

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

31 MARCH 2015

REPORT OF THE CORPORATE DIRECTOR – SOCIAL SERVICES AND WELLBEING

MEALS AT HOME

1.0 Purpose of Report

- 1.1 To update Cabinet on the Meals at Home Service, and to provide an appraisal of the options for the Meals at Home Service in moving forward.

2.0 Connection to Corporate Plan

- 2.1 This report links to the following improvement priorities in the Corporate Plan:

- Working together to help vulnerable people to stay independent;
- Working together to make best use of our resources.

Plus the following background documents:

- Adult Social Care Commissioning Plan 2010 – 2020: Living Independently in Bridgend in the 21st Century;
- The Remodelling Adult Social Care Programme;
- Medium Term Financial Strategy 2014-2018 (MTFS).

3.0 Background

- 3.1 The Health Services and Public Health Act 1968 gives a Local Authority the power to provide Meals at Home and elsewhere to meet the needs of older people. This was strengthened by the Chronically Sick and Disabled Persons Act 1970 that established the local authority duty to arrange “help with meals” where it was satisfied that they were necessary.
- 3.2 In September 2010, Cabinet agreed that the payment method for the service should be streamlined, to bring it in line with the current payment method for other home care services, through invoicing. In addition, in September 2011, the preparation of food for the Meals at Home service was transferred to the Children’s Directorate’s school catering service, where it has continued since that time.
- 3.3 Welsh Government’s Social Care Charges (Wales) Measure 2010 included as “Chargeable Services” those services provided under the Health Services and Public Health Act 1968. Therefore, Meals at Home was a service that could have been subject to the Fairer Charging means test and the maximum charge. Following concerns raised about the practical implications of the measure, Welsh Government agreed that where flat-rate charges are made for services that substitute for ordinary living costs (such as meals), these will be excluded from the Fairer Charging means test and the maximum charge. The Wellbeing Directorate has not moved to full cost recovery and, as a result, the cost of the meals continues to be subsidised by the Wellbeing Directorate.

- 3.4 In April 2013, Cabinet agreed to amend the Local Authority's charging policy for services, and reduced the subsidy towards service charges from 40% to nil for all services, with the exception of Telecare.
- 3.5 All people in receipt of the Meals at Home service were written to on the 26th November 2013, to inform them of the proposal to withdraw the subsidy; they were asked where possible to respond with any issues or concerns. They were also offered assistance if they wished to make alternative arrangements. Following this, eight separate contacts were made to the directorate, which equated to 10 recipients (less than 4%) of the Meals at Home service.
- 3.6 In January 2014, it was proposed to Cabinet to reduce the subsidy on Meals at Home, in line with the decision for other chargeable services, which would increase the cost of a hot meal from £3.68 to £5.11; an increase of £1.43. Cabinet noted the report but felt that this needed to be further explored. Cabinet agreed to defer the decision to remove the proposed subsidy until a review of all people currently in receipt of a Meal at Home had taken place.
- 3.7 Profiling of people receiving meals at home indicates the following:
- A total of 5044 people were supported by Adult Social Care during 2013/14, of which 34% (1695) are aged 85+
 - Of the people supported in adult social care services, there are currently (October 2014) 246 service users in receipt of a Meals at Home Service:

Age Band	Moderate	Critical	Substantial	Care & Treatment Plan	Emergency	Total	% by Age Band
18-64	5	1	5	2	0	13	5%
65-74	20	0	7	3	4	34	14%
75-84	38	2	40	1	5	86	35%
85 - 89	20	2	37	0	4	63	26%
90 - 94	15	0	29	0	0	44	18%
95+	0	0	5	0	1	6	2%
Total	98	5	123	6	14	246	100%
% by Criteria	40%	2%	50%	2%	6%	100%	

Of the 246 service users in receipt of the Meals at Home Service:

- 113 (46%) are aged 85+,
- 128 (52%) people aged 18+ have a recorded eligibility criteria of substantial or critical;
- of the 113 people aged 85+, 73 people have a recorded eligibility criteria of substantial or critical.

