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Catering Review Business Case

Outline Business Case summary
10 July 2024



Decision Required



Agree a consultation/engagement plan and timescales for the proposal to stop the Meals Direct Service and to close the Hive Café at Ty Penallta.

Agree to stop any new application for non-subsidised service users as of immediate effect.

What we achieved during the discovery stage:

- The discovery phase identified several options in relation to Catering Services to consider. The steer was to focus on the non-statutory elements of catering which includes Meals Direct and the Hive Café with a view to cease both provisions.

What we plan to deliver as part of the define stage:

- To agree a consultation engagement plan for the proposal to stop the Meals Direct Service, providing a sufficient notice period (directed by social services to conduct thorough assessments) and to support and signpost service users to alternative meal delivery providers available within the Borough.
- To agree a consultation engagement plan for the proposal to close the Hive Café at Ty Penallta.



Strategic Case



Investment Objectives



	Investment Objectives	Strategic Benefits
1	Prevent further expenditure on non-statutory Catering service to operate at cost neutral for the council.	<ul style="list-style-type: none"> £444k saving per annum
2	Social Services – Older People Teams. Following consultation, if the decision is to stop the Meals Direct service , Social Services to undertake a review of all the service users that are open cases and currently have a care plan to ensure vulnerable service users have the appropriate package of care and signposted to other meal delivery services within the Borough to meet care needs.	<ul style="list-style-type: none"> Ensuring the residents of Caerphilly that currently access the Meals Direct service and have a package of care, continue to have their needs met by an alternative meal delivery service and are not left vulnerable by the removal.
3	Caerphilly Cares. Following consultation, if the decision is to stop the Meals Direct service , Caerphilly Cares will contact and signpost all the service users that are closed cases to Social Services to ensure they have the necessary support to access an alternative meal delivery services within the Borough.	<ul style="list-style-type: none"> Ensuring the residents of Caerphilly that currently access the Meals Direct service are signposted to an alternative meal delivery service and are not left vulnerable by the removal.

Existing Arrangements and Business Needs



Meals Direct

Operates with a 2-tier pricing system

£3.70 – Subsidised

£6.10 – Full Price

Currently access to the subsidy is not means tested and is based on assessment by social services

- As at the end of June 2024 there are **304** Service Users using the Meals Direct Service.
 - 227 have 5 days delivery
 - 77 have between 1-4 days delivery
 - 138 are open cases to Social Services
 - 131 are closed cases to Social Services
 - 35 are not known to Social Services
 - 228 are subsidised
- The service operates across the Borough. A mapping exercise has confirmed that it is evenly distributed throughout.
- Out of the other 21 LA's in Wales, 13 do not have a Meals Direct service and 8 have Meals Direct or something similar.

Meals Direct is a non-statutory service, to cease this service, support and information will need to be provided to signpost service users to alternative meal delivery providers available within the Borough.

- To undertake this successfully there will need to be a review of all service users open to social services to identify how the need will be met and to support and signpost all closed cases to alternative providers within the borough.

Existing Arrangements and Business Needs



The Hive Café

Provides food and drink for staff at Ty Penallta and adjacent buildings at a subsidised cost.

To close the **Hive Café** at Ty Penallta.

- To undertake this successfully all staff that use the service will need to be consulted and signposted to alternative provision.

