



9.1 AWARD OF CONTRACT FOR PROVISION OF DELIVERED MEALS

EXECUTIVE MEMBER: TONY KEENAN, GENERAL MANAGER, COMMUNITY WELLBEING AND INCLUSION

PREPARED BY: SHARON BUCK, COORDINATOR INDEPENDENT LIVING

1. PURPOSE

- 1.1 To seek Council approval to enter into Contract 00064 - Provision of Delivered Meals with The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals.

2. EXECUTIVE SUMMARY

- 2.1 The current contract for Provision of Delivered Meals expires on 28 October 2021. A new contract is proposed to commence 29 October 2021. A two-year contract with three one-year options to renew is recommended.
- 2.2 The contract will provide a choice of nutritional low-cost meals to eligible residents of City of Port Phillip on a subsidised fee for service basis. Meals are delivered directly to residents who require the service.
- 2.3 The estimate contract value is \$1,900,000 exclusive of GST for the full five-year term. The contract sum is calculated on a schedule of rates and is based on Council's average number of meals delivered annually (Approximately 30,000).
- 2.4 The full value of the contract is currently funded through the State and Commonwealth Government. The contract will be subject to the continuation of funding. At this stage, funding for program including delivered meals is committed to 30 June 2022. An extension of contract with the Commonwealth to June 2023 is expected to be offered.
- 2.5 If funding arrangements change, Council has included a clause to terminate without penalty.

3. RECOMMENDATION

That Council:

- 3.1 Enters into Contract 00064 with The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals for a two year period commencing 29 October 2021 with three one-year options to extend the contract.
- 3.2 Affixes the Common Seal of the Port Phillip City Council to Contract 00064 between Council and The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals.

4. KEY POINTS/ISSUES

- 4.1 In accordance with the provisions of the Local Government Act 2020 a public procurement process has been conducted for the proposed service to deliver meals to eligible community members. The tender was advertised in The Age on 22 May 2021 and closed on 11 June 2021.
- 4.2 The proposed delivered meals contract is for a two-year term commencing on 29 October 2021 with three one-year options to renew.
- 4.3 The composition of the Tender Evaluation Panel (TEP) is set out in Table 1.



TABLE 1: COMPOSITION OF TEP	
Name	Title
Sharon Buck	TEP Chairperson – Coordinator Independent Living
Gaye Stewart	Manager Community Services
Jim Maclean	Coordinator Building Maintenance
Ivanka Radosevic	Contracts and Procurement Adviser
COMPOSITION OF TECHNICAL REFERENCE GROUP	
Name	Title
Peter Hughesman	Community Liaison and Project Officer
Lisa Paton	Coordinator Sustainable Programs

4.4 All TEP members signed the standard form indicating that they had no conflict of interest to declare and would keep tender information confidential.

4.5 The evaluation criteria and weightings are detailed in Table 2.

TABLE 2: TENDER EVALUATION CRITERIA	
Filter Criteria	Pass/Fail
Level 1 Food Safety	
Criteria	% Weighting
Price	40
Capacity to meet the requirements of the specification	25
Relevant experience and track record	15
Occupational Health and Safety	10
Corporate Social Responsibility	10

4.6 Council received two submissions in response to the tender. Details are shown in Table 3.

4.7 All tender submissions were conforming and were forwarded for consideration.



TABLE 3: TENDER PRICE

No.	Tenderer's Name	Price
1	Tenderer 1	\$1,917,880
2	The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals	\$1,876,477

- 4.8 Pricing was determined based on existing order quantities and the schedule of rates provided in the tender response.
- 4.9 The TEP assessed the tender submissions against the evaluation criteria. A summary of the results is presented in Table 4.

TABLE 4: WEIGHTED SCORE

No.	Tenderer's Name	Price
1	Tenderer 1	761.36
2	The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals	700.00

- 4.10 Following the initial evaluation, the TEP invited both tenderers to interview. Interviews were held with The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals and Tenderer 1 on 1 July 2021 and included set questions, points of clarity and a requirement for each tenderer to provide meal samples for inspection by the TEP.
- 4.11 At interview The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals was given an opportunity to articulate their capacity, business model and methodology for providing the service because they had not provided a full business case with the tender submission. They admitted they made an error of judgement in assuming that, as the incumbent, the panel members would have detailed knowledge of their business model, capacity and performance over the life of the current contract.
- 4.12 Both tenderers provided meal samples that were well-presented, appealing and contained in recyclable packaging that responded to the reduced dexterity experienced by clients of the delivered meals service.
- 4.13 Following the interview process the TEP discussed the pre- and post-interview scores for The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals and Tenderer 1. Adjustments were made to the scores for The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals based on information provided at interview. No adjustments were made to the scores for Tenderer 1.
- 4.14 Adjusted final weighted scores are shown in Table 5.

