

OPEN

Adults and Health Committee

20 January 2025

Future Options for Extra Care Catering

Report of: Helen Charlesworth-May, Executive Director – Adults, Health and Integration

Report Reference No: AH/29/2024-25

Ward(s) Affected: Handforth, Middlewich

For Decision or Scrutiny: Both

Purpose of Report

- 1 The purpose of this report is to update the Adults and Health Committee on the actions taken in respect of the extra care (EC) catering provision following the decision that the Council's school meals service should cease trading, and to propose next steps for the review of the future of the EC catering provision.

Executive Summary

- 2 The schools catering service has run the restaurant and catering services in Oakmere (Handforth) and Willowmere (Middlewich) since 2009. They also ran the service in Beechmere (Crewe), but this closed in 2019, following the fire which destroyed the scheme. In April 2024, the Children and Families Committee decided that the schools catering service, a traded service, should cease trading from 01 April 2025, and consequently, the EC catering services closed on 03 January 2025.
- 3 Engagement took place with stakeholders and residents in June-August 2024 over the possible closure of the service, followed by further engagement in early December 2024 over the then planned closure of the service on Friday 03 January 2025 and the interim arrangements that had been made to continue the provision.
- 4 Interim arrangements have been made for hot meals to be delivered to the schemes from Monday 06 January 2025, as well as additional sessional activities twice a week to promote community cohesion. These interim arrangements have been put in place pending a full review of the service at a cost of approximately £3,800 per month, paid to two voluntary organisations.

- 5 The 2024/25 budget line for catering in the two extra care schemes is £330,000. It is expected that the operational funding from Adults & Social Care supporting the previous arrangements will total around £150,000. There will also be a one-off contribution from this budget towards the redundancy costs of the staff who were providing the service in the schemes. A small (~10%) underspend is expected in 2024/25.
- 6 The Medium-Term Financial Strategy contains a proposal to make significant savings in 2025/26 by reducing the budget line available to support catering in the schemes. Based on the interim arrangements, it is thought that retaining approximately £60,000 of the budget, pending a full review of the service and its future, would be appropriate.
- 7 It is planned to submit the results of this review and proposals for the future of the EC catering provision the Adults and Health Committee later this year.

RECOMMENDATIONS

The Adults and Health Committee is recommended to:

1. Acknowledge the actions taken since the decision to close the school meals service.
2. Agree the interim arrangements that have been put in place whilst a full review of the EC catering provision is carried out.

Background

- 8 Oakmere and Willowmere EC housing schemes were commissioned by Cheshire County Council in 2007 as part of a Private Finance Initiative (PFI) arrangement that also includes two schemes in Cheshire West and the former Beechmere EC scheme. When the PFI Agreement was negotiated, the County Council took on the responsibility for operating the catering facilities in the five schemes across Cheshire and this was written into the contract.
- 9 Most of the communal areas of these EC schemes are open to the public (some areas are resident only) and the schemes act as community hubs in their local areas. Whilst the majority of the restaurant customers are believed to have been scheme residents, the restaurants were also open to the public.
- 10 There was no obligation on residents to use the restaurant in their scheme or on the restaurant to provide a specific service to residents or to specific residents.
- 11 In April 2024, Cheshire East's Children and Families Committee decided that the school meals service should cease trading from 01/04/2025. This decision has impacted the EC catering provision in Oakmere and Willowmere because the school meals service operated the restaurants in both schemes, as well as providing in-scheme catering for events and activities. The school meals

service provided all back-office support for the scheme catering services including management of the service, provision and management of the staff and access to financially beneficial provisions contracts. At the end of November 2024, a decision was taken to cease providing the catering service in both schemes after 03 January 2025, partially due to the progressive loss of the back-office support as the school meals service winds down but also to allow time for staff to redeploy to other parts of the schools' service, if they wished to do so.

- 12 Whilst Children and Families Committee was the appropriate Committee to make the decision in respect of the school catering service it would have been appropriate to have submitted the paper to the Adults and Health Committee for information so that members were made fully aware of the situation and its impact on both areas. Unfortunately, this did not happen and as a result members were likely unaware of the impact that the schools catering decision would have on the EC catering provision.
- 13 Since the decision was made to close the school meals service, officers have been engaging with residents and other stakeholders, with meetings being held with stakeholders in June and July, followed by face-to-face meetings with residents in August, the launch of a survey (August/September), a letter in October and further face-to-face meetings in December 2024.
- 14 Following the initial engagement in August, and after analysis of the resident survey, officers have worked with voluntary sector providers and made arrangements for hot meals to be delivered to both schemes 5 days per week, with an additional one or two meals available on Fridays that can be reheated over the weekend. This interim arrangement started on Monday 06 January 2025 and will be in place until a review of the service is completed and Members agree future arrangements. The interim arrangements will be monitored and reviewed regularly with feedback being sought from the providers and the users.
- 15 It is anticipated that the interim arrangements will satisfy the demand in each scheme. The monthly cost of the interim arrangements is compared to the cost of the service provided in 2023/24 in the table below.