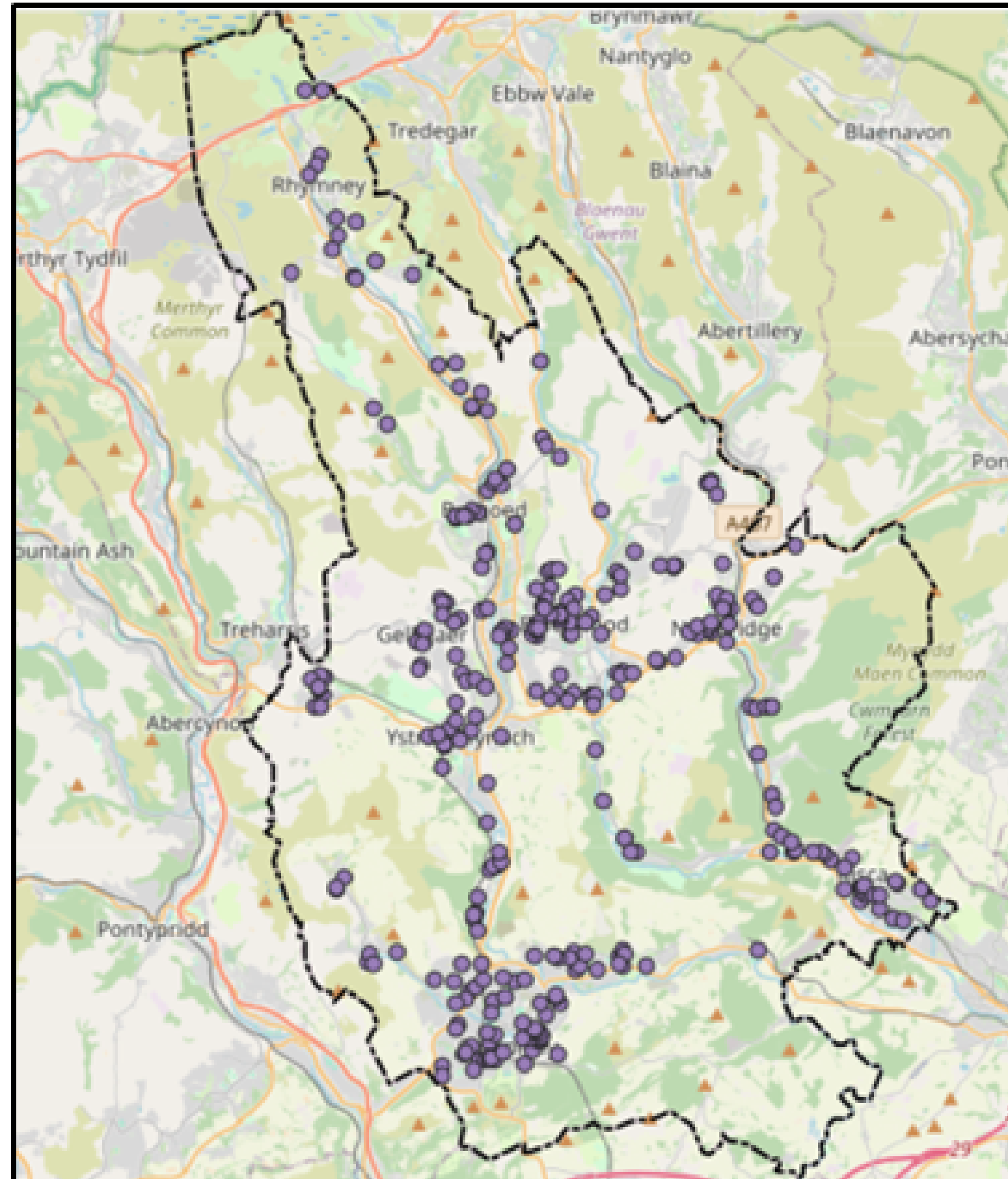
Both services have a combined staffing of approx. 22 members of staff. All staff affected will be supported through HR Services, Line Management and TU.

The services are intrinsically linked with staff supporting both operations (as well as use of shared contracts and workspace).

Existing Arrangements and Business Needs



Location within the Borough
of current service users
of the Meals Direct Service



Scope and Service Requirements



Business Scope Meals Direct (Non-statutory) The Hive Restaurant (Non-statutory)		Out of Scope Schools catering (Statutory) Residential catering (Statutory)	
Service Requirements			
Core	Desirable		Optional
Agree a consultation/engagement plan and timescales for the proposal to stop the Meals Direct Service and to close the Hive restaurant at Ty Penallta. Agree to stop any new application for non-subsidised service users as of immediate effect.	Social Services to review service users that are currently receiving meals direct that are open cases to them and have a care plan continue to have their needs met if the service is stopped. Caerphilly Cares to support and signpost the service users that are currently receiving meals direct and are close cases to Social Services to ensure they can access alternative meals delivery within the Borough.		To look at alternative delivery models now or in the future for the Hive Café and Meals Direct, however this must be cost neutral to the Authority.

