

Community Services Partnership

January 2023

Meals at Home Vehicle Procurement and Service Delivery Options

1. Introduction

- 1.1 Both Runnymede and Surrey Heath Borough Councils operate a Meals at Home service. Meals at Home delivers hot lunchtime meals and a sandwich tea pack to residents in Runnymede Borough Council (RBC) and in Surrey Heath Borough Council (SHBC). Meals are procured and delivered frozen from Apetito. Residents have a wide choice of meals, including those suitable for most dietary and medical requirements.
- 1.2 The service delivers to on average 115 residents per day in each Borough from two different locations (Camberley and Chertsey). Although numbers fluctuate, due to the nature of the clients (generally frail and elderly), time of year etc., officers have recorded a reduction of numbers over the last 2 years. The 2021 average number of daily deliveries was 228, compared with the 2022 average of 199.
- 1.3 In response reasons for clients leaving the service with reasons being cited including illness, being hospitalised, passing away and moving into fulltime residential homes. In the winter of 2022/2023, cost of living is also a potential reason for individuals leaving the service. In addition to this, it is intended that from April 2023, one of the service's key performance indicators will be the number of referrals received by the service.
- 1.4 The service currently leases 8 diesel vehicles (4 in each Borough), fitted with 3 diesel powered ovens and a cool box. Each oven can cook 17 meals, making the capacity of the van 51 meals. However, capacity is reduced when the delivery route travels across a greater distance. Therefore, the actual average maximum number of meals per vehicle is 35-40.
- 1.5 Meals at Home is now at a crossroads position, given the vehicle lease positions at both Runnymede and Surrey Heath. This is a position that provides opportunity to review how the service is delivered and look at options that may enhance service or offer financial efficiencies to the partnership.
- 1.6 At Runnymede, the current lease extension (the purpose of the extension was to try and align with that at Surrey Heath) has ended, and whilst Apetito have been managing internal issues of their own, the assurances to extend further whilst we consider options available has been withdrawn with only a commitment to extend dependent on placing an order for replacement vehicles now offered.
- 1.7 At Surrey Heath, the existing lease agreement expires in May 2023, and whilst as per previous contracts and in line with the conversations held with Apetito re extension of this agreement, continuation is possible, both contingency and long-term planning needs to be given to the service.
- 1.8 Therefore, this report provides details provides a summary of the work undertaken by officers in considering future delivery models. Included are the responses from a service user survey, costings for each of the possible delivery options considered and other supporting information, for Members to determine a preference as to how the service is to be delivered.

2. Vehicle Information - Financial

Vehicle Lease Costs - Runnymede

2.1 The current vehicle budget for Meals at Home as of April 2022 is as follows:

Item	Runnymede	Surrey Heath
Vehicle Lease	£18,093	£24,277
Insurance	£4,252	£4,252
Fuel	£6,500	£8,900
Repairs/Incidentals	£1,980	£1,400
Total:	£30,825	£38,829

2.3 It is important to note that in relation to budget, as part of Surrey Heath's Star Chamber process in early 2022/2023, the potential for an efficiency saving via vehicle costs, dependent on the outcome of a service review. The note presented in reference to this can be found in Appendix 1. Whilst, the review of the service has been ongoing, the budget at Surrey Heath against vehicle lease costs has been reduced to £12,420, although as this report will explain, such an efficiency may not be viable now that the review has been completed.

Staffing Resource Information

2.4 The Meals at Home service is delivered by a team of employed drivers over seven days per week. Employees undertake shifts of 4 hours on each weekday, and 4.5 hours per day on weekends. The exception in this arrangement is the Senior Meals at Home Operator who works 27.5 hours over 5 days, supporting the coordination of the service across both boroughs as well as set up locally.

2.5 To deliver the service across both boroughs, 14 staff are employed totalling 251.5 hours per week. There are currently 3 vacancies.

3. Service Review

3.1 The purpose of the report is to detail the work done in reviewing the service and to outline the options identified for the future delivery of the Meals at Home Service.

Service User Engagement

3.2 In November 2022, Officers conducted a customer survey across both boroughs. Surveys were delivered to all residents with an offer of support to complete if required. Where appropriate, they were delivered to the next of kin rather than the client.

3.3 Responses were received from 55 residents in Runnymede and 69 in Surrey Heath, the results of which can be found in Appendix 2.

3.4 The feedback received confirmed that all customers rated the level of service they receive as good or satisfactory. Given the opportunity to change vehicle suppliers

and in doing so meal provider because of this review, it was with interest that 90% of respondents across both boroughs rated the quality of the food as good.