Therefore it would be reasonable to assume that this group are potentially the most at risk should they decline meals as a result of any change to the Meals at Home service.

- 3.8 Since January 2014, the Directorate has progressed its work on developing a strengths based approach to assessment and review assessment, in preparation for the implementation of the Social Services and Wellbeing (Wales) Act 2014 and the implementation of the new Integrated Assessment Planning and Review Arrangements; this new assessment framework was presented to Cabinet on 22nd July 2014.
- 3.9 In the last year all 246 service users receiving Meals at Home have been individually reviewed: priority was given to people with critical and substantial needs who all received a home visit; people with moderate needs were reviewed by a combination of home visits or by telephone where appropriate. Alternative meal provision and local alternative solutions were explored with individuals as well as the implications of any potential increase in cost. At this time no service users opted for alternative meal sources, and it is fair to say that a number of service users expressed dissatisfaction about any potential increase in cost, however only small numbers indicated that they might consider cancelling the meals should the price increase. The Directorate is keeping a comprehensive list of people who contact us with concerns about change, in order to ensure that any risks are identified and mitigated; and will continue to do so throughout this process.
- 3.10 At the same time the Directorate has reviewed how it supports people to regain their confidence and independence at home in the Community Resource Team, Enabling and Reablement services. Historically when people entered Bridgestart, the enabling home care service, the Directorate supported food preparation with meals at home. This process was changed in January 2014 to support people to either prepare their own meals or utilise frozen meals from accredited providers. The enabling programme teaches people how to heat and prepare frozen meals safely, and enables them to have choice and control over their meal, keeping them independent and more resilient.
- 3.11 In addition, in the last 18 months, the Directorate has been changing the types of conversations it has been having with people who contact the Directorate for advice and information. People often make contact because they are concerned about family members, who they feel are not eating a balanced diet, or need support with meal preparation. Rather than refer people immediately for meals at home, the referral management centre has been engaging with people in strength-based conversations, discussing alternative ways of supporting people with food preparation by advising about accredited frozen meal providers and local community solutions.
- 3.12 Potentially these changes in approaches may go some way to explaining the continuing decreasing demand for this service; for example there were 310 people receiving meals in 2010 and there are currently 246 people using the service.

4.0 Current Situation

- 4.1 The report to Cabinet in January 2014 proposed to increase the charge from the 2013/14 subsidised rate of £3.68 per meal to a full cost recovery rate of £5.11 - the unit cost of providing the service at that time. This was not agreed and only an inflationary uplift was applied, to bring the charge for a meal to the service user to £3.94 in 2014/15.

- 4.2 The actual cost of providing a meal is anticipated to increase from the £5.11 in 2013/14 to £6.68 per meal in 2014/15. This is as a result of both increased staffing costs following job evaluation as well as a reduction in volume of meals produced. If the Council were to progress with a full-cost recovery model and pass on the full cost of the service, service user charges for a meal would rise by £2.74 – an increase of 70% from the current charge.
- 4.3 In light of the revised costs identified above, the initial proposal to continue with the existing service, remove the Council subsidy and charge the full-cost for a meal at home is no longer a viable option.

Options appraisal

- 4.4 The provision of a daily hot meal for those who need it, remains an important part of the support packages available, to enable people to remain living at home for as long as possible. However, it is recognised that the service cannot continue to be delivered in its existing form, in light of the associated costs.
- 4.5 It is also acknowledged that the Children’s Directorate has been subsidising the Meals at Home service at a loss each year, which was circa £20k in 2013/14. The Wellbeing Directorate has previously, on occasion, met this shortfall although not in 2013/14. The Wellbeing Directorate aims to ensure that the Children’s Directorate will not be at a financial detriment from April 2015 onwards.
- 4.6 In moving forward, there are some immediate short-term solutions that will deliver savings against the MTFs in 2015/16 although there will be a shortfall which will be made up from elsewhere in the service. A summary of the key benefits, risks/cost implications and potential savings for the Meals at Home service in 2015/16 are detailed below:

Description	Benefits/savings	Risks/costs
Option 1 – stop & sign-post		
BCBC Catering services no longer provide Meals service but service users are sign-posted to alternative providers instead	Full MTFs savings achieved	Impact on service users Major impact on staff Consultation and notice periods of circa 4 months £140k redundancy costs No control of quality that service users receive
Option 2 – stop & commission		
BCBC Catering services no longer provide Meals service Tender service from an alternative meals provider	Potential to achieve full MTFs savings Potential economies of scale working with NPT/Vale Potential longer-term option	Lead-time up to 12 months Major impact on staff Consultation and notice periods of circa 4 months £140k redundancy costs No control of quality that service users receive
Option 3 – service efficiencies and potential small increase in charges		
Catering services continue to provide Meals at Home Review budgets & charges	No redundancy costs Little impact on service users Additional tea-time service	Increased meal costs 40% reduction in hours for 8 out of 12 catering staff

Reduce unit cost through service efficiencies Increase income via levy on tea-time service	7-day service continued Full control of quality/nutrition Proportion of MTFS savings achieved in 2015/16	Chilled meal on 1 day Up-front costs of £12k to be met from Service budgets to adapt existing vans
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- 4.7 The recommendation from the service would be 'Option 3 – Service Efficiencies and small increase in charges' whilst the service explores other alternative models of service delivery across the Borough. This will have minimal impact on service users, yet will ensure a large proportion of the MTFS savings are made in 2015/16, and then in full in 2016/2017.

Potential savings

- 4.8 As a result of implementing Option 3, a breakdown of the savings that could be achieved in 2015/16 is detailed below:

	2015/16 MTFS Target	£122,000
Description	Savings (£)	
Realignment of income budget to reflect actual income generation	£50,000	
Potential options for increases in charges		
Increase amount paid by service users for a meal:		
• Increase meal cost by £0.30 rising to £4.24 per meal	£16,200	
• Increase meal cost by £0.40 rising to £4.34 per meal	£21,600	
• Increase meal cost by £0.50 rising to £4.44 per meal	£27,000	
Service Efficiencies		
<ul style="list-style-type: none"> • Reduce to 5 van rounds – delivery 6 days a week – deliver one chilled meal Saturday to fulfil 7 days service • Provide an additional tea-time (sandwiches and cake) service • Reset base budget to reflect current demand (54,000 meals per annum) and reduced meals cost • Net effect is gross cost per meal reducing to £5.32 from £6.68, which would be the gross cost in 2015/16, based on existing costs and services 	Cost avoidance of £47,480	

- 4.9 The balance of the savings target in 2015/2016 will need to be found from within the service. The amount required will depend on the increase in charges applied in 2015/2016. There is the option to increase by 30p, 40p or 50p and that whilst the actual amount of the increase will be a decision for Cabinet; Officers are of the view that it should be 30p which will contribute to the MTFS savings target.
- 4.10 The savings above assumes that all 246 service users will be charged the same amount for a meal. Of the 246 service users, 98 are in the moderate category of risk. As part of preparations for implementation of the Social Services and Wellbeing (Wales) Act 2014, a separate exercise is currently being undertaken within Adult Social Care on eligibility criteria for community care services, where it is being proposed to change the eligibility criteria from the moderate threshold to that of substantial or critical risk to independence.
- 4.11 If the existing 98 service users in the moderate category were not eligible for services in future, this may have an adverse effect on the gross unit cost for meals if sufficient changes to the catering service could not be made, which may affect

demand and cost; and in addition all these service users will be subject to review assessment as part of preparation for the new Act and the review of the eligibility criteria. However the service is proposing that it uses a 'bridging arrangement' whereby existing 'moderate' service users can still receive the subsidised rate for a meal for a finite period of time or until alternative models of service delivery are in place.

