

# Portfolio Holder Decision Meeting

## AGENDA

**DATE:** Wednesday 6 March 2019

**TIME:** 5.00 pm

**VENUE:** Committee Room 3, Harrow Civic Centre, Station Road, Harrow, HA1 2XY

### MEMBERSHIP

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Councillor Graham Henson

- Leader of the Council; Strategy, Partnerships, Devolution & Customer Services Portfolio Holder

*[Note: Due to the lateness in circulation of the agenda/report, the deadline for the receipt of public questions on the contents of the report has been extended to 10am on Wednesday, 6 March 2019 by the Leader of the Council.]*

**Contact:** Frankie Belloli, Senior Democratic Services Officer  
Tel: 020 8424 1263 frankie.belloli@harrow.gov.uk

## **Useful Information**

### **Meeting details:**

This meeting is open to the press and public.

Directions to the Civic Centre can be found at:  
<http://www.harrow.gov.uk/site/scripts/location.php>.

### **Filming / recording of meetings**

The Council will audio record Public Questions. The audio recording will be placed on the Council's website.

Please note that proceedings at this meeting may be photographed, recorded or filmed. If you choose to attend, you will be deemed to have consented to being photographed, recorded and/or filmed.

When present in the meeting room, silent mode should be enabled for all mobile devices.

### **Meeting access / special requirements.**

The Civic Centre is accessible to people with special needs. There are accessible toilets and lifts to meeting rooms. If you have special requirements, please contact the officer listed on the front page of this agenda.

An induction loop system for people with hearing difficulties is available. Please ask at the Security Desk on the Middlesex Floor.

**Agenda publication date: 4 March 2019**

# **AGENDA - PART I**

## **PROCEDURAL**

### **1. DECLARATIONS OF INTEREST**

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub-Committee or Panel;
- (b) all other Members present.

### **2. MINUTES (Pages 7 - 10)**

That the minutes of the meeting held on 23 May 2018 be taken as read and signed as a correct record.

### **3. PETITIONS**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 49 (Part 4D of the Constitution).

### **4. PUBLIC QUESTIONS \***

To receive any public questions received in accordance with Executive Procedure Rule 51 (Part 4D of the Constitution).

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

**[The deadline for receipt of public questions is 10am on Wednesday, 6 March 2019. Questions should be sent to [publicquestions@harrow.gov.uk](mailto:publicquestions@harrow.gov.uk)**

**No person may submit more than one question].**

### **5. MATTERS REFERRED TO THE EXECUTIVE MEMBER**

In accordance with the provisions contained in Committee Procedure Rule 47 (Part 4B of the Constitution).

### **6. REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE OR SUB-COMMITTEES**

## **COMMUNITY**

### **7. PROVISION OF MEALS ON WHEELS SERVICE - HAMMERSMITH AND FULHAM COUNCIL (Pages 11 - 32)**

Report of the Corporate Director, Community

### **8. ANY OTHER URGENT BUSINESS**

Which cannot otherwise be dealt with.

## 9. EXCLUSION OF PRESS AND PUBLIC

To resolve that the press and public be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of confidential information in breach of an obligation of confidence, or of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972:

<u>Agenda Item No</u>	<u>Title</u>	<u>Description of Exempt Information</u>
10.	Provision of Meals on Wheels Service to the London Borough of Hammersmith and Fulham – Appendices 2 and 3	Information which is likely to reveal the identity of an individual  Information relating to the financial and business affairs of any particular person (including the authority holding that information)  Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

## AGENDA - PART II

### COMMUNITY

#### 10. PROVISION OF MEALS ON WHEELS SERVICE - HAMMERSMITH AND FULHAM COUNCIL (Pages 33 - 50)

Appendices 2 and 3 to the report of the Corporate Director, Community at item 7 above.

#### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

In accordance with the Local Government (Access to Information Act 1985, this meeting is being called with less than 5 clear working days' notice by virtue of the special circumstances and grounds for urgency stated below:-

#### **Special Circumstances/Grounds for Urgency**

The decision is urgent because the proposals require the start of the service delivery on 8 April 2019 and, in advance of that date, a period of 30 days consultation with staff during a mobilisation period is required. To meet the 30 days, a decision is needed by 7 March 2019.

#### **\* DATA PROTECTION ACT NOTICE**

The Council will audio record item 3 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

[**Note:** The questions and answers will not be reproduced in the minutes.]