Key Risks, Constraints and Dependencies



Risks	Constraints	Dependencies
<p>Timing</p> <ul style="list-style-type: none"> • Staff • Consultation • Commitment to Year 1 savings <p>Service Users</p> <ul style="list-style-type: none"> • Left vulnerable to meet care needs. • Increased cost of alternative meal provision. • Increasing isolation. • No alternative providers for specific locations. • Ty Penallta staff left with no provision for food and drink. <p>Authority</p> <ul style="list-style-type: none"> • Increasing the demand for social care services. • Reputational damage – ceasing a service for vulnerable residents. • Customer base is growing. • Going live on a number of consultations at the same time is a reputational risk. • Should the service continue, spiralling costs due to inflation – working in context of constantly rising food costs and limited ability to prevent this within contracts. • Subsidy - this assessment process is not robust and presents a risk as it opens the Authority to significant challenge regarding inequity of service should the provision continue. <p>Staff</p> <ul style="list-style-type: none"> • Potential job loses • Staff morale - potential increase in staff sickness, making it difficult for service delivery following consultation period. • Mis-communication or timing of consultation of proposal. 	<ul style="list-style-type: none"> • Agreement and planned Communication/Engagement plan. • Accuracy of financial data. • Factoring in the de-commissioning of equipment • Vehicle lease agreements and cost to end contract. • Staff costs in relation to redundancies • Meals Direct and The Hive are interdependent. • HR support to all staff affected. • Any other provisions considered must be cost neutral – inc. contract management • Meals Direct service is still live and therefore demand may increase/decrease with service users. 	<ul style="list-style-type: none"> • Social Services - Review of all service users that are open cases • Caerphilly cares - Support for all services users that are closed cases to social services. • Family - support to service user • Meal providers within the Borough – to meet the need. • Support from internal services – Communications / Engagement / HR / Finance – to provide accurate information to inform decision to go to next stage.



Economic Case

Options appraisal



Annual combined cost to CCBC of **£444,094** (based on forecasted budget for 2024/25) – which has considered estimates for increases in staffing, food costs and transport.

Outline Business Case – Options considered

1. Consult July 24 – with a view to service cessation and removal of subsidy at the end of October 24
2. Consult July 24 - with a view to service cessation and removal of subsidy at the end of November 24
3. Consult Sept 24 - with a view to service cessation and removal of subsidy at the end of December 24
4. Consult as part of annual Budget with a view to service cessation and removal of subsidy at the end of March 25



Commercial Case

● Procurement Strategy and Required Services



- No procurement requirement identified; however, a review of existing commercial arrangements has been included as part of the Outline Business Case review.



Finance Case

Summary of Financial Appraisal



Option	NPV 2024/25 to 2029/30	Benefits: Cost ratio	MTC Savings Target 2024/25	MTC Saving 2025 /26	MTC Saving 2026/ 27	MTC Saving 2027 /28	Total Budget Savings (Excluding One off Costs)	One off costs
1. Consult July 24 - service cessation and removal of subsidy at the end of October 24	(£1,951,191)	24.34	(£29,691)	(£414,403)	£0	£0	(£444,094)	£83,608
2. Consult July 24 - service cessation and removal of subsidy at the end of November 24	(£1,912,506)	23.87	£0	(£444,094)	£0	£0	(£444,094)	£92,601
3. Consult Sept 24 - service cessation and removal of subsidy at the end of December 24	(£1,847,173)	23.87	£0	(£371,221)	(£72,873)	£0	(£444,094)	£90,353
4. Consult as part of Budget - service cessation and removal of subsidy at the end of March 25	(£1,748,306)	22.64	£0	(£261,912)	(£182,182)	£0	(£444,094)	£83,608



