

<b>LONDON BOROUGH OF CAMDEN</b>	<b>WARDS:</b> All
<b>REPORT TITLE</b> School Meals Delivery in Schools Update	
<b>REPORT OF</b> Director of Education Commissioning and Inclusion	
<b>FOR SUBMISSION TO</b> Schools Forum	<b>DATE</b> 5 <sup>th</sup> February 2025
<b>SUMMARY OF REPORT</b>  At its meeting of 11 <sup>th</sup> September 2024, an update was presented to the Schools Forum on the procurement of the new school meals contract. The current contract with Cater Link is due to expire on 31 <sup>st</sup> March 2025. A further update is now available.  Following a successful tendering process, tenders were received on 10 <sup>th</sup> September 2024 for a new service that is due to commence on 1 <sup>st</sup> April 2025 for a period of three years, with option for two extensions of one year each, with a total estimated aggregate value of £24m. The new contract will include an option to break after two years (April 2027), which will allow the Council to move to an in-house arrangement, if possible.  <b>Contact Officers:</b> Steve Harris, Head of Facilities Management 020 7974 5651 / <a href="mailto:steve.harris@camden.gov.uk">steve.harris@camden.gov.uk</a> 5 Pancras Square, London, N1C 4AG Shola Matiluko, Contracts Performance Manager 020 7974 4518 / <a href="mailto:shola.matiluko@camden.gov.uk">shola.matiluko@camden.gov.uk</a> 5 Pancras Square, London, N1C 4AG Nicholas Smith, Head of Education Commissioning and School Organisation 020 7974 1149 / <a href="mailto:Nicholas.smith@camden.gov.uk">Nicholas.smith@camden.gov.uk</a> 5 Pancras Square, London, N1C 4AG	
<b>RECOMMENDATION</b>  The Forum is asked to note the report.	

Signed by:



Vikram Hansrani Director of Education and Inclusion

Date: 27 January 2025

## **1. Purpose of the report**

- 1.1 The purpose of this briefing is to further update Schools Forum on the outcome and detail of the tender following its award by the Executive Director, Children and Learning following consultation with the Cabinet Member for Best Start for Children and Families in line with the procurement strategy agreed by the Cabinet on 5<sup>th</sup> June 2024.

## **2 Background**

- 1.1 The school meals service is a delegated service, which is procured and managed by the Council on behalf of schools on the basis of a service level agreement (SLA). The full cost of the service is financed by schools through a combination of charges to parents for paid meals and funding of free meals from their delegated budget. Whilst schools have autonomy on the use of their budgets, the Council is supporting them in securing value for money for their contracted services.
- 1.2 As a result, the Council through its procurement processes allows schools to have access to contracts at competitively tendered price and quality.
- 1.3 The current contract procured jointly with the London Borough of Islington for the initial five-year period was extended for another two years is due to end on 31<sup>st</sup> March 2025. The current price per meal in primary, secondary, and adult meal is £2.87.
- 1.4 The Council advertised the tender on 23<sup>rd</sup> July 2024 with a closing date of 10<sup>th</sup> September 2024. Tenders were received, which were evaluated based on 50/50 price / quality ratio.
- 1.5 Bidders were asked to submit the labour element of the meal price based on the current labour rate, which will be uplifted by the new London Living Wage rate that is due to take place with effect from April 2025.

## **2 Tender evaluation**

- 3.1 The evaluation criteria as agreed the Cabinet was based on 50/50 price / quality ratio of which the quality element is broken down as:
- Mobilisation and quality assurance 6%
  - Food quality and nutrition 15%
  - Sample menus 5%
  - Sustainability 3%
  - Management and staffing, and Equality and Diversity 4%
  - Kitchen staffing 2%
  - Stakeholder engagement 5%
  - Social Value 10%

3.2 The tender process has been completed and a report setting out a recommendation to award a contract to a school meals provider was considered by the Executive Director Children and Learning following consultation with the Cabinet Member for Best Start for Children and Families. This included school commentary on specific standards and contract specification documentation and consultation responses reflecting operational concerns about communication and escalation procedures.

3.3 Overall outcome of the evaluation

Tenderer	Total Quality Score (/50)	Total Price Score (/50)	TOTAL SCORE (/100)
Tenderer A	33.30%	50.00%	83.20%
Tenderer B	32.20%	41.56%	73.76%
Tenderer C	25.40%	46.36%	71.76%
Tenderer D	39.00%	37.65%	76.65%
Tenderer E	27.60%	44.14%	71.74%

*Tenderers failing to meet the quality threshold are highlighted in red.*

3.4 Social value:

Social value was one of the key elements of the quality criteria apart from Food quality, nutrition, and menu. The social value that was included in the tender is as follows, with the measures offered by the recommended tenderer in bold below.