Publication of decisions	7 March 2019
Deadline for Call in	Call-in does not apply

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# PORTFOLIO HOLDER DECISION MEETING MINUTES

## 23 MAY 2018

**Chair:** \* Councillor Sachin Shah

\* Denotes Member present

### 15. Declarations of Interest

**RESOLVED:** To note that there were no declarations of interests made by Members.

### 16. Minutes

**RESOLVED:** That the minutes of the meeting held on 18 August 2016 be taken as read and signed as a correct record.

### 17. Petitions

**RESOLVED:** To note that no petitions had been received.

### 18. Public Questions

**RESOLVED:** To note that no public questions were received.

### 19. Matters referred to the Executive Member

**RESOLVED:** To note that no matters had been referred to the Leader of the Council for consideration.

### 20. Reports from the Overview and Scrutiny Committee or Sub-Committees

**RESOLVED:** To note that no reports had been received.

## RESOLVED ITEMS

**21. To grant a Lease to Central and North West London NHS Foundation Trust of surplus ground, first and second floor accommodation at Milman's, Grove Avenue, Pinner**

The Divisional Director of Commissioning Services introduced an urgent report, which related to the grant of a lease to Central and North West London (CNWL) NHS Foundation Trust of surplus ground, first and second floor accommodation at Milman's, Grove Avenue, Pinner.

The Divisional Director added that the intention was to make better use of the Council's assets and that employees based at this satellite site would be moved to the Civic Centre from 25 May 2018. She added that the CNWL NHS Foundation Trust required additional office space with good transport links and that the Milman's Building was considered to be a suitable site.

An officer from HB Public Law advised that the recommendation set out in the report ought to include a minor amendment to allow for the necessary mechanisms to be put in place. He added that the NHS had requested access for a 'fit out' prior to them being able to formally complete the lease. To accommodate this, the Council would need to enter into a simple agreement for lease, contractually obliging the NHS to take a lease, with the lease to be completed thereafter.

Following consideration of the urgent report by the Leader of the Council, including the amendment, it was

**RESOLVED:** That

- (1) the Corporate Director of Community be authorised to grant an agreement for lease and lease of Milman's Building, Grove Avenue, Pinner at rent of £128,000 for a term expiring 30 June 2025;
- (2) it be noted that the decision was urgent because the agreement to lease or lease had to be completed by 29 May 2018.

**Reason for Decision:** To comply with the overall objectives to improve the Council's financial position and to support the delivery of People's Directorate Medium Term Financial Strategy (MTFS) savings of £184k at Milman's Building.

**Alternative Options Considered and Rejected:** As set out in the report.

**Conflict of Interest relating to the matter declared by Leader/Dispensation Granted:** None.



*[Call-in did not apply as a waiver of Call-in had been obtained from the Chair of the Overview and Scrutiny Committee that the decision proposed was reasonable and should be treated as a matter of urgency as any delay likely to be caused by the Call-in process would seriously prejudice the Council's interests.]*

*Reasons for Urgency: The agreement to the lease had to be completed by 29 May 2018 before the next Cabinet meeting.]*

(Note: The meeting, having commenced at 10.00 am, closed at 10.06 am).

(Signed) COUNCILLOR SACHIN SHAH  
Chair

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**REPORT FOR: Decision by Leader of the Council**

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**Subject:** Provision of Meals on Wheels Service to the London Borough of Hammersmith and Fulham

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**Responsible Officer:** Paul Walker, Corporate Director, Community

**Portfolio Holder:** Councillor Graham Henson, Leader of the Council

**Key Decision:** Yes, because the Council will be making savings which are significant having regard to the Council's budget for the service or function to which the decision relates

**Power to be exercised:** Paragraph 3 of the Appendix to Executive Procedure Rules in Part 4 of the Constitution

**Exempt:** No, except for Appendices 2 and 3 to this report which are exempt under paragraphs 2, 3 and 5 of Schedule 12a of the Local Government Act 1972 (as amended) in that they include information likely to reveal the identity of an individual, information relating to the financial and business affairs of the Council and others, and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

**Urgent/Non Urgent:** Urgent, because the Council needs to commence statutory consultations with affected staff and the service needs to commence on 8 April 2019

**Wards affected:** All Wards

**Enclosures:**

- Appendix 1 – Business Case
- Appendix 2 – Business Case (Exempt information)
- Appendix 3 – Financial Analysis (Exempt information)

**Section 1 – Summary and Recommendations**

This report sets out the proposals for delivering a meals on wheels service to the London Borough of Hammersmith and Fulham.