- 3.5 As per the notes presented to Star Chamber, outlining the considerations needed to be taken in advance of changing the model to make efficiencies, a question was asked re potentially receiving meals in the evening as opposed to lunchtime, to which, a significant majority expressed a preference for a lunchtime hot meal as opposed to evenings (90%+ in each borough).

Service Options Appraisal

- 3.6 Considering alternative models of service delivery is a key focus of the review, and as a result officers have considered four main different delivery models. In reaching this point, officers have researched other delivery models in Surrey (e.g., Woking and Elmbridge) as well as those in other areas of the country.
- 3.7 The options considered include maintaining our current operational service model, as well as alternative delivery where specialist vehicles with ovens in the back of vehicles would not be required. The latter of these options also required consideration of where and how meals would be cooked, as well as delivered in a safe way retaining appropriate temperature and quality.
- 3.8 In doing so, officers have also considered any possible opportunities to work in partnership with other authorities to deliver elements of the service. Below is a summary of each option considered with indicative costings. A SWOT analysis of each option is included in Appendix 3.

Option 1 – Continuation of Current Delivery Model and Replacement of Vehicles

- 3.8 This option sees the leasing of replacement 'like for like' vehicles [from Novuna] through the meal's supplier [Apetito].
- 3.9 A quote has been received for new diesel vehicles fitted with diesel powered refurbished ovens. The ovens are refurbished from Apetito's current stock of the same oven technology. Research by officers has determined that there are very limited options for the supply of this oven technology, with no new technology due to come into service in the foreseeable future.
- 3.10 Both the vehicles and ovens would be maintained by Novuna, but the contract would remain with Apetito. The lead time for the vehicles is 12+ months and, with the fitting of ovens, estimated lead time for delivery is 13+ months.
- 3.11 Officers have requested information on an electric vehicle option, however Novuna are unable to identify an electric vehicle (small van) which has the capacity to fit the oven technology and a diesel fuel tank (which would still be required) and therefore an electric vehicle option is discounted from this option at present.
- 3.12 The cost of delivering the service via the same delivery model, leasing vehicles via Apetito, is as follows:

Charge per month per vehicle	Number of Vehicles	Total Annual Charge	Annual Charge per Borough	Total - 5 years Both Boroughs	Total Contribution Per Borough over 5 Years
£688.92	4	£33,068.16	£16,534.08	£165,340.80	£82,670.40
£688.92	5	£41,335.20	£20,667.60	£206,676.00	£103,338.00
£688.92	6	£49,602.24	£24,801.12	£248,011.20	£124,005.60
£688.92	7	£57,869.28	£28,934.64	£289,346.40	£144,673.20
£688.92	8	£66,136.32	£33,068.16	£330,681.60	£165,340.80

- 3.13 The receipt of vehicle lease information from Apetito, results in a recognition that to continue with the same service model of delivery, that being vehicles with ovens, meals supplied from Apetito and lunch time meal provision provided in both Runnymede and Surrey Heath, would be result in financial growth to the partnership.
- 3.14 However, in undertaking the review of service options, officers are of the opinion that the current model of delivery, when considering numbers of meals recipients and the opportunity to remodel rounds along borough boundaries, presents the opportunity to reduce from eight vehicles to seven vehicles.
- 3.15 The table below outlines the annual cost for the operation of Meals at Home vehicles, against the supplied leasing costs, for seven vehicles:

Item	Runnymede	Surrey Heath
Vehicle Lease Cost	£28,934	£28,934
Insurance	£4,550	£4,550
Fuel	£6,500	£8,900
Repairs & Incidentals	£1,980	£1,400
Total	£41,964	£43,784
Growth Required	£11,139	£4,955
SH Growth Required – Star Chamber		£17,375

- 3.16 In theory, there is the possibility of reducing salary budget to reflect the reduction in vehicles utilised per day. However, given the amount of annual leave and unforeseen sickness that is experienced over a year, currently there is limited resilience without seeking good will through overtime to ensure business continuity, further consideration to retaining all, or some of any salary budget should be given.

Option 2: Retain Same Service Delivery Model Whilst Revising Operations

- 3.17 The idea that could be considered further, outlined in the Appendix 1 Star Chamber information, was the potential to maximise the benefits of the partnership between Councils by reducing the number of vehicles required and utilising them as fully as possible.