- Provide cookery classes for pupils and parents/carers – to be delivered in schools (1 class per month during term time in focussed schools (4 schools)) **1 per month during term time in 10 schools pa.**
- Local employment – vacancies for any roles recruited to would be advertised to Camden residents in conjunction with GWC (and schools) for a minimum of 2 weeks, before wider advertising (90% of staff to be Camden residents) **Committed to 90% local employment target.**
- Apprenticeships to be created for Camden residents in conjunction with Camden Apprenticeship Team, for new recruits or existing staff – 2 per year. **5 per annum.**
- Career development training for existing staff (to be determined by bidder) **25 training opportunities over the contract term.**
- 100% of surplus food left at the end of the week that would be out of date on Monday to be transferred to food banks on Friday. **Committed to 100% of surplus food to be transferred to food banks.**

Optional measures:

- A number of staff to receive Make Every Contact Count training (to be determined by bidder) **56 staff; one employee per school plus the central operations team (minimum).**
- Volunteer time to create/maintain raised beds for plants/crops/herb garden/sensory garden (to be determined by bidder in consultation with schools' availability of space) **150 volunteer hours over the contract term.**

Some of the additional measures offered:

- Supporting those with disabilities into work – recruiting 10 such employees over the contract term
- Nutritional workshops – providing 12 health and wellbeing activities with local community/volunteer/support groups pa.
- Camden Food Partnership – running 12 two-hour community cookery courses pa.
- Training opportunities – delivering a minimum of 2,000 hours of training to Camden residents / volunteer groups.
- Reducing energy consumption - All schools will be audited to assess energy/water consumption and given appropriate targets to reduce.

### **3 Savings**

- 4.1 Schools are currently paying £2.87 per meal in primary, secondary and for adults in both primary and secondary. The successful tenderer's price is £2.65 per primary meal and £2.75 for secondary free, and adult meals in both primary and secondary.
- 4.2 Based on the tendered meal numbers, this will see an estimated reduction in cost of £396,737 per annum or £1.983m over a five-year period compared to the current price from the successful tenderer against the current annual cost of £4,338,297. This constitutes a reduction of 9.1% on the current cost. In comparison with the other Tenders received, who offered prices that would have delivered increases of between 2.91% and 20.66% from three of the tenderers, and a decrease of 2% from one tenderer.

### **4 Price**

- 5.1 The successful tenderer's price for both primary and secondary will be within budget.

### **6 Reasons for recommendation**

- 6.1 The Council conducted a competitive procurement process in a market with multiple experienced providers to ensure that value for money is

achieved. The balance of price and quality (50/50) aims to ensure that high quality service provision is assured, including delivery of social value measures, whilst also giving consideration to price and the financial circumstances of schools to pay for the contract. The pricing schedule included detailed numbers of meals required for each school site, and price has been assessed by comparing price per meal, per pupil for each tenderer.

## 5 Key milestones

5.1 The following table summarises the key tasks and activities.

Key activity date	Key tasks
December 2024	Contract award report to be considered by Executive Director, Children and Learning in consultation with the Cabinet Member for Best Start for Children and Families, in line with the delegation agreed by Cabinet. Schools Forum update.
February 2025	Schools Forum – Procurement report update
1 <sup>st</sup> April 2025	Contract start date

## 6 Future Developments

- 6.1 The Council is continuing to investigate alternatives to the delivery of food within schools and wider council services alongside the delivery of the existing and future contract considered within this report.
- 6.2 Three initial individual consultation activities have been undertaken in the Autumn Term, including with Food providers, Third Sector Partners and Schools. These and further consultation exercises will continue in the spring term that will culminate in a prospectus document outlining the opportunities, key risks and operational framework necessary for transition to a different model of food delivery.
- 6.3 Whilst supportive of the initial vision School partners have indicated three key areas of consideration and confidence required through any changed service, these are
- i. Quality of the food and offer to pupils must be safeguarded and improved.
  - ii. Operational excellence must be ensured with schools having confidence in the ability of a service to manage the statutory functions of providing school meals.
  - iii. Any additional cost that results from changes to delivery of service cannot be borne by school budgets.

## **7 Legal Comments**

- 7.1 Any potential contract award will comply with the Public Contract Regulations 2015 and Council Standing Orders (CSOs). CSOs require that the Executive Director makes the Decision to award.

## **8. Environmental Impacts**

- 8.1 There are none.

## **9. Financial Comments**

- 9.1 The full cost of the service is financed by schools through a combination of charges to parents for paid meals and funding of free meals from their delegated budget. Schools are charged as per the invoiced number of meals by the contractor.
- 9.2 Schools have autonomy on the use of their budgets with the Council having a duty to assist them in securing value for money for their contracted services. As a result, the Council through its procurement processes allows schools to have access to contracts at competitively tendered price and quality.
- 9.3 Schools can be varied into or out of the contract by giving a reasonable notice.

**REPORT ENDS**