**Recommendations:**

The Leader of the Council is requested to:

- Grant approval to enter into a legal agreement with the London Borough of Hammersmith and Fulham to provide a meals on wheels service.
- Delegate authority to the Corporate Director of Community, following consultation with the Portfolio Holder for Environment, to finalise the proposals in this report.

**Reasons:**

- To support shared service objectives that enhance sustainability of the Council's current meals on wheels service.
- The decision cannot wait until the March Cabinet because the Council needs to commence statutory consultations with affected staff and the service needs to commence on 8 April 2019.

**Section 2 – Report**

1.1 During the 2016/17 financial year the meals on wheels service was transferred from the People Directorate to the Community Directorate. The service had seen dwindling number of meals being delivered and efforts have been made to ensure it could be sustainable service. The service was reviewed by the commercialisation arm of the Community Directorate and was the subject of a January 2017 business case that outlined that service sustainability was intrinsically linked to an expansion of the service on two fronts i.e. increasing the meals delivered in Harrow but also engaging in shared service or contractual arrangements with other boroughs.

1.2 Over the last financial year there have been discussions with other boroughs that had outsourced their meals on wheels service. This was done to explore opportunities for operating under different delivery arrangements.

## **Options considered**

The following options were considered:

- (a) Maintain the status quo delivering a service to Harrow only- this option was rejected as this would not meet the objectives around sustainable services.
- (b) Expand the service to other boroughs- this is the recommended option as it ensures the sustainability of the current service.

## **Current situation**

Harrow has engaged with a number of boroughs to explore opportunities for expanding its meals on wheels service. This has included Harrow being signposted on a number of boroughs' CarePlace systems to raise awareness of the Harrow offer for meals service.

In November 2018, Harrow entered into discussions with Hammersmith and Fulham Council whose external meals and wheels contract ends on the 7<sup>th</sup> April 2019. These discussions have led to the proposals for Harrow to deliver this service to Hammersmith and Fulham from 8<sup>th</sup> April 2019. The details of the proposal are set out in the appendices. This also sets out the high level discussions between Harrow and one other borough.

## **Implications of the Recommendation**

The proposals require Harrow to undertake the preparation and delivery of 120 meals per day to Hammersmith and Fulham. The details of the resources required and the costs associated with the service are set out in the Exempt Appendices 2 and 3.

Below are some key aspects of the proposal:

- Meals are prepared fresh and then packaged for delivery
- Meals can be delivered hot, chilled or frozen to request
- Can scale upwards the number of meals that may be required
- Online booking system that facilitates out of hours bookings and payments
- Will respond to queries within 24 hours
- All of Harrow Commercial Services drivers are enhanced disclosure and barring services (DBS) checked, and are customer service trained.
- There is a 4 week rotational menu available on the Harrow Commercial Services website

### **Performance issues**

There are a range of performance indicators that will govern this arrangement. These are linked to ensuring that the service is delivered to and meets the expectations of those using the service.

### **Environmental Impact**

The meals will be prepared using the same facilities that are used for the Harrow Service. The delivery into Hammersmith and Fulham will be undertaken using new vehicles that are 100% electric and therefore support the Council's objectives as set out in its Climate Change Strategy.

### **Data Protection Implications**

The proposals will involve holding personal information in terms of names and addresses for those individuals to whom the service is to be delivered. The consent required will be obtained from the individuals prior to the start of the service.

### **Risk Management Implications**

Risk included on Directorate risk register? No

Separate risk register in place? Yes

The main risks associated with the proposals are :

- Food quality: Meals are arriving warm/cold - This is being mitigated by ensuring that food is kept in correct containers and regenerated in the tried and tested fashion. Periodic quality inspections (e.g. monitoring temperature of food) to be carried out as part of recorded QC process.
- Food quality: Reports of food poisoning received - Harrow will maintain 5 star food hygiene rating.
- Back office: Booking system crash / IT failure - Harrow will ensure that there is a separate back-up of delivery schedule / adapt Business Continuity Plan to ensure back up procedure is in place to maintain service delivery.
- Service: Meals arrive late - This is mitigated by route scheduling designed to ensure delivery slots are maintained. Regular review of journey times and travel patterns to ensure consistent service.
- Service: Meals not delivered / wrong meal delivered – This is mitigated by utilising written processes and QC procedures to ensure meals are delivered correctly, and orders fulfilled. Automated booking system with additional QC checks should ensure service reliability.
- Service: Complaints about staff - All staff will have enhanced DBS checks, and be trained in customer service protocol, and be in uniform. Line manager will maintain regular QC checks. Staff will have regular

appraisals, and robust complaints procedure will be in place if any incidents arise.

