



9.2 DELIVERED AND CENTRE-BASED MEALS

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1. PURPOSE

- 1.1 To consider a series of options and indicative costs to progress the implementation of a new delivered and community meals program to continue Council's proud tradition of providing nutritious and low-cost food to the most vulnerable of the City's population in a way that provides value for money for the Council. The Community Meals Grants Subsidy Program would remain separate.

2. EXECUTIVE SUMMARY

- 2.1 Council's proud tradition of the delivered and community meals program for vulnerable older people and those with disabilities seeks to achieve the following outcomes :
- 2.1.1 Nutritious food
 - 2.1.2 Affordable food
 - 2.1.3 Social support and inclusion where desired
- 2.2 Council is committed to maintaining this important service for those who need it but needs to consider a better value for money proposition than the current model.
- 2.3 Demand for delivered meals has reduced from 320 recipients in 2012 to 89 as at end of May 2018. There is a much greater range of delivered food options such as Uber in the Port Phillip community. We expect numbers to decline further as we transition eligible clients under 65 years to the NDIS.
- 2.4 The cost of Council's delivered and centre-based meals service is around \$1 million per annum including the ratepayer subsidy of just under \$0.5 million. This does not include the Community Meals Subsidy Grant costs. That grant program is brokered by the Council on behalf of the Victorian and Federal Government funding bodies and is highly valued, reaching many socially isolated and vulnerable people.
- 2.5 The unit cost of delivered and centre based meals on 30 June 2017 was \$36.00 per meal of which only a small proportion is the value of the food itself. This is based on the \$1 million budget divided by the annual number of meals as at 30 June 2017 which was 27,688. Of this unit cost, \$3.00 is met by the Victorian Government for people under 65 years and \$4.70 by the Federal Government for those over 65 years at this time.
- 2.6 There is therefore a need to consider new models of food provision for subsidised and socially inclusive meals.



3. RECOMMENDATION

That Council:

- 3.1 Gives notice to the current food provider by 28 July 2018 that the meals supply agreement will not be continued beyond 28 October 2018.
- 3.2 Seeks to procure partner cafes within the City of Port Phillip to provide a subsidised range of options, using a voucher system, to enhance social inclusion opportunities for vulnerable residents who have a need for nutritious and low-cost meals.
- 3.3 Procures an alternative provider who would directly deliver a range of individual meals, undertake welfare checks to those who wish or require it, and provide shopping packs for those returning home from hospital.
- 3.4 Continues to Inform interested groups of stakeholders of the progress of the new model and existing clients of delivered meals.
- 3.5 Continues to offer centre-based meals program to current City of Port Phillip residents that have used the Betty Day centre-based meals program.

4. KEY POINTS/ISSUES

Background and History

- 4.1 Historically, early models of community care services delivered in Victoria by local government included housekeeping and 'meals on wheels' to predominantly older single men in rooming houses. South Melbourne Council led the way by beginning the first 'meals on wheels' service in Victoria in 1954. Successive Victorian Governments have then promoted, supported and funded the development of such services, delivered by Local Government since the 1950s.

In 2012, a group of councils, including the City of Port Phillip, agreed to a joint legal agreement, with the financial support of the Victorian Government for a private limited company, the Regional Kitchen, to be the regional shared service production kitchen provider of food for delivered and centre-based meals. On 27 May 2016, with shareholder agreement, the Regional Kitchen merged with Community Chef. Council owns 24 shares in Community Chef.

- 4.2 The model has evolved such that Community Chef delivers chilled packaged meals in bulk to the Betty Day Community Centre and then Council staff unpack, distribute and package up into individual portions and then delivers these to people's homes. The recipient selects from a menu in advance, then receives the food, heats the hot meal, opens the package and eats the food. People who have higher needs and are unable to perform these tasks are supported in other ways.



- 4.3 The same food is also separated out and heated by Council staff to offer a subsidised centre-based lunch program at the Betty Day Community Centre to residents who are able to make their way to the Centre. Demand for delivered meals has reduced from 320 recipients in 2012 to 89 people at the end of May 2018. We anticipate the numbers to decline further as eligible people under the age of 65 years transition to the NDIS. There is a wide range of delivered food options available to the City of Port Phillip community.

Options considered :

4.4 **Continue as is :**

The option of continuing with the current model of delivered and centre-based meals has been considered, making operational improvements and efficiencies as the opportunities arise. We could continue with this approach until the outcome of Commonwealth Aged Care Reforms is known, currently expected in 2 to 3 years' time.

This option is not in keeping with the direction of the national reforms for wellness and re-ablement and social inclusion at a time when demand continues to decline, and is expected to decline further with the current implementation of the NDIS in the Bayside and Peninsula Region, which has occurred in NEMA post NDIS. The value of the actual food component within the rising unit cost would continue to shrink risking poor value for money for Council, and a poorer outcome for vulnerable people.

4.5 **Transition out of the service :**

There is an option to give notice to State and Commonwealth funders and the food provider, and transition out of the service entirely. Over time the full ratepayer subsidy would become fully available to Council.

This option would not meet the objectives of this important service to vulnerable people outlined in the Executive Summary 2.1.

Neither of these options are recommended.

Recommended Option : Redesign the service :

The recommended option is that Council continues to provide this important service by seeking to provide a much broader range of options for community meals that includes a new model of social inclusion opportunities for vulnerable residents who have a need for nutritious and low-cost meals.

- 4.6 This would involve choices of delivered meals to those who wish or require it by procuring an alternative provider who would deliver the meals directly to recipients, undertake welfare checks, and provide shopping packs to those returning home from hospital.
- 4.7 This could be augmented by a voucher system for cafes in the City of Port Phillip to subsidise nutritious and wholesome food in a socially inclusive setting, thus promoting more choice. Some cafes in the City already participate in a similar model hosted by STAR Health.