- 3.18 The concept of this, would be to procure four vehicles (i.e. half the current fleet number), and have a delivery model whereby lunchtime meal provision with an evening tea pack was delivered in one borough area, for the vehicle to then be put back into service to deliver an evening hot meal and lunch pack for the following day, in the other borough area.
- 3.19 Whilst there are obvious benefits to the budget as a result of reducing the number of vehicles procured, the fact that existing service users have overwhelmingly rejected the idea of a hot evening meal service as opposed to lunchtime, presents a risk that a number of existing service users could be lost. It is recognised that this may be limited when faced with the reality of a change in operations.
- 3.20 Considering the appropriate borough area to transfer to an evening provision is also difficult. In Surrey Heath during Storm Eunice, in trying to respond to the red weather warning whilst ensuring service delivery, contact with service users identified a number who required a lunch time meal due to taking medication, having carers attend etc. Equally across both boroughs, there are those with dementia etc. who are used to the pattern of a normal day and the routine of meals arriving at lunchtime. In Runnymede, the Meals at Home offer forms part of the hospital discharge package and support to the Step Down Accommodation project. The importance in these projects is consistency in service delivery across North West Surrey, with other borough councils.
- 3.21 In addition, whilst work exploring the full logistical processes of such a model have not been furthered at this time, there are many considerations to be made against timings of service delivery, vehicle locations etc. Further to this, adopting such a model would also require a full workforce review, given that all employees are currently employed to work over the lunch time period. With potential changes to hours of work and work base, this could lead to potential redundancy scenarios and the need to recruit a new workforce to deliver the model.
- 3.22 The indicative costs for the operation of vehicles under this model can be found in the table below. This is based on four or five vehicles being procured.

Item	Runnymede 4 Vehicles	Surrey Heath 4 Vehicles	Runnymede 5 Vehicles	Surrey Heath 5 Vehicles
Vehicle Lease Cost	£17,004*	£17,004*	£21,256*	£21,256*
Insurance	£2,600	£2,600	£3,250	£3,250
Fuel	£12,661	£15,061	£15,826	£18,826
Repairs & Incidentals	£844	£844	£1,055	£1,055
Total	£33,109	£35,509	£41,387	£44,387
Growth	£2,284	£3,320	£10,562	£5,558
SH Growth Required – Star Chamber		£15,740		£17,978

**The vehicle lease cost will likely increase because of increased mileage, although no prices to reflect this have been received at present.*

Option 3: Alternative Vehicle Supplier and Same Delivery Model

- 3.23 Alternative suppliers of vehicles with the same technology installed to deliver a similar Meals at Home service are scarce, however following contact with a local authority in Wales, a vehicle supplier called Vantastec has been identified.
- 3.24 Following initial dialogue and a visit to the supplier by a member of the Meals at Home team, a quote was requested on the 7th November 2022 for both diesel and electric vehicle options. However, despite ongoing communication and discussions, Vantastec were unable to provide a quote at this stage as they have no stock and no terms from the manufacturers for this year (status up to date as of the 12th January 2023).
- 3.25 The inability to provide a quote, coupled with uncertainty around future vehicle supply, supports the concern of officers that a smaller company entering the marketplace, could present additional risk to Councils in future. One such concern is that with the company located in South Wales and it being unable to be determined how ongoing maintenance support, repairs etc. are completed, the potential length of vehicle down time in the event of repair being required could be greater than currently experienced and therefore more impactful on service delivery.
- 3.26 Therefore, whilst this is included as an option, with no costings and the concerns as set out, it is not felt to be a viable option to take forward. In addition, it highlights the limited market if intending to retain the current service delivery model.

Option 4 New Service Delivery Model (in house)

- 3.27 This option presents an alternative delivery model where meals are cooked in a convection oven at a building location, packed into a hotbox, and delivered in a diesel, petrol or electric van or car.
- 3.28 The starting point to being able to deliver this model, is the need to identify suitable premises from which meals can be cooked daily, in doing so considering the logistical implications. Officers have spent a significant amount of time identifying potential sites to deliver the meals to and cook them from. Each site would need to have enough freezer capacity and would need to accommodate ovens (if not already in location). Access to the building 365 days a year and for the loading of vehicles vehicles would also be required.
- 3.29 Potential building options have been considered across Runnymede and Surrey Heath. In Surrey Heath, the option of utilising Windle Valley Centre and Camberley Theatre have been considered but are not deemed viable.
- 3.30 In Runnymede, day centres were considered at length as this replicates a model used by Elmbridge Borough Council where they prepare, cook, and deliver from all 7 of their day centres with 10-15 meals in each delivery (although they use Apetito meals at weekends and bank holidays and for all dietary, medical, and cultural requirements).
- 3.31 However, with Runnymede only now having two-day centre sites with kitchen facilities and with no facility identified in Surrey Heath, officers believe this presents a logistical challenge in covering the whole of the partnership geography.
- 3.32 The only alternative site identified was the Meals at Home/Community Transport offices at Runnymede Depot, Chertsey. However, to achieve this would require a

capital investment. Support with this has been sought from Runnymede's Assets and Regeneration team (figures below are therefore only initial estimates), supported by advice from Environmental Health colleagues.