- Transport: Vehicle breakdowns, vehicles off the road - Harrow operates a modern fleet including state of the art electric vehicles. All vehicles are in well maintained order, and back-up vehicles are available if regular fleet is off the road for servicing.

## **Procurement Implications**

Any procurement activities associated with the proposal will be undertaken in line with public procurement rules and the Council's Contract Procedure Rules.

## **Legal Implications**

Under paragraph 3 of the Appendix to Executive Procedure Rules in Part 4D of the Constitution when an urgent decision needs to be taken in circumstances where to wait until the next scheduled meeting of the Executive would be prejudicial to the best interests of the Council, and where a Portfolio Holder is not empowered to act, then:

- The Leader may, after consultation with the relevant Portfolio Holder, take the decision.
- Before taking the decision, the Leader must first consider whether the importance of the matter warrants the calling of a special meeting of the Executive.
- The decision must be taken in a way that fully complies with the Procedural Rules of the Council and in particular with the rules relating to "key decisions".
- A copy of the minutes of the decision must be published within two clear working days of the decision and published on the Council's website with electronic notification given and no hard copies circulated.

Where a decision is deemed to be urgent, and where Procedure Rule 16 of the Access to Information Procedure Rules has been followed, that decision will not be subject to the call-in procedure provided the Chair of Overview and Scrutiny Committee agree.

There are various statutory provisions that permit these arrangements, including the Local Authorities (Goods and Services) Act 1970, The Civic Restaurants Act 1947, The Care Act 2014, section 111 of the Local

Government Act 1972, the Local Government Act 2003, and the Localism Act 2011. Essentially, these provisions together with the mandatory and discretionary powers of local authorities to provide meals on wheels and adult catering services establish the legal framework that facilitates these arrangements. The legal comments at Section 4 of the Business Case attached to this Report provide further information about this.

## **Financial Implications**

Harrow's Adults Catering service has a net budgeted cost of £33,000 in 2018/19. The latest budget forecast indicates an adverse variance of around £40,000 against its budget. This is considered not financially viable should the service continue to be delivered in the same way due to the small volume of the meals. The proposal to deliver the meals on wheels service to other boroughs will provide the opportunity for economies of scale and utilise the resource capacity already available in-house to expand its service.

Table 1 as set out in the Business Case in Appendix 2 (exempt information) provides the financial projections for delivering 120 meals per day to Hammersmith & Fulham. The net surplus will first be used to make Harrow's service financially sustainable and any remainder will be used to contribute to existing MTFS targets (Income from Depot Expansion – a total of £1.234m over 4 years).

## **Equalities implications / Public Sector Equality Duty**

The EQIA associated with the proposal has been undertaken by Hammersmith and Fulham as the service is being delivered to their residents.

## **Council Priorities**

This proposal meets the Council's objectives to:

**Protect the most vulnerable and support families- and be more business like and friendly** as these proposals ensure the sustainability of Harrows meals on wheels service to residents who need that service.



### Section 3 - Statutory Officer Clearance

Signature: .....

Name: Dawn Calvert

Chief Financial  
Officer

Date: 01/03/2019

Signature: .....

Name: Stephen Dorrian

on behalf of the  
Monitoring Officer

Date: 01/03/19

### Section 3 - Procurement Officer Clearance

Signature: .....

Name: Nimesh Mehta

Head of Procurement

Date: 01/03/19

**Ward Councillors notified:**

NO - it impacts on all  
Wards

**EqIA carried out:**

NO

**EqIA cleared by:**

The service is being  
delivered to residents out of  
Harrow

## Section 4 - Contact Details and Background Papers

**Contact:** Venetia Reid-Baptiste, Divisional Director  
Commissioning and commercial Services  
[venetia.reid-baptiste@harrow.gov.uk](mailto:venetia.reid-baptiste@harrow.gov.uk) Ext 2492

**Background Papers:** None

Signature: .....

Position: Divisional Director, Commissioning and Commercial Services

Name: (print) Venetia Reid-Baptiste

Date: .....

### For Leader

\* I do agree to the decision proposed

\* I do not agree to the decision proposed

\* *Please delete as appropriate*

Notification of disclosable non-pecuniary and pecuniary interests (if any):

[Should you have a disclosable pecuniary interest, you should not take this decision.]

Additional comments made by and/or options considered by the Portfolio Holder

Signature: .....