TABLE 5: ADJUSTED FINAL WEIGHTED SCORE

No.	Tenderer's Name	Price
1	Tenderer 1	761.36
2	The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals	825.00



- 4.15 Cuisine Fresh Family Trust T/As Choice Fresh Meals is a private company and does not need to make financial information available in the same way that a publicly listed company. A Failure Risk Report was conducted by Illion Direct. Illion's failure score predicts the likelihood that a business will experience stress or failure within the next twelve months. The average entity has a 1.6% likelihood of failure. Cuisine Fresh Family Trust T/As Choice Fresh Meals has a 0.7% risk of failure. Cuisine Fresh Family Trust T/As Choice Fresh Meals has a business continuity arrangement with another meals provider to undertake the service should it be unable to do so for any reason.
- 4.16 Reference checks were conducted on 14 July 2021 by a member of the TEP. Referee replies for The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals confirmed their credentials and experience to carry out the work required for this service.
- 4.17 Accordingly, the tender submitted by The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals is deemed to be the most advantageous to Council.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 The provision of delivered meals service assists frail older people, younger people who need assistance with daily living and the carers of those people who require assistance to remain living independently and safely at home within their community. The service aims to provide clients with nutritious and well-balanced meals suited to their dietary needs.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The appointed contractor is required to hold and maintain Level 1 Food Safety accreditation. Both tenderers provided evidence of this requirement.

7. FINANCIAL IMPACT

- 7.1 Council receives funding from the State and Commonwealth Government of approximately \$542,149 annually for the provision of the meals service.
- 7.2 The full value of the contract is currently funded through the State and Commonwealth Government. The contract will be subject to the continuation of funding. At this stage, funding for program including delivered meals is committed to 30 June 2022. An extension of contract with the Commonwealth to June 2023 is expected to be offered.
- 7.3 If funding arrangements change, Council has included a clause to terminate without penalty.
- 7.4 Delivered meals are provided to eligible residents using a fee-for-service model that is funded by the State and Commonwealth Government through the Home and Community Care Program for Younger People and the Commonwealth Home Support Program.

8. ENVIRONMENTAL IMPACT

- 8.1 Both tenderers source food through local suppliers and use seasonal produce in the preparation of meals. The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals has developed relationships with a range of suppliers to help ensure security of supply.
- 8.2 The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals detailed the upgrade of plant and equipment and installation of solar panels that responds to a



reduction in fossil fuel energy use. Tenderer 1 identified that it is not in a position to invest in energy-saving technology.

- 8.3 Tenderers demonstrated the recycled and recyclable packaging of meals at interview. The TEP was satisfied that both tenderers had considered and responded to the environmental impact of pre-packaged meals.

9. COMMUNITY IMPACT

- 9.1 Both tenderers are small family companies and have no formal policies regarding diversity of employment programs, collective bargaining, etc. Both tenderers directly employ staff and do not use contractors. The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals has an Employee Assistance Program to support staff with external counselling if required.
- 9.2 Both tenderers support community-based organisations that respond to food insecurity in the local community.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 This service aligns with Council's strategic direction Inclusive Port Phillip.
- 10.2 The Delivered Meals service enables people to maintain independence as they age.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 It is recommended that Council awards the proposed contract to The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals.
- 11.1.2 A transition period is not required. The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals is the incumbent provider.

11.2 COMMUNICATION

- 11.2.1 Contract documentation will be prepared and forwarded to The Trustee for Cuisine Fresh Family Trust T/As Choice Fresh Meals within 5 working days.
- 11.2.2 The unsuccessful tenderer will be notified in writing and offered a telephone debrief with the TEP.

12. OFFICER DIRECT OR INDIRECT INTEREST

- 12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

Nil