| MONTHLY COSTS | 2023/2024 Actual | Interim Arrangements |
|------------------------------------|-----------------------------|---------------------------------|
| OAKMERE | | |
| Total Cost of Provision | £7,751 | £2,000 |
| Cost to Customers of 2-course meal | £5.50 | £6.50 |
| WILLOWMERE | | |
| Total Cost of Provision | £10,603 | £1,792 |
| Cost to Customers of 2-course meal | £4.95 | £5.90 |

- 16 The 2024/25 budget line for support to the EC catering provision is £330,000. In 2023/2024, the total recharge to Adults for the service was £138,269, and the operational recharge for 2024/25 is expected to be similar. The

operational recharge covers approximately 60% of the costs of running the service, with sales income making up the balance. In 2024/25, there will be further exceptional costs due to an agreement for Adults to contribute to redundancy payments for the staff who worked in the schemes, but it is still anticipated that the budget will be underspent.

- 17 As part of the MTFS, it has been proposed that the budget line for 2025/26 should be reduced from the current level to an amount sufficient to fund the interim arrangements that have been put in place pending a full review of the provision. It is hoped that future arrangements will be self-sustaining and future increases in this funding can be avoided or at least reduced.
- 18 The full review of the provision will include whether, or to what extent, customers' meals should be subsidised and if so, the basis for this, as well as addressing equity issues including how vulnerable people elsewhere in the borough are supported. Also included in the review will be proposals for the future of the provision, with a view to making it sustainable and self-funding.
- 19 Once the review has been completed, members will be asked to decide on the future of the provision – this will probably be in September 2025.

Consultation and Engagement

- 20 Initial engagement took place with the PFI provider, housing management and the landlord in June 2024. Whilst sympathetic to the issues faced by the Council in providing the extra care catering, they were unable to offer more than general advice and understanding of the difficulties in providing such services
- 21 This was followed by face-to-face meetings with residents on 16 August 2024 and the launch of a survey to obtain residents views on the options for the future of the service and to discover what was important to them.
- 22 The survey results were summarised and fed back to residents in a letter in October 2024, together with the information that it was now proposed to close the service on 03 January 2025. The majority of the survey responses from both schemes favoured a continuation of the current service and the message from both the August meetings and the survey was that residents valued hot, nutritious meals, and the role of the restaurant as a "community hub".
- 23 Formal consultation with the school catering staff led by Children's Services was carried out in October and November 2024 and, following this consultation, it was confirmed that the EC services would close on 03 January 2025. The timing of the closure was based on the intention to support the redeployment of EC catering staff into vacant school positions prior to TUPE transfers to other organisations, but these were subsequently not deemed suitable.
- 24 Further face-to-face meetings were held with residents on 05 December 2024, confirming the closing date of the restaurant services as 03 January 2025 and informing residents about the alternative interim arrangements that had been made following the August feedback.

Reasons for Recommendations

- 25 Members are asked to acknowledge the actions taken to date, including the consultation and engagement with residents and other stakeholders, and the provision of the alternative arrangements from 06th January 2025. These arrangements were designed following feedback received from residents and other stakeholders and are intended to stay in place until the review is concluded.

Other Options Considered

- 26 The options in the table below are those considered following receipt of notice from Children's Services that the school meals service would cease trading from 01/04/2025.

| Option | Impact | Risk |
|---|---|--|
| Do Nothing | The service would cease, and no alternative would be arranged. | Residents would have had to find alternative arrangements for a hot nutritious meal. |
| Interim Hot Meals Service with sessional activities that bring the community together, whilst a full review of the service is undertaken. | Hot meals will be available on a first-come-first served basis, with residents currently assisted to use the restaurant by the care provider prioritised. | This interim service will bridge the gap between the closure of the current service and the implementation of longer-term arrangements whilst a wide-ranging review takes place. The initial cost of these arrangements is approx. £3,800 per month. |

- 27 Longer term options will be dependent on the review that will be carried out between now and September 2025, the level of financial support available and whether there is appetite in the provider market to provide a service in the schemes.

Implications and Comments

Monitoring Officer/Legal

- 28 In 2007, Cheshire County Council (CCC) commissioned Avantage to design, build and manage five extra care housing schemes across Cheshire under a Private Finance Initiative (PFI) arrangement. As part of the PFI Agreement, CCC was responsible for the catering services in each scheme. The "catering obligation" for the schemes was passed to the successor Councils; of which CEC was one, when the County Council was dissolved in 2009. The Council provides catering in Oakmere and Willowmere. The Council is obliged to provide the catering (as opposed to the landlord) but the contract does not dictate how the meals are to be provided. Any provision which is commissioned from a third-party provider should be on an arms-length basis and avoid any subsidy on the part of the Council.