Leader - Councillor Graham Henson

Date:

**Call-In Waived by the  
Chair of Overview and  
Scrutiny Committee**

**Yes  
(Call-in does not apply)**

## Community Directorate – Project Phoenix

### Meals and Wheels and Adults Catering Service to other Boroughs

#### Business Case

February 28<sup>th</sup>, 2019

*Commercial in Confidence legally Privileged*

Document Author and Owner	Contributors/Reviewers
Venetia Reid-Baptiste	Project Phoenix Commercial Operation Team :  Audrey Salmon –Head of Service; Wendy Goodman & Reena Patel (Business and Commercial services)  Finance – Jessie Mann ; Legal Stephen Dorian- David Hodge Employment Law  HR –Natalie Powers

Ref	Section	Page
	<b>Executive Summary</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Project Approach</li> <li>• Summary Findings</li> <li>• Options</li> <li>• Recommendations</li> </ul>	
1	<b>Background and Current Operations</b>	
2	<b>Proposal</b>	
3	<b>Finance</b>	
4	<b>Legal</b>	
5	<b>Implementation</b>	
6	<b>Risks</b>	

# Document Control, Approvals and Version control

<b>Authors</b>	Project Phoenix Operational group
<b>Version</b>	V1
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## Document Distribution

<b>Name</b>	<b>Role</b>
<b>CSB</b>	<b>Pre- Leader's decision</b>

## Related Documents

<b>Document Name</b>
<b>None</b>

## Approvals

<b>Name</b>	<b>Position</b>	<b>Signature</b>	<b>Date</b>

# 1 Introduction

1.1 This business case follows two previous interlinked business cases to the Commercial and Commissioning Board (CCB) on December 2016 and January 2017. Those business cases were developed on the transfer of the catering and Meals and Wheels (MOW) services from the People Directorate to the Community Directorate. The business cases set out the strategy for increasing income from catering related services and contained proposals for creating a canteen at the depot; opening a cookery school; provision of school meals, and expanding meals and wheels (MOW) and adult catering.

1.2 The April 2017 business case for the redevelopment of the depot outlined the requirement to engage other boroughs to share/utilise space at the depot to enable the repayment of the financing costs and contribute to the MTFS. The new depot includes a commercial kitchen so expanding a MOW service supports that development.

1.3 Since the approval of those business cases the following has taken place:

- the canteen at the depot has been opened and supports waste crews for Harrow and Barnet as well as Special Needs Transport service staff for Harrow and Brent with competitively priced breakfast available at the start of their shifts .
- the Cookery school has been established – now provides primarily children’s cookery classes during half term; holidays and on Saturdays,
- a school meal service was started in September 2018 to Elmgrove School and the team is currently in discussions with other schools.
- development of an online portal and booking system for meals and wheels and adults catering with menus published 4 weeks in advance and relatives are able to book and pay for meals online, and,
- Harrow Commercial Services MOW is signposted on other boroughs meals offer.

1.4 However the January 2017 business case outlined that the sustainability of the MOW service was reliant on increasing numbers which was likely to mean expanding and supplying other boroughs, as the introduction of personal budgets impacted on numbers in Harrow. To that end the Project Phoenix team, supported by introductions made by Harrow’s Director of Adult Services (DAS) has engaged with other boroughs that had policies that were geared at maintaining a quality MOW service.

1.5 This current business case is the culmination of those efforts with one borough Hammersmith and Fulham (H&F) where negotiations are now completed and Harrow is to

start the service delivery on 8<sup>th</sup> April 2019 and with LB Brent where discussions are in progress.

1.6 There are various statutory provisions that permit these arrangements, including the Local Authorities (Goods and Services) Act 1970 (“the 1970 Act”), The Civic Restaurants Act 1947, The Care Act 2014, section 111 of the Local Government Act 1972, the Local Government Act 2003, and the Localism Act 2011. Essentially, these provisions together with the mandatory and discretionary powers of the local authorities to provide meals on wheels and adult catering services establish the legal framework that facilitates these arrangements. The legal comments at Section 4 provide further information about this.

1.7 It is against the above background that the business case has been prepared.

### 1.8 Project Approach

1.8.1 The project approach was largely along the usual Project Phoenix lines with the key difference being that there was reduced benchmarking data available for this a shared MOW service delivered by a Council. To that end it is necessary to undertake fact finding missions supplemented with a number of discussions between the H&F and Harrow teams to:

- ascertain the key opportunities a shared arrangement would deliver , and to
- determine business development and growth i.e. continuous improvement opportunities.

