

REPORT TO BE CONSIDERED IF THE CHAIRMAN AGREES IT IS URGENT

Putting the Community First

BARNET
LONDON BOROUGH

AGENDA ITEM: 10

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Meeting	Cabinet Resources Committee
Date	26 September 2005
Subject	Meals at Home Service
Report of	Cabinet Member for Community Services
Summary	<p>On 23rd September 2004, Cabinet Resources Committee gave approval to invite competitive tenders for the Meals at Home service for adults. Initial discussions have been held with Enfield Council who are about to re-tender their meals service. There could be advantages of jointly tendering the service. Permission is sought to explore this opportunity and if advantageous to the council and Barnet residents, to pursue this option.</p>
Officer Contributors	Glynnis Joffe
Status (public or exempt)	Public
Wards affected	All
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Enfield Council will not delay their tendering beyond 26 September 2005 as they need a contract in place for 1 April 2006.

Contact for further information: Glynnis Joffe – Assistant Director health Partnerships(Older Adults)

1. RECOMMENDATIONS

- 1.1 That Officers explore with Enfield Council the option of pursuing a joint contract for the Meals at Home Service**
- 1.2 That the decision to tender out the meals service jointly with Enfield Council be delegated to the Head of Adult Social Services.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Resources agreed on 23rd September 2004 that approval be given to invite tenders for the Meals at Home Service

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Supporting the Vulnerable in our community.
- 3.2 To promote the independence of vulnerable adults.
- 3.3 To achieve value for money.

4. RISK MANAGEMENT ISSUES

- 4.1 Soft market testing has been undertaken prior to tendering the service. The outcome has demonstrated that it may be difficult to achieve a price reduction by externalising meals, especially in a field where there are reducing volumes.
- 4.2 It could be beneficial to the council to undertake joint procurement with Enfield. This could double the service volume for the provider and thus achieve cost efficiencies.
- 4.3 There are implications for the education service and kosher service if the Meals at Home service is tendered out. The separation of the community meals from the education service will however, not damage the viability of the provision of education service meals
- 4.4 The cessation of the kosher community meals will have a profound affect on the viability of the kosher kitchen. This is partly because of the fixed cost of the Kedassia supervision at £25K per annum which will be shared across less provision. It is possible that there may be alternative ways of providing this service to the Jewish schools in Barnet but until additional work is undertaken this remains a corporate risk.
- 4.5 Using the Borough Treasurers current model and taking a straight line projection, fixed overheads of £44K would remain to be spread should community meals be outsourced.
- 4.6 Meals at home are currently produced in three school kitchens. Under current arrangements schools are compensated for additional energy/maintenance costs. Although this is not a major issue this may impact on school budgets.

- 4.7 TeamBarnet Catering also provide meals to day centres run by the voluntary sector including Friends in Need and Age Concern. This would cease if the service is tendered. 30,000 meals were provided last year. There is a possibility that a new tender could include access to contracted meals for the voluntary sector. If meals to the day centres cease, then this could result in running cost increases in the voluntary sector, which might affect social services.
- 4.8 TeamBarnet Catering currently provide freshly cooked meals. Procuring meals externally is likely to result in the provision of regenerated meals as this is what the biggest market providers provide. Although nutritionist advice from the Primary Care Trust is that there are a number of factors which determine whether freshly cooked or regenerated meals are more nutritious, some residents might prefer freshly cooked meals.

5. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 TeamBarnet Catering supply freshly prepared hot meals delivered by a team of 26 drivers. The organisation of the rounds is undertaken by the Resource Team in Adult Social Services. Contracting out the meals service could have TUPE and redundancy implications for some council staff.
- 5.2 The loss of community meals will lead to a reduction in contractual hours for staff who have provided a service to community meals during school holidays. It is also estimated that there could be 6 staff redundancies affecting meals staff depending on TUPE. 26 drivers will also could also be subject to redundancy depending on the proposed method of delivery in a new contract.