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- 4.8 Moving to this model would no longer required the Council staff to manage the delivered meal and centre-based food service. 7 people would be affected by this and individual negotiations with them and their union would be undertaken in line with the Council's Enterprise Agreement. The staffing costs form most of the cost of the current model.
- 4.9 Procurement would be required to identify a local food provider for delivered and centre-based meals for existing and new recipients and undertake the welfare check, and a draft specification is attached (Attachment 1).
- 4.10 The social inclusion café model component has been the subject of an evaluation of the effectiveness of the social care meals program in the Inner East and Inner South Areas of Melbourne by Monash University Student Dieticians and a copy of this is attached – (Attachment 2).
- 4.11 There is an opportunity to augment the new local food provision with a social inclusion café model. The Monash Evaluation outlines many benefits of such a model, but identifies the need to ensure cafes which are commissioned to provide this service also undertake to alert next of kin, or others as appropriate, when concerns arise as to the welfare of vulnerable patrons. The requirements are outlined in the draft specification (Attachment 3).
- 4.12 The Council could administer the voucher system, claiming back the Commonwealth or State grant and reporting of targets, and rally the current community support workforce or relevant health personnel if the person has deteriorated and needs additional support or intervention.

EVALUATION OF OPTIONS :

	Affordable	Nutritious	Social Inclusion
Continue as is	Whilst this option would remain as affordable as it is now for current and new recipients, it is increasingly unaffordable and poor value for money for the Council	The current Food contract would continue for another 5 years and it is expected to continue to meet the nutritional requirements of our current Government funders	Very little opportunity for social inclusion with only around a dozen clients per week attending centre-based lunches at Betty Day which can be argued as not a socially inclusive setting
Transition out	This option would mean that current recipients would need a grandfathering provision until exit and then redeem the whole Council subsidy over time	New recipients would need to identify alternative food providers and Council would not be involved in whether or not these provide nutritious food	No



<p>Transform services</p>	<p>This option continues to offer an affordable service to new and existing recipients and releases 75% of Council subsidy over time</p>	<p>Council would be procuring both elements with nutritional and culturally appropriate options</p>	<p>If procurement for the café element is successful this option offers full social inclusion to those who wish for this as well as flexibility to move between the two elements</p>
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5. CONSULTATION AND STAKEHOLDERS

5.1 Groups who are made up of older people or those who have demonstrated an interest in the Council’s services for older people and representing those from a Culturally and Linguistically Diverse background have been informed of the reasons for Council wanting to consider a new model. These groups include the Older Person’s Consultative Committee, the Multi-Cultural Forum, the Community Alliance of Port Phillip and Linking Neighbours leadership groups.

5.2 Current clients

A program of reviews has been undertaken of all clients who currently receive delivered meals. As expected we have found there are several levels of need. There are some people who have higher needs than this model provides and are either receiving now, or progressing to, a Commonwealth funded Home Care Package or onto the NDIS. There are many who remain active and access the community or those whose family meet their other support needs and simply wish to receive a subsidised meal. There are some who prefer a meal delivered especially when unwell or in adverse weather conditions. There is a group who would be able to access the community more with great community transport options or local café provision of subsidised nutritious food.

Clients would be contacted and informed of the new provider and be supported through transition to a new model.

5.3 Older Persons Consultative Committee

At a meeting in February 2018 the Committee was consulted about the problems of the current model and the options described above. They recognised the need to do something different and favoured the recommended option. As a result of their feedback the welfare component has been strengthened in the draft specifications.

Officers have liaised with various Government funders to ensure this new model would continue to deliver on the objectives of Council’s community and delivered meals services.



6. LEGAL AND RISK IMPLICATIONS

Council has no legal or statutory requirement to provide this service. Some Councils have withdrawn completely and others are in discussion with the Commonwealth and State about withdrawing from direct service provision.

7. FINANCIAL IMPACT

The indicative budget and potential savings for the recommended option are outlined in Attachment 4. This option represents a better value for money proposition and, when fully implemented, would be in the region of \$388,000 operating expenditure.

8. ENVIRONMENTAL IMPACT

There are likely to be less environmental impacts directly attributable to Council as the commercial fridges and kitchen at Betty Day would no longer be required.

9. COMMUNITY IMPACT

The community impact has been described under each of the options. Two tender exercises under the delegation of the CEO would be required as per the draft specification and a plan to manage the transition in service provision would be put in place to ensure continuity of service to vulnerable people. Interested stakeholders would be kept informed about progress.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

A more socially inclusive form of subsidised and nutritious meals provision where the proportion of spend on the food itself would be increased, and a flexible and visible welfare approach be in place, is in keeping with both the Council Plan Strategic Direction 1 – We embrace difference and people belong, as well as the Health and Wellbeing Implementation Strategy addressing belonging and social inclusion.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

If the recommended option is endorsed by Council, offers will :

11.1.1 Work with the current food provider, clients, staff and unions, as well as procurement with potential partners, to transition to the new model.

11.2 COMMUNICATION

11.2.1 Give notice to Community Chef by 28 July 2018 that the current Meals Supply Agreement will not be renewed on its expiry on 28 October 2018.

11.2.2 Continue to consult internal staff according to the Enterprise Agreement, under CEO delegation

11.2.3 Inform stakeholders, including new and existing meals recipients and the OPCC.

11.2.4 Tender for the procurement of services under CEO delegation.



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12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

TRIM FILE NO: 02/05/119

ATTACHMENTS

1. Draft Specification Delivered Meals Program
2. Social_Cafe_Meals_report_2011
3. Social Inclusion Meals in Neighbourhoods Program draft specification
4. Copy of Meals savings for briefing v1.8