1.8.2 Harrow’s key approach to the project was to ensure that it could of increase its market share and make the arrangements sustainable . To achieve these objectives, it was necessary to establish the current baseline variables including:

- operating costs;
- Staffing levels
- charging regime;
- operational delivery

## 2. Summary Findings

### The key findings were:

- H&F has a Cabinet policy commitment to deliver a MOW service and were keen to engage with Harrow based on an initial introduction from Harrow's Director of Adults Social Care they have engaged with Harrow.
- Harrow is keen to expand on its MOW service as it's not a statutory requirement and a reduced number of this kind of meals would make the service to Harrow residents less sustainable over the next year given its budgeted net cost of £30k .
- Neighbouring boroughs are exploring the sustainability of their MOW service and this partnership can be used as model to introduce to other boroughs. Already Harrow MOW is signposted for other boroughs and so the success of this venture with H&F will be vital to future expansion.
- Harrow has the scalable resources that can facilitate the increased number of meals required for H&F and for Brent and any other interested Councils.

## 3 Options

3.1 The options considered were:

- a) Do nothing - let the Harrow service continue as is without expansion or close the service if it cannot be made sustainable
- b) Maximise the shared service opportunities and seek further expansion.

3.2 Option (a) was discounted as this did not fit the objectives set out under Project Phoenix. Option (b) is the recommended option and this business case is designed to show why this is the preferred option, why it will be successful and contribute to the objectives of Project Phoenix and therefore to the Council's bottom line.

## 4 Recommendation

4.1 It is recommended that the option to deliver MOW to other boroughs be progressed.



# Business Case

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## 1. Background and Current Situation

1.1 Since 2016/17 the Harrow MOW service has operated as part of the Facilities Management service in the Commissioning and Commercial Division of the Community Directorate. At the time of its transfer the service had been dwindling and there had been a proposal from the People Directorate to close the service. However the service was reviewed under the Community Directorate commercialisation programme, Project Phoenix and the option of seeking to expand it as part of a wider catering offer was subsequently agreed and embarked upon. In 2018 Harrow MOW was signposted on CarePlace Framework for Ealing, Hillingdon and Hounslow which allowed those boroughs to review the MOW service offer that Harrow could provide.

1.2 Hammersmith and Fulham currently has its MOW service outsourced to Sodexo as part of a tri-borough Sodexo contract with Westminster and Kensington and Chelsea. H&F started exploring alternative delivery arrangements, as there is a Cabinet commitment to maintaining this service.

1.3 The current H&F service incorporates;

- 35,000 meals delivered per year by Sodexo who operates from a Westminster depot where they have a warehouse and parking spaces but no kitchen facilities.
- 120-140 people per day receive meals
- 7 days a week delivery
- 11 staff are used directly in the service – this includes 8 Drivers of which 4 work part time; 2 servers and a driver/administrative officer.
- There are 3 routes and 2 drivers are used per vehicle on each route.
- Those receiving meals make a £2 contribution to H&F.
- The contract with Sodexo ends on 7<sup>th</sup> April, 2019 and H&F has been exploring alternative service delivery arrangements.

1.4 H&F in reviewing the Harrow offer on CarePlace contacted Harrow as they were interested in the following aspects of the Harrow offer:

- Meals are prepared fresh and then packaged for delivery
- Meals can be delivered hot, chilled or frozen to request
- Can scale upwards the number of meals that may be required
- Online booking system that facilitates out of hours bookings and payments
- Will respond to queries within 24 hours
- All of Harrow Commercial Services drivers are enhanced disclosure and barring services (DBS) checked, and are customer service trained.
- Drivers are also trained to check clients' wellbeing ensuring they are well and have their required medication
- There is a 4 week rotational menu available on the Harrow Commercial Services website, but HCS will provide whatever menu options are requested
- ISO Quality Assurance
- 5 star food hygiene rating kitchens
- Best price guarantee using quality ingredients. Harrow Commercial Services will price match any proven price quotation and would welcome the opportunity to price match or beat any price received
- Purchasing power from a catering service that includes, cafes, canteens and school meals to provides economies of scale that is offered in the pricing
- Client welfare is our priority
- Over 15 years of experience in this service industry
- A 365 days a year service delivered in line with performance indicators set out as part of any Service Level or Inter-Authority Agreement

1.5 During discussions the following items were key aspects of negotiations prior to acceptance of terms of engagement by both parties:

**1.5.1 Transfer of staff:-**

- Harrow's initial offer covered two scenarios re staffing arrangements. To inform this decision H&F sought advice from external lawyers Sharpe Pritchard.
- Harrow shared this advice with the Employment Law team in HB Law on 4<sup>th</sup> February and sought further advice on using economic, technical and organisational reasons entailing changes to the workforce for business efficiency. That advice was received on 6<sup>th</sup>

February and is included in the legal section at paragraph 4 below. The advice is that Harrow should ensure that the legal arrangements with H&F require H&F to meet redundancy costs should Harrow need to make any staffing changes post transfer of services.