Table: Indicative Vehicle Revenue Costs and Capital Expenditure Costs

Revenue Costs	Per Annum	Total (5 years)
Vehicle leasing (based on £496.24 p/m per vehicle for 7 vehicles) *Quote based on an electric van option	£41,684	£208,420.80
Cost of charging vehicles (based on 29.8p per kWh)	£10,043	£50,215
Insurance (based on £1,350 per vehicle, per year)	£9,450	£47,250
Total	£61,177	£305,855

**These costs only compare delivery models and do not include staffing and recharges.*

Capital Costs	Cost
Capital costs of hot boxes and associated equipment (this quote is for the most suitable hotbox on the market with greater capacity and more able to maintain temperature for longer periods)	£11,652+ £1,921
Capital costs for an auto electrician to reconfigure vehicles	£6,000
Capital cost of Electrical Vehicle charging points	£2,300
Capital cost to make the required adaptations to the Community Meals office at the depot in Chertsey (procuring and fitting of ovens, surfaces and making changes as recommended by Environmental Services).	£20,000
Capital cost of purchase of 4 x ovens (as per Woking specification)	£20,000
Total	£61,873

- 3.23 Whilst officers feel that if this option was to be considered, having the facilities in place at Runnymede Depot, where a staff team is already based, as cited in the SWOT analysis for this option, even in the event of appropriate premises being identified and any works required being affordable, there are significant logistical challenges to this.
- 3.24 Testing of potential hotbox options has indicated that meals capacity for each delivery would be reduced to 20-25 meals, although this would be reduced further for longer delivery routes. During testing, the temperatures fell below the legal limit within a 2-hour window. Furthermore, as there is no identified location in Surrey Heath, the capacity to deliver meals and increase clients is determined by the capacity to cook all meals at the depot in Chertsey. This reduces the total number of meals that the service can prepare and restricts future growth. Therefore, there are serious logistical barriers to overcome.

Option 5 – New Service Delivery Model Working in Partnership with Woking Borough Council

- 3.25 The model outlined in option 3, has already been adopted by Woking Borough Council (WBC) following significant investment and this option outlines considerations for services at Runnymede and Surrey Heath to partner with WBC.
- 3.26 This opportunity would see meals ordered from suppliers and delivered to Woking, cooked, and packed at the purpose-built industrial kitchen in Woking. Drivers from Surrey Heath and Runnymede would collect meals packed into hotboxes in diesel, petrol or electric vans or cars and deliver from Woking (Sheerwater area).
- 3.27 Two key advantages are identified within this model option. Firstly, there is a strong relationship between officers of the Community Services Partnership and colleagues at WBC, whilst the second advantage is that the model is already set up and therefore would not require such a significant investment in set up.
- 3.28 As per option 3, officer recognise that the model does have similar operational risks/implications, given that all vehicles operating across the partnership geography would start from the WBC base in Sheerwater each day. Specifically, there is a time/delay risk in completing the service and the same risk surrounding temperature retention of meals etc.
- 3.29 Costs have been received from WBC for the provision of such a service, which can be found in the table below together with estimated costings for leasing new vehicles. In addition, a table detailing the one-off capital expenditure is also provided. Officers feel that the charges presented by WBC, when compared to option 3, where a similar model is set up within Runnymede/Surrey Heath, is cost prohibitive, with significant increases to budget as a result recharges from WBC.

Revenue Costs	Per Annum	Total (5 years)
Vehicle leasing (based on £496.24 p/m per vehicle for 7 vehicles) *Quote based on an electric van option	£41,684	£208,420.80
Cost of charging vehicles (based on 29.8p per KWh)	£12,621	£63,105
Insurance (based on £1350 per vehicle, per year)	£9,450	£47,250
Woking recharge: Electricity at £350 per month	£4,200	£21,000
Woking recharge: Staffing at £3,979 per month	£47,748	£238,740
Woking recharge: Business rates at £150 per month	£1,800	£9,000
Woking recharge: Admin fee per 2 course meal £0.65	£51,968	£259,838
Fee per tea package – on top of charge (£2.42) plus admin fee per tea package = £0.50 (based on 40 per day)	£42,632	£213,160
Total	£207,203	£1,036,013