6. LEGAL ISSUES

- 6.1 The Council has a statutory obligation to provide meals to vulnerable adults under the Chronically Sick and Disabled Persons Act 1970.
- 6.2 Should permission for a joint tender be agreed, the legal department will work with Enfield Council to ensure that Barnet Council's interests are protected.

7. CONSTITUTIONAL POWERS

- 7.1 Constitution, Part 3 - Responsibility for Functions, Section 3 - Powers of the Executive, paragraph 3.6 - terms of reference of the Cabinet Resources Committee.

8 BACKGROUND INFORMATION

- 8.1 The Education & Community Meals Contract expired in 2003. At this time a significant price rise was charged to Community Care by TeamBarnet Catering in respect of the Meals at Home service. The contract was extended

whilst Community Care staff undertook a service review to assess the situation and form the basis of a revised service specification for tendering. The service review was published in July 2004 and was included in a report to Cabinet Resources Committee in September 2004. The recommendation that the Meals at Home service be subject to competitive tender was approved, along with a recommendation to cease providing a frozen meals service as the supplier could deal more efficiently directly with those clients who wished to receive that service. The frozen meals service ceased in December 2004.

- 8.2 TeamBarnet Catering provide a kosher meals service. 25,000 kosher meals were delivered 2004/05. The meals are delivered to an address in NW11 for distribution by volunteers in their own transport, under the auspices of the League of Jewish Women. The council pay for the van delivery and volunteer expenses. The meals for Edgware are further distributed in bulk from NW11 to a venue in Edgware. They are delivered by volunteers for that area. Some of the volunteers have been undertaking this task for a number of years. This is a different arrangement from other meals delivered where council drivers distribute the meals directly from the kitchen. There is some concern that because of the complicated and lengthy delivery process for kosher meals, that there could be health and safety issues regarding temperature of food. Also, where there are issues of no response from service users, the council has less control over follow-up actions required to ensure the safety of residents than it has with employed staff. There is no contract for this service regulating the service. The delivery of all meals will be included in the specification for the future service. The special arrangement for the delivery of kosher meals will no longer be necessary.
- 8.3 Following the decision to invite tenders for the Meals at Home service the Strategic Procurement Team conducted a soft market testing exercise to inform the process. This exercise was undertaken by comparing prices across 8 other Councils; two had an in-house operation, the other six used private contractors. This revealed that the Barnet cost is in line with the market average. It is therefore uncertain that the unit cost will be reduced by tendering the service.
- 8.4 The benefit of tendering the service with another council is that it increases volume and the potential to make efficiencies. This is particularly important with ethnic meals where the volumes are smaller. Achieving high quality for ethnic meals would help the council to promote choice and respond to diverse needs.
- 8.5 Enfield Council is further advanced in the tendering programme than Barnet and the council could therefore gain from the work already undertaken by Enfield. Enfield are seeking to re-tender their meals service with a new contract starting from 1.4.06; they currently use two external contractors. It is important that a decision on whether to pursue a joint contract with Enfield, is made soon. Should Barnet Council wish to pursue this option, Enfield would need to ask their prospective committee for permission to extend their current contracts for a further six months to enable Barnet to undertake staff consultations with the staff affected. Time would also be needed to agree the joint specifications and contractual documentation. It is important that Barnet follows through the

decision as we would lose face if the Council let Enfield down

- 8.6 Officers of both councils have held two preliminary meetings about the joint tendering of the two meals services which has established that there is enough common ground on outcomes to be achieved by a joint procurement, including: standards, quality and involvement of the voluntary sector and service users in the tendering process.
- 8.7 The possibility of joint procurement has informal support from the appropriate lead Cabinet member at Enfield Council.
- 8.8 Councils are being encouraged to explore regional contracting if this could be of benefit. Joint procurement with another council is likely to be viewed positively in the CPA process.

9 LIST OF BACKGROUND PAPERS

- 9.1 None.

BS: PJ

BT: HG