Management Case

Governance Arrangements

Change approvals process managed by the Portfolio Management Office



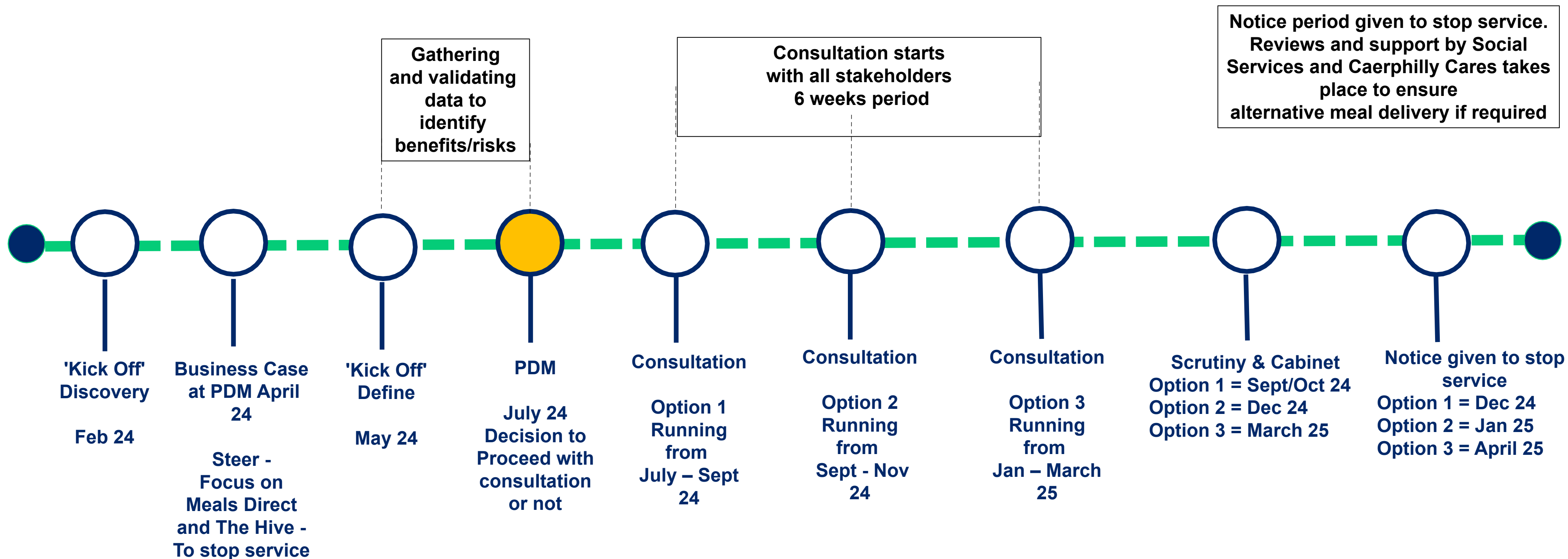
Name and Role	Responsibilities
Sue Richards Project Sponsor	<ul style="list-style-type: none"> Champions the change and maintains awareness at senior level Ensuring return on investment and Value for Money Owns the Business Case - sole accountability Accountable for the delivery of planned benefits Lead change management required to deliver successful outcomes Delegates responsibility to Service Manager where applicable
Tim Daley MTC Programme Manager	<ul style="list-style-type: none"> Leads and manages stakeholder engagement Manages expectations and providing regular updates on the progress Oversees the execution of the workstream plan ensuring delivery is on time, within budget, and to the required quality standards
Jo Williams / Marcia Lewis Service Manager	<ul style="list-style-type: none"> Provides leadership and direction on all aspects of the service development and held accountable to SRO Oversee service redesign and subsequent operational delivery Monitors and reports on progress and be empowered to deliver on all aspects
Hayley Bowen Project Lead	<ul style="list-style-type: none"> Co-ordinates workstream – responsible for delivery and progress whilst managing and escalating associated impacts and risks
Denise Davies Social Services Lead	<ul style="list-style-type: none"> Lead contact for Social Services information
Paula Beaman Finance Lead	<ul style="list-style-type: none"> Responsible for tracking financial and other benefits relating to the project
Lisa Downey HR Lead	<ul style="list-style-type: none"> Lead contact for any staffing changes/reductions
Hayley Lancaster / Sarena Ford Engagement/Communication Leads	<ul style="list-style-type: none"> Lead contact for communication, engagement and consultation for the project
Hayley Clarke Procurement Lead	<ul style="list-style-type: none"> Lead contact for procurement

Project Roadmap



Feb 24

April 25



Project Controls



- Change management arrangements - Lead by the PMO and Service transformation
- Benefits realisation arrangements - Lead by the PMO and Finance
- Risk management arrangements - Lead by the PMO as the escalation route but defined by project lead and sponsor
- Post-implementation and evaluation arrangements - Lead by PMO and Finance
- Contingency arrangements and plans - Monitored by the PMO with input from project lead, sponsor and service area