Capital Costs	Cost
Capital costs of hot boxes and associated equipment (this quote is for the most suitable hotbox on the market with greater capacity and more able to maintain temperature for longer periods)	£13,573
Capital costs for an auto electrician to reconfigure vehicles	£6,000
Capital cost of Electrical Vehicle charging points	£3,400
Working recharge: 4 x Ovens - One off charge (Including VAT)	£15,348
Total	£38,241

4. Recommendation

- 4.1 It is recognised that all the options presented display budget growth and that this will be a cost pressure partner councils will have to consider. However, the increase in costs is unsurprising given rates of inflation experienced and the increase in fleet vehicles and components, and therefore officers have tried to make the next five years of service delivery as cost effective as possible by limiting growth.
- 4.2 The recommendation of officers is based not only on finances, but also on the SWOT analysis completed and comparing the potential operational and reputational risks as well as impact on employees, because of changing the service model, as opposed to retaining the existing service delivery option.
- 4.3 Having considered each of the options, officers feel that operationally the most viable option is option 1, that being to enter a new lease arrangement with Apetito. Should a contract be entered into for the provision of new vehicles, there is a commitment to ensuring that all, or as many vehicles as is required, from the existing fleet, will be maintained until new vehicles are delivered, by Apetito, addressing the current issues faced relating to the Runnymede leased vehicles
- 4.4 In the event that an increase in referrals leads to a demand for an additional route, this could potentially be delivered using a hotbox and a council owned vehicle or employee car. Sustained growth may prompt the need to enter a lease for the 8th vehicle
- 4.5 It is also recognised that the opportunity to transfer to electric vehicles to meet the climate change objectives of each Council would not be possible, however it is confirmed that no such option is viable at this time.

5. Other Opportunities Identified to Promote Sustainability / Offset Growth

- 5.1 Prior to placing orders for vehicles consideration should be given to the potential option highlighted in the Star Chamber document, that being to reduce the fleet to 4 or 5 vehicles and deliver in one borough at lunch time and the other in the evening.

- 5.2 Feedback from customers suggests this would be unpopular, although the number of customers that would be lost because of such a decision is unknown. Equally, adopting this model would require further work on the operational delivery of service and likely incur the need for staff consultation and potential redundancy costs. However, either partner council could make the request for further work to be undertaken on such a model.
- 5.3 Once the future service delivery model and a decision relating to fleet is confirmed, officers will be tasked with continuing to identify opportunities to promote sustainability and offset budget growth. Such options include:
- Work with integrated health partners to seek a financial contribution to delivering the service for next 5 years
 - Increasing referrals to the service leading in additional income
 - Promotion of offer to health and social care partners
 - Potential to pilot an extension of the service into Bracknell Forest
 - Further integration of transport and meals drivers, working across both service areas
 - Development of service offer and promotion of offer in line with potential partners identified in Star Chamber process
 - Seek support for increased cost of vehicles from NHS partners (full deficit value or percentage of)
- 5.4 Whilst fees and charges for 2023/2024 have been agreed at Runnymede and are in the process of being agreed at Surrey Heath, there is the potential opportunity to increase fees further to offset the growth in service cost.
- 5.5 An increase in fees and charges over time could mitigate against both increase costs and a decrease in client numbers. However, there is a risk of making the service inaccessible to those who most need it and therefore result in some of the boroughs most vulnerable residents being unable to access the service on the grounds of affordability.
- 5.6 For completeness, the table in appendix 4 summarises potential income based on 250 meals being purchased on an average weekday and 150 for an average weekend.

6. Conclusion

- 6.1 Whilst officers are recommending the continuation of the existing service delivery model which would create a financial growth scenario, it is recognised that there is a need to also identify ways of achieving financial efficiencies within the service.
- 6.2 A recommendation has been made to proceed with Option 1, which is felt to offer uninterrupted service continuity by being able to continue to use the existing fleet (at a revised lease cost) until new vehicles are delivered. Given the situation with vehicle leases at both authorities, in particular Runnymede, and the business continuity threat this poses, Members are asked for a steer as to the direction to be taken, so that appropriate steps relating to existing fleet/service and future arrangements can be undertaken.
- 6.4 Following consideration by Partnership Board and agreement as to either direction or next steps, given the need to enter leases and for further financial commitment, formal reports to proceed in whichever direction would be required for both

authorities. This would need to be completed as quickly as possible to limit the risk of further lease price increases.