- H&F agreed that they would meet the redundancy costs of the administrative and kitchen staff as part of the transfer, should there not be redeployment opportunities.
- Harrow submitted all TUPE information to Harrow's HR on 15<sup>th</sup> February for the calculation of the required Redundancy costs that H&F would need to meet. Those calculations were received on 21<sup>st</sup> February.

**1.5.2** H&F has requested that transferred staff are paid at London living wage which represents a pay increase for the staff and H&F is covering this cost. H&F will meet redundancy costs.

**1.5.3 Delivery mechanism:**

- H&F discussed delivery to be in two stages with Harrow delivering the meals to the H&F depot from which the drivers would collect those for their routes and deliver accordingly.
- Harrow outlined that that scenario as being inefficient and unworkable as that would mean Harrow's vehicles being kept by drivers overnight which does not happen in Harrow's current service.
- The agreement is that the deliveries start direct from Harrow and H&F in paying for driver's incorporate the travel time back to Harrow but not the travel time to start work.

**1.5.4 Invoicing regime :**

- H&F asked Harrow to manage the client contributions collections. This was not accepted. It is now agreed that Harrow will invoice H&F in full for the price per meal and H&F will in turn collect contributions from its residents and manage any arrears process.
- Invoicing will be in arrears as the invoicing will be for meals delivered. This is because invoicing in advance would lead to various reconciliations and credit notes when meals are less than what is already invoiced. Also H&F will need to know the numbers actually delivered so that they can in turn collect the contribution.

### 1.5.5 Menus

- Harrow has insisted on maintaining its 4 weeks rotational menu as this supports economies of scale in the purchase of ingredients. H&F agree to this after a taste testing session.

1.7 The initial discussions with Brent is for 50 meals per day. As discussions progress, Harrow will hold to the principles above that were used for the H&F proposals

## 2. Proposal

2.1 The terms that have been agreed between the parties incorporates the following:

- H&F will purchase 43,800 meals per annum on the basis of 120 meals per day, 7 days per week. Meals include standard British; African and Asian and Halal meals.
- Delivery to start on 8<sup>th</sup> April 2019 for 2-5years (final length of contract to be finalised), with meals prepared fresh and packaged in Harrow. Harrow will undertake meal preparation from the Civic Centre canteen and Civic 7 to provide additional storage and preparation space. The storage equipment will be procured in March and will be moved to the depot commercial kitchen circa November 2019 when that space should be ready for use. The financing costs for these are already part of the depot business case.
- Harrow will utilise 3 new electric vehicles- originally purchased for the Harrow MOW service. The price to H&F includes the capital financing costs and the maintenance costs for these vehicles. Harrow will procure replacement vehicles for its current MOW service but for now will extend the short –term hire of those vehicles.
- Delivery times will be between 11:30 and 2pm

**3. Financial details** being progressed in line with the exempt appendices.

## 4. Legal

4.1 Although the Care Act 2014 places a duty on a Local Authority to ensure it promotes individual wellbeing, it is to be noted that the provision of a meals service is not a statutory obligation under this Act, although it places a duty on the local authority to prevent and delay the need for social care and the requirement to signpost people appropriately. Section 14 of the Care Act 2014 and section 17 of the Health and Social Services and Social Security Adjudications Act 1983 permit local authorities to recover reasonable charges for the provision

of meals to older people in their own homes. Therefore H&F and Brent can charge their residents for this service.

4.2 Section 1 of the Local Authorities (Goods and Services) Act 1970 (1970 Act) permits local authorities to enter into agreements to provide goods and services to other public authorities. The courts have confirmed that the 1970 Act empowers local authorities to trade for profit.

Any agreement entered into for the supply of any services must be for the purposes of functions already conferred on the receiving authority. That is, the authority receiving the service must itself have the power to undertake the activity that the local authority is providing (section 1(2)(b)). Here both H&F and Brent have the power to provide the relevant catering services.

