

REPORT TO EXECUTIVE

Date of Meeting: 4 October 2022

REPORT TO COUNCIL

Date of Meeting: 18 October 2022

Report of: Deputy Chief Executive

Title: Catering Provision at Edwards Court

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 Officers' propose that the catering provision at Edwards Court is provided in-house and the staffing establishment is increased to provide this.

2. Recommendations:

2.1 That Executive recommends that Council agree:-

- (1) To provide the catering at Edwards Court in-house; and
- (2) That Exeter City Council (ECC) recruits a Head Chef, Assistant Chef and 2 x Catering Assistants at an estimated grade of F, D and B respectively and that they are added to the staffing establishment in Tenancy Services where all non-care elements of the scheme are managed. All of these posts will be contracted for 25 hours a week.

3. Reasons for the recommendation:

3.1 In January and February 2022 respectively, the operating model agreed by Executive and Council for Edwards Court was that all non-care services would be managed or overseen by Exeter City Council (ECC).

3.2 Following the unsuccessful tendering exercise for the catering service at Edwards Court, where no bids were received, a decision needs to be made on how catering is provided to the residents to allow for one two-course hot meal at lunch time for the tenants as per their contractual provision.

3.3 Whilst interim arrangements have been put in place for the first tenants as occupation of the building begins, this will not be sustainable once the property is fully occupied.

3.4 Risks still remain over issues such as recruitment, inflation and costs of living increases. With, however no catering firms bidding for the contract, in-house provision is considered the only viable option. Appendix 1 sets out the business case for this proposal.

4. What are the resource implications including non financial resources

4.1 This report is asking for four additional posts as set out in 2.2 As stated in 3.3 there are additional resource implications for ECC, however, these costs will be covered within the rents and service charges and will therefore be cost-neutral

4.2 The staffing costs (including on-costs of 30%) based on the assumed grades totals £73,026.61 per annum. In addition to this there is an estimated costs of £61,152 for food supplies. These costs will in part be covered by a service charge of £20.05 per week. For those in receipt of housing benefit this amount is the maximum that can be claimed for a meal. The remainder of the costs will be included as part of the rent charge. On current projections Edwards Court should return a surplus to the Housing Revenue Account (HRA) capital contribution of over £8 million over a 30-year business plan.

4.3 There will also be some additional costs for catering uniforms, additional catering equipment and staff induction and training. It is anticipated that these costs will covered within the £350,000 already agreed by Executive and Full Council as upfront funding to prepare the scheme for occupation (communal furnishings for example).

4.4 The Head Chef will be managed by the Extra Care Property Services Manager (ECPSM). Given that this will alter the latter's job description and responsibilities, we need to have the post re-evaluated which may have a financial implication.

4.5 There may be cost efficiencies made by working jointly with Leisure Services in the procurement of food and sharing a casual staff pool for cover. Whilst there are differences in the catering offers made by Leisure Services compared to those at Edwards Court , as these services evolve work will be carried out to bring the services working together in areas such as the recruitment and management of the teams.

5. Section 151 Officer comments:

5.1 The additional costs will be factored into the HRA's budget if approved. Given the efforts of the team to identify solutions, it appears that this is a necessary step at this stage. Members should be comforted by the fact that even with the costs, the property is still projected to deliver a surplus over the life of the 30 year business plan.

6. What are the legal aspects?

None identified

7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer.

8. Report details:

8.1 Edwards Court is a property owned by ECC and managed within the Housing Service. The care is commissioned by Devon County Council and all other functions including catering are the responsibility of ECC. The scheme has been funded using Right to Buy proceeds (£4,189,500), S106 monies (£7,303,741) and the Housing Revenue Account funds (£2,706,759).

8.2 Edwards Court is a 53 flat (1 and 2 bed) scheme built by Exeter City Council (ECC) as an extra care facility which is now had the communal areas furnished and had some minor remodelling work completed to ensure it is effectively managed. From the 5th September 2022 tenants are moving in to the property in a staged way.

8.3 Appendix One sets out the business case for catering services at Edwards Court being carried out in-house and adding a Head Chef, Assistant Chef and 2 x Catering Assistants at an estimated grade of F, D and B respectively to the staffing establishment. These posts will be contracted to 25 hours a week and including on costs will cost £73,026.61 (including 30% on-costs).

8.4 There are catering facilities and a café area on the fourth floor of Edwards Court and part of the offer to tenants is a two course hot meal every day of the year. This not only provides the assurance of tenants receiving at least one nutritious meal a day it also reduces the risk of social isolation with residents meeting up at the café.

8.5 Originally, ECC carried out a tender process in order to contract out the catering which had no bids or submissions despite some initial interest. When asked for feedback the catering firms cited that the timing was wrong, they were already running at full capacity or that the current economic climate had deterred them from doing so.

8.6 The catering at Edwards Court has always been identified as an area of risk and in the current economic climate of rising costs and challenges around recruitment is a particular challenge to ECC. However, given there are no catering firms interested in this contract we would anticipate we can run the catering service in house. It is hoped we can do this effectively allowing more control on the levels of service and potentially lower costs than buying the service in.

8.7 One option explored was the potential to link the catering service to those provided by ECC's Leisure Services given that they provide some catering services at venues such as the Isca centre and St Sidwell's Point. After some early discussions it was agreed that these were a different food offering and that whilst it could have potentially provided some income to the general fund with shared efficiencies it was not worth exploring further at this point. Both Services agreed to revisit in the future once both had established their respective services and understood the activities more thoroughly.

8.8 There are a number of contracts between DCC, ECC and Radis Care Group. Within these contracts there are a number of references to ECC providing communal facilities which includes a café/ restaurant as part of the scheme. In addition to this the specification documentation for the care contract between DCC and Radis, which was agreed by ECC, makes specific reference to ECC making best endeavours to provide a catering service to deliver a good quality, 2 course hot meal 365 days a year.

There are benefits alongside the specification obligation which includes that the café area is also a social setting that tenants can meet in that will reduce social isolation for a vulnerable client group and is anticipated to promote a community atmosphere amongst the tenants. Initial feedback from those tenants being allocated to properties has been positive about the lunch time meals being part of the tenancy.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 Exeter City Council's Corporate Plan has the following priorities:

- Delivering net zero Exeter 2030
- Promoting active and healthy lifestyles
- Building great neighbourhoods
- Providing value-for-money services
- Leading a well-run council

The successful delivery of this extra care scheme built to passivhaus standard at a social rent can contribute to all of these priorities.

10. What risks are there and how can they be reduced?

10.1 The main risk is that we will be unable to recruit staff in what is a challenging employment jobs market. We hope to reduce this by working with Leisure Services on joint recruitment programmes and offering sociable hours with good terms and conditions.

10.2 There remains a risk that the costs of food produce will rise dramatically. This risk has been reduced by working with Leisure Services in the potential joint procurement of a supply contract which with a larger contract will allow for reduced costs for both services.

10.3 The risk of not meeting a standard of food experience for the tenants that will lead to complaints and potentially a reduction in the demand for the service. This can be overcome through a disciplined recruitment method, staff training and performance management. In addition to a responsive feedback system with the tenants to ensure that there is a customer centric approach to the delivery and development of the café.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal potential impact has been identified on people with protected characteristics as determined by the Act and an Equalities Impact Assessment has been included in the background papers for Member's attention.

12. Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 One option would be to retender the catering contract, however, given the responses from catering contractors who initially expressed an interest as to why they had not submitted a bid this seems unlikely to be successful.

Deputy Chief Executive, Bindu Arjoon

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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