Appendix 1: Star Chamber – Information

Immediate Opportunities

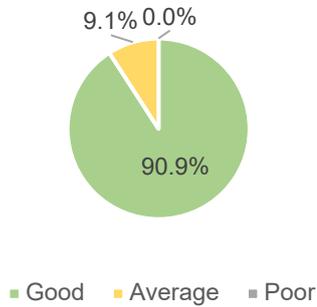
Service	Type	Summary	Financial Benefit	Likelihood (1-5) Year (Full Saving)
Meals at Home	Income	Provision of Meals to Voluntary and Community organisations, temporary accommodation addressing Homelessness etc., holiday provision for those on free school meals, school holiday activity clubs etc.	£6,000 – based on 10 meals per day for 50 weeks	3 2023-2024

Opportunities for Consideration

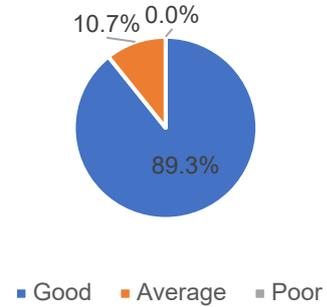
Service	Type	Summary	Financial Benefit	Requirement
Meals at Home	Efficiency	Revised partnership delivery model to reduce the fleet requirements when leases are renewed (e.g., reducing from 8 to 4 or 5 vehicles)	£10,000 - £15,000	Review of vehicle options ongoing Consultation with service users required Staff implications

Appendix 2: Client Feedback

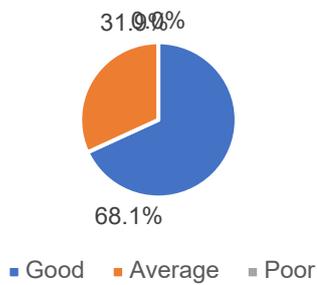
Runnymede: How would you rate the quality of service?



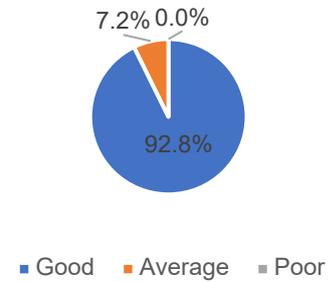
Runnymede: How would you rate the quality of food?



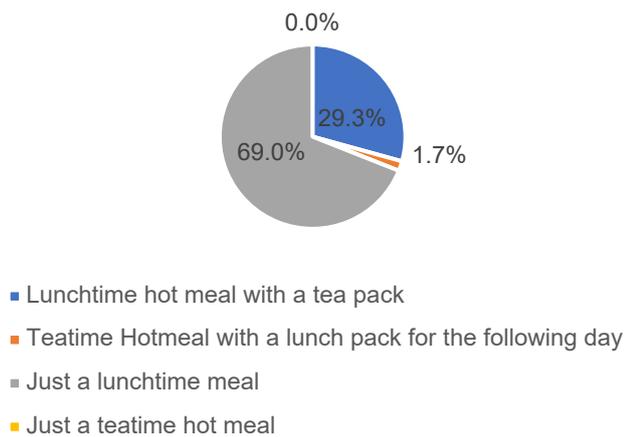
Surrey Heath: How would you rate the quality of service?



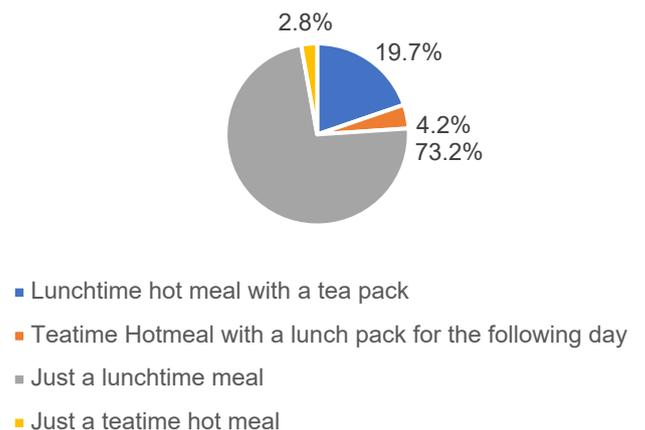
Surrey Heath: How would you rate the quality of food?



Runnymede: Which of the following service delivery options would you like to see?



Surrey Heath: Which of the following service delivery options would you like to see?