- 29 Cheshire East Council has statutory responsibilities to provide Adult Social Care services under Care Act 2014, including promoting wellbeing, protecting adults at risk of abuse or neglect, preventing the need for care and support, and providing information and advice.

Section 151 Officer/Finance

2024/25

- 30 The net cost of catering in the Extra Care schemes, up-to Jan 2025, will be funded from the base budget of £330k. It is possible that the closure of the service in-year may result in savings, but it is likely that any savings will be used to fund redundancy payments to the Council employees who provided the service.
- 31 The interim arrangements which started in January 2025, are part of grant-funded proposals from two voluntary organisations to provide sessional activities in the extra care schemes to promote community wellbeing and cohesion. Participation in the hot meals delivery and the sessional activities is optional and individuals will pay the provider for the meals they consume.
- 32 Therefore, for January 2025 – March 2025, the interim arrangements will be funded from existing investment from the UK Shared Prosperity Fund.

2025/26 Onwards

- 33 The UKSPF is fully committed up to May 2025. Base budget of £60k is required for 2025/26 onwards to fund the continuation of the interim arrangements & to provide resource for a long-term solution.
- 34 Longer term options will be evaluated as part of the review taking place over the next few months.

Policy

| An open and enabling organisation (Include which aim and priority) | A council which empowers and cares about people (Include which aim and priority) | A thriving and sustainable place (Include which aim and priority) |
|---|--|--|
| | P2.1: The interim arrangements have been made having listened to feedback from residents and other stakeholders and aim to support people to be strong and resilient. | |
| | P2.3: The interim arrangements have been made to help support adults at risk from neglect. | |
| | P2.8: The interim arrangements have been made to help residents who may not be able to shop or prepare meals for themselves live in extra care for longer, thus reducing reliance on long term care. | |

Equality, Diversity and Inclusion

- 35 The Equality Impact Assessment is under review and will be published on Cheshire East's website shortly.

Human Resources

- 36 The decision to close the EC catering service on 03 January 2025 was made to allow time for the potential redeployment of five council staff who worked in the EC service, to a service where TUPE transfers would apply on the closure of the school meals service.

Risk Management

- 37 Finance
- MTFS

The current MTFs proposal is to reduce the budget supporting the EC catering service retaining £30,000 for 2025/26. As an alternative, Members are asked to support the retention of approx. £60,000 of this budget to cover interim arrangements whilst a full review takes place. It is anticipated that this review will be concluded and reported to Members in September 2025.

- Additional costs for residents

Some residents may be asked to pay more for their care, for example, if they choose to replace visiting the restaurant without assistance with an option that requires assistance from the care provider. Whilst they may make a private arrangement with the care provider to do this, recharges to meet any assessed, eligible needs would be subject to their individual financial assessment.

All of these factors will be taken into account when developing a business case for any new service.

38 Operational

- Additional care calls

The nature of the possible additional care calls (i.e. to replace the lunchtime meal service) means that it is likely that most residents would want the calls at a similar time. This may cause logistical issues for the onsite care provider.

- Resources for Assessments

Initial assessment and exploration of options with residents are being carried out by the onsite care provider, although some residents may request more formal assessment in due course.

- Self-Neglect

It is possible that some residents may not make alternative arrangements or may make decisions that are not sustainable for more than a limited time. However, the onsite care provider has oversight of all residents with current care packages and should be able to identify issues at an early stage.

As noted above these factors will be taken into account when developing a business case for any new service.

39 Reputational

- Media coverage

There has been considerable media coverage on this issue. This is being managed by the Council's Media Team.

- Attractiveness of living in EC schemes

It is possible that the closure of the restaurants in the EC schemes may make them less attractive to potential residents. The schemes rely on attracting the people who would most benefit from the services/facilities available in them and a reduction in the onsite facilities may have longer term negative consequences.

Rural Communities

40 There are no implications to rural communities of this report.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

41 There are no direct implications for Children and Young People in this report as the main customer base for the restaurants was residents in housing for over 55s.

Public Health

42 Potentially, the interim arrangements may not suit all the residents who relied on the restaurant and catering service in Oakmere or Willowmere. However, there are other options that are available to them including other hot meals delivery services, commercial frozen meal delivery services and supermarket ready meals, and arrangements can be made with the onsite care provider to assist those who need it.

Climate Change

43 The daily delivery of hot meals rather than being cooked on site will increase road traffic.

| Access to Information | |
|------------------------------|---|
| Contact Officer: | <p>Dan Coyne, Head of Service, Communities and Integration</p> <p>Daniel.Coyne@cheshireeast.gov.uk</p> <p>Sophie Middleton</p> <p>Sophie.Middleton@cheshireeast.gov.uk</p> |
| Appendices: | |
| Background Papers: | <p>Report of Decision on the Future Delivery of the School Catering Service made by Children and Families Committee on 26th April 2024.</p> <p>https://moderngov.cheshireeast.gov.uk/ecminutes/documents/s116716/School%20Catering%20Report.pdf</p> |