extension. A range of hot meals will continue to be provided to clients to meet their dietary, cultural and/or religious requirements.
- 5.2 The home meal service will continue to be offered to any adult who, upon an assessment, meets the Council's Fair Access to Care Services eligibility criteria and for whom the meals service will meet an eligible care need.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 The contract was originally awarded on a cost and volume bandings basis, which gave stability for the Council and supplier for the contract period, with no need to re-negotiate during the contract period if there were any fluctuations in volume.
- 6.2 For the contract extension, the contract prices and volume bandings have been negotiated to ensure value for money during this period. The current volume is 59,489 meals per year, which is on average around 4,499 meals in a 4 week period. The predicted annual volume when tendered in 2011 was 89,000 meals; this is a drop of around 30,000 meals per year. The volume of meals per month over the last 12 months peaked between September and October 2012 to 4,847 meals and was at its lowest volume 4,276 meals between April and May 2013.
- 6.3 All meals are charged at the standard European meal price. However, if any specific cultural or dietary requirements are needed, a supplementary price is added. There has been a slight increase in these supplementary costs of £2,591 per year. However, this has been offset by a reduction in the cost of standard European meals by £23,396.
- 6.4 The total cost of the contract in 2012/13 was £512,938. The total cost saving, after both adjustments (standard meal and supplementary costs) is £20,805 if the extension is agreed for 2014/15.

7. LEGAL ISSUES

- 7.1 The Council has a statutory obligation to provide help with meal provision to vulnerable adults under the Chronically Sick and Disabled Persons Act 1970. The continuation of the current service for an additional year will allow time for full consultation with service users and other groups to consider future provision.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1 The Council's constitution, Responsibility for Functions, section 4 sets out the responsibilities of the Cabinet Resources Committee.

8.2 The Contract Procedure Rules, Section 14.5 state that where a contract does not meet the requirements for an extension (section 14.4) a waiver must be sought.

9. BACKGROUND INFORMATION

9.1 The service was competitively tendered in 2011 and the contract was awarded to Sodexo Healthcare Limited. Previously Enfield Council had managed the service and staff were TUPE (Transfer of Undertakings, Protection of Employment) transferred to Sodexo as part of the contract award.

9.2 The decision to extend the contract for a further year is proposed following a Capita Project Mandate on Meals at Home that offered an opportunity for the Council to achieve value for money and to benefit from greater efficiencies. This is a two-phased project covering a renegotiation of the existing contract for a further year and to tender the service next year.

9.3 The contract has been effectively run and, based upon customer feedback from regular service user surveys, customer satisfaction remains high. Sodexo Healthcare Limited offers a range of meals delivered to service users' homes, which cater for different dietary and cultural requirements. The range and variety of meals has increased over the contract period to reflect the changes in resident requirements.

9.4 The reduction in the volume of meals at home experienced in Barnet has also been the case for other London Boroughs. For example, in Camden and Brent there has been a reduction in uptake, as a result of lack of choice over delivery times and individual food preferences. As a result, this type of model has been replaced by one which is community based and offers more choice of the types of delivery and foods that residents can receive.

9.5 In Barnet, the Casserole Club offers a community based service that helps people share extra portions of home cooked food with others in the borough who are not always able to cook for themselves. The service is beneficial to all involved, with diners receiving free meals and the cook who provided the meal receiving the recognition that they have helped someone in the community.

9.6 Through renegotiation and extending the contract for a further year with the current supplier, Sodexo, there is an opportunity to work with Capita on Meals at Home provision, to achieve greater value for money and to benefit from greater efficiencies, increase choice and to coordinate with other community based services such as the Casserole Club.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Cleared by Finance (Officer's initials)	NS
Cleared by Legal (Officer's initials)	SD