Moving forward – post-2016

4.12 As illustrated above proposals have been put in place in the short term to deliver on some of the requirements of the Medium-Term Financial Strategy 2015/16. In line with preparation for the Social Services and Wellbeing (Wales) Act 2014 the Directorate is exploring some longer term remodelling solutions which may deliver greater benefits in moving forward. However, due to the longer lead-in time required for these options, they are not viable proposals for 2015/16. A summary of some of the longer-term options that will be considered and worked-up over the next 12 months are shown below:

- BCBC Catering Services – work with Catering Services to remodel the service, which is better able to react to market demands and opportunities, potentially as a Local Authority Trading Company;
- Social Enterprise – work alongside the community/third sector to provide a community-based service, which is in keeping with the Social Services and Wellbeing (Wales) Act 2014;
- Tender the service – stop providing the service via BCBC Catering Services, and procure the service from an independent provider;
- Collaboration (re-modelling) – work alongside neighbouring authorities and align and remodel the existing services that are provided;
- Collaboration (procured) – work alongside neighbouring authorities to generate economies of scale, and tender the service from an independent provider.

4.13 A further report and options appraisal will be presented to Cabinet, proposing a strategic direction for the Meals at Home service in the longer-term.

4.14 Health and Wellbeing Overview and Scrutiny Committee noted and were invited to comment on the contents and recommendation as detailed in this report, at their committee meeting in February 2015. Their comments were in relation to clarity of costs and the tea time service and have been addressed in this report.

5.0 Effect upon Policy Framework and Procedure Rules

5.1 There is no impact on the policy framework and procedure rules.

6.0 Equality Impact Assessment

6.1 An Equality Impact Assessment screening has been carried out on the change to charges for Meals at Home to assess its relevance to the Authority's public equality duties and potential impact on protected equality characteristics. It has been assessed as relevant to the Authority's general and specific duties to promote

equality and eliminate discrimination with regard to gender, disability, race, religion and belief, and age. The plan has also been assessed as relevant to the Authority's duty to promote and protect human rights.

7.0 Financial Implications

- 7.1 Based on current costs and assuming no changes to the existing service, the 'do nothing' option would result in an increase in the actual unit cost of a meal charged to the Wellbeing Directorate, from the current £5.11 to £6.68 (an increase of 30%), to ensure full cost recovery. The consequence of this would be both an increase in price to the service user, which is likely to be unpalatable, and would not make achieving the required MTFS savings possible.
- 7.2 The proposal put forward by the Catering Service offers efficiencies through reducing the number of vans and closing the kitchen one day per week and Bank Holidays, which affords savings in staff and vehicle costs. In order to achieve this, up-front costs to adapt the vehicles is necessary at a total cost of £12,000, met from service budgets. This will enable the actual unit cost of a meal charged to the Wellbeing Directorate to be set at £5.32 per meal.
- 7.3 The Medium Term Financial Strategy sets out a saving of £122,000 for the Meals at Home service. Part of this saving will be met through realigning income budgets to reflect a higher-than-budgeted level of income for this service (£50,000). To make savings in addition to this, an option would be to increase the charge by 30p, 40p or 50p per meal. Any shortfall in savings target would be met from within the service.

8.0 Recommendation

8.1 It is recommended that Cabinet:

- Note the information contained in this report;
- Approve the recommendation for 2015/16, which is Option 3 – service efficiencies and small increase in charges as set out at paragraphs 4.6 and 4.8;
- Approve the increase of 30p per meal for the cost of a meal charged to the service user as set out at paragraph 4.9;
- Approve further work to option appraise alternative remodelling solutions to deliver the Meals at Home service in the future as set out at paragraph 4.12;
- Note that a further report and options appraisal will be presented to Cabinet, proposing a strategic direction for the Meals at Home service in the longer-term.

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9.0 Contact Officer

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10.0 Background documents

None