Appendix 3: Strengths, Weaknesses, Opportunities & Threats (SWOT) of each option

Option 1:

<p>Strengths:</p> <ul style="list-style-type: none"> • It is a logistically strong option as ovens and vans are integrated. • The service delivery model is resilient and self-contained. It can operate at multiple locations without the need to increase staffing capacity or reliance on assets. • Resources and staff are currently deployed to deliver this model. • As the meals are cooked en-route to the resident, they arrive hot and ready to eat. • This model maintains the most constant heat for meal safety, hygiene, and meal quality. • This model can delivery between 35-40 meals per vehicle, therefore there is some scope to increase client numbers. However, the service could consider cooking and hotboxing batch orders (e.g., to day centres), where the box is not required to be opened and closed multiple times. • Experience of the maintenance service and response time has been positive as Novuna utilise approved local mechanics to fix vehicles. 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • The vehicle lease is higher than a standard van. • If diesel vehicles are selected, the purchase of further diesel vehicles does not align with the Borough's Climate Change Strategy and net zero 2030 target. • Being tied into meal procurement from Apetito limits the Borough's scope to explore higher quality meals.
<p>Opportunities:</p> <ul style="list-style-type: none"> • The procurement of x7 meals vans means that there is some scope for growth in the service (although limited). Typically, each van can delivery 35-40 meals within the delivery window, a total of 140/150 meals per day, per Borough. The service currently delivers approximately 120 meals per day. • The vehicles could then be used to deliver meals in the evening (if growth were approved) to both clients in the Borough and neighbouring Boroughs. • Similarly, there is scope to build up an ad-hoc client base of holiday camps. • A flexible approach to workforce deployment across transport and meals could be considered. 	<p>Threats:</p> <ul style="list-style-type: none"> • If a vehicle is incapacitated the service needs to hotbox meals either by cooking in another van or from a day centre. • The lead time for these vehicles is currently 12+ months. RBC would need to maintain the current fleet until new vehicles come online (details above). • With a fully integrated approach (meals/vans/ovens) with the current supplier (Apetito), the Borough have less bargaining power with the current supplier or futures suppliers as there are limited competitors to procure from. • The oven stock fitted to these vehicles are refurbished from Apetito's stock of ovens. According to Novuna (contracted to maintain the ovens), there are supply chain issues with parts for these ovens. This presents a risk and threat which would need accounting for in any potential contract. • Being tied into meal procurement from Apetito presents business continuity risks when the supply chain is disrupted. This would need accounting for in any potential contract.

Option 2:

<p>Strengths:</p> <ul style="list-style-type: none"> • It is a logistically strong option as ovens and vans are integrated. • The service delivery model is resilient and self-contained. It can operate at multiple locations without the need to increase staffing capacity or reliance on assets. • As the meals are cooked en-route to the resident, they arrive hot and ready to eat. • This model maintains the most constant heat for meal safety, hygiene, and meal quality. • This model can delivery between 35-40 meals per vehicle, therefore there is some scope to increase client numbers. However, the service could consider cooking and hotboxing batch orders (e.g., to day centres), where the box is not required to be opened and closed multiple times. • Experience of the maintenance service and response time has been positive as Novuna utilise approved local mechanics to fix vehicles. • Overall lease cost of vehicles would be reduced. 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • If diesel vehicles are selected, the purchase of further diesel vehicles does not align with the Borough's Climate Change Strategy and net zero 2030 target. • Being tied into meal procurement from Apetito limits the Borough's scope to explore higher quality meals. • The cost of diesel to move the vehicles between Boroughs increases revenue costs. • Fuel claims for individual staff to drive to the vehicle pick location would increase significantly. • A staff management of change would be required, likely incurring redundancy costs. • With fewer vehicles, there are limited options to develop the service (e.g., into other Boroughs, providing a service to holiday activity provision, supporting further day centers and NHS partners). • Increased emissions because of the increased mileage of vehicles. • The lease cost of the vehicles will likely rise because of the increased mileage.
<p>Opportunities:</p> <ul style="list-style-type: none"> • A flexible approach to workforce deployment across transport and meals could be considered. 	<p>Threats:</p> <ul style="list-style-type: none"> • If a vehicle is incapacitated the service needs to hotbox meals either by cooking in another van or from a day centre. • The lead time for these vehicles is currently 12+ months. RBC would need to maintain the current fleet until new vehicles come online (details above). • With a fully integrated approach (meals/vans/ovens) with the current supplier (Apetito), the Borough have less bargaining power with the current supplier or futures suppliers as there are limited competitors to procure from. • The oven stock fitted to these vehicles are refurbished from Apetito's stock of ovens. According to Novuna (contracted to maintain the ovens), there are supply chain issues with parts for these ovens. This presents a risk and threat which would need accounting for in any potential contract. • Being tied into meal procurement from Apetito presents business continuity risks when the supply chain is disrupted. This would need accounting for in any potential contract. • The Service would have less business continuity flexibility if a vehicle is incapacitated. • Following current user feedback, there is a risk of current residents leaving the service.