4.3 The Civic Restaurants Act 1947 (1947 Act) empowers the council to establish and carry on restaurants and supply meals and refreshments to the public together with incidental activities. Section 3(2) of the 1947 Act contains an implied charging power in that every civic restaurant authority is required to use their best endeavours to ensure that their income under the Act is sufficient to defray their expenditure. There is no restriction on making a profit.

4.4 Section 1 of the Localism Act 2011 introduces a general power of competence for local authorities (the general power of competence). If any general power permits a local authority to carry out a particular activity, then section 4 of the Localism Act 2011 empowers the authority to do that activity for a commercial purpose. The General Power of Competence (allows the Council to do anything an individual can do, subject to specific restrictions and limitations imposed by other laws. It also provides that councils can trade in areas outside of their immediate boundary and so this makes it possible to be able to offer catering services to other local authorities. Section 4 of the Localism Act 2011, which sets out the limits for local authorities on doing things for a commercial purpose in exercise of the general power, does not take anything away from the existing statutory framework for actions in pursuit of commercial purposes under Section 1 of the Local Authorities (Goods and Services) Act 1970.

4.5 The Councils must comply fully with their obligations under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

## **5. Implementation**

5.1 Implementation plan is being finalised but key elements include:

- Staff consultation including measures letter
- Purchase of storage equipment – to match what would be required at the Depot commercial kitchen so that it can be transferred
- Planning of routes and start time
- Finalisation of legal – Service Level Agreement or Inter Authority Agreement

## 6 Risks

6.1 A detailed risk register is being prepared – but the key risks considered and to be finalised includes:

- Drivers may not want to transfer due to travelling time. To mitigate this Harrow has asked the Transport labour supply contractor to have 4 drivers available to undertake this service.
- Traffic makes the delivery time longer and therefore drivers do more hours. Harrow has built in flexibility in the pricing for driver cover arrangements and this can be utilised. However a delivery start time of 11:30 should help with avoiding traffic getting into and around Hammersmith.
- The risk register for Brent will be developed when those discussions are finalised.
- The draft risk register for H&F is shown overleaf: and covers elements relating to customers as H&F is primarily concerned with service satisfaction for the user of the service

Ref	Risk	Owner	Mitigation	Likelihood	Impact	Risk Rating
1	<b>Food quality:</b> Meals are arriving warm/cold	AS - LBH	Food kept in correct containers and regenerated in the tried and test fashion will be hot. Periodic quality inspections (e.g. monitoring temperature of food) to be carried out as part of recorded QC process.	D	3	Low
2	<b>Food quality:</b> Reports of food poisoning received	AS - LBH	Maintain 5 start food hygiene rating. ISO Quality Assurance	D	2	Medium
3	<b>Back office:</b> Booking system crash / IT failure	AS - LBH	Ensure back-up of delivery schedule / adapt Business Continuity Plan to ensure back up procedure is in place top maintain service delivery	D	2	Medium
4	<b>Service:</b> Meals arrive late	AS - LBH	Route scheduling designed to ensure delivery slots are maintained. Regular review of journey times and travel patterns to	D	3	Low

Ref	Risk	Owner	Mitigation	Likelihood	Impact	Risk Rating
			ensure consistent service			
5	<b>Service:</b> Meals not delivered / wrong meal delivered	AS-LBH	Written processes and QC procedures to ensure meals are delivered correctly, and orders fulfilled. Automated booking system with additional QC checks should ensure service reliability	D	3	Low
6	<b>Service:</b> Complaints about staff	AS - LBH	All staff will have enhanced DBS checks, and be trained in customer service protocol, and be in uniform. Line manager will maintain regular QC checks. Staff will have regular appraisals, and robust complaints procedure in place if any incidents arise.	D	3	Low
7	<b>Transport:</b> Vehicle breakdowns, vehicles off the road	HI - LBH	Harrow Council operates a modern fleet including state of the art electric vehicles. All vehicles are in well maintained order, and back-up vehicles are available if regular fleet is off the road for servicing.	E	3	Low
8	<b>Logistics:</b> Shortage of ingredients	AS - LBH	Large catering facility with good supply chain. Many years experience of stock management, and 4 week rotational menu means ingredient demand/supply can be well managed	D	2	Low
9	<b>Logistics:</b> Staff shortage / staff sickness cover	AS - LBH	Adequate staff cover available including floating staff to cover if need be. Also team of "as and when" operatives	D	2	Low

Ref	Risk	Owner	Mitigation	Likelihood	Impact	Risk Rating
			should there be a short term need.			



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