Option 3:

<p>Strengths:</p> <ul style="list-style-type: none"> Operational strengths similar to Option 1. A compliant route to market for these vehicles. 	<p>Weaknesses:</p> <ul style="list-style-type: none"> No quote provided.
<p>Opportunities:</p> <ul style="list-style-type: none"> If their situation changes Vantastec may provide a suitable comparison and competition 	<p>Threats:</p> <ul style="list-style-type: none"> No reassurance about maintenance and response time.

Option 4:

<p>Strengths:</p> <ul style="list-style-type: none"> The use of electric vehicles aligns with the Climate Change strategy. The lease cost of the vehicles is lower than option 1. Running costs of the vehicles will be lower than current fleet. The operation is already set up to deliver from the depot. Capital changes to the depot are the most cost effective of the options explored (e.g., use of day centres). The Borough is not reliant on one company for full-service delivery and supply. Although the set-up costs are greater, the day-to-day revenue running costs are expected to be lower. 	<p>Weaknesses:</p> <ul style="list-style-type: none"> There are challenges surrounding food safety requirements which limit the capacity of the hotbox and delivery. Storage, cooking, and delivery capacity is limited c25 meals per delivery. This is a logistically more challenging option as there are more human hours required to fulfil each successful delivery. There may be a requirement for increase in staff hours to accommodate cooking and packing. This is not already factored into the current budget and establishment list. The capital growth has not been allocated and approved for development works for the depot or another approved location.
<p>Opportunities:</p> <ul style="list-style-type: none"> There is scope to deliver batch deliveries in tried and tested hotboxes (e.g., day centres). This option allows for further exploration of a different food supplier or to move more of the service 'in house' (currently sandwich packs are prepared by the Borough). 	<p>Threats:</p> <ul style="list-style-type: none"> There is a potential risk to food safety if total safe numbers are exceeded or if there is a serious delay in delivery (traffic, road traffic collision etc). This is not a resilient option if there is power failure. The service would need to temporarily move to another building/location.

Option 5

<p>Strengths:</p> <ul style="list-style-type: none">• The use of electric vehicles aligns with the Climate Change strategy.• The lease cost of the vehicles is lower than option 1.• Running costs of the vehicles will be lower than current fleet but higher than 3a due to the additional distance of travelling into and out of Woking.• The kitchen at Woking is purpose built for this model.	<p>Weaknesses:</p> <ul style="list-style-type: none">• The recharge costs provided by Woking are unsustainable and do not present best value.• There are challenges surrounding food safety requirements which limit the capacity of the hotbox and delivery. Storage, cooking, and delivery capacity is limited c25 meals per delivery.• This is a logistically more challenging option as there are more human hours required to fulfil each successful delivery.• This option would tie us into Woking's food supplier.
<p>Opportunities:</p> <ul style="list-style-type: none">• There is scope to deliver batch deliveries in tried and tested hotboxes (e.g., day centres).	<p>Threats:</p> <ul style="list-style-type: none">• There is a potential risk to food safety if total safe numbers are exceeded or if there is a serious delay in delivery (traffic, road traffic collision etc).• This is not a resilient option if there is power failure. The service would need to temporarily move to another building/location.

Appendix 4 – Charges/Income Matrix

	Weekday	Weekend	Per day - Weekday	Per day - Weekend & Bank Holidays	Total Income Per Annum
Number of meals purchased	250	150			
Runnymede	£4.40	£5.05	£550.00	£378.75	£179,640.00
Surrey Heath	£4.40	£5.35	£550.00	£401.25	£181,980.00
				Total Current Benchmark:	£361,620.00
Cost per meal	£4.50	£5.10	£1,125.00	£765.00	£366,435.00
	£4.60	£5.20	£1,150.00	£780.00	£374,370.00
	£4.70	£5.30	£1,175.00	£795.00	£382,305.00
	£4.80	£5.40	£1,200.00	£810.00	£390,240.00
	£4.90	£5.50	£1,225.00	£825.00	£398,175.00
	£5.00	£5.60	£1,250.00	£840.00	£406,110.00
	£5.10	£5.70	£1,275.00	£855.00	£414,045.00
	£5.20	£5.80	£1,300.00	£870.00	£421,980.00
	£5.30	£5.90	£1,325.00	£885.00	£429,915.00
	£5.40	£6.00	£1,350.00	£900.00	£437,850.00
	£5.50	£6.10	£1,375.00	£915.00	£445,785.00
	£5.60	£6.20	£1,400.00	£930.00	£453,720.00