

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date:	17 January 2017
Title:	Proposed Price Increase – Meals on Wheels
Reference:	8051
Report From:	Director of Adults' Health and Care

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1. Executive Summary

1.1. The purpose of this report is to seek approval to increase the charge to customers for the Meals on Wheels provision from 1 April 2017 whilst maintaining provision of hot meals to Hampshire's older residents. This service is currently delivered under contract to the County Council.

2. Contextual information

2.1. The County Council contracts for the provision of a Hampshire wide service to supply and deliver Meals on Wheels 365 days a year. In October 2016, there were 1794 active customers receiving Meals on Wheels service from 1 to 7 days a week. The service primarily delivers a two course hot lunchtime meal and drivers are trained to carry out a well-being check in addition to delivering the meal. Customers can also request delivery of an afternoon tea. Currently the contract is divided into three lots, each of which expires on 31 March 2018.

2.2. For some people the service assists in meeting an eligible need to manage and maintain nutrition while for others it is a preventative service that helps maintain independence.

2.3. Hampshire residents over 55 years of age who are struggling to manage and maintain nutrition may apply to receive the Meals on Wheels service. In addition, the provider supplies a small number of meals directly to people who independently contract with the provider.

2.4. The majority of referrals for this service are made by frontline care practitioners, including teams seeking to discharge people from hospital.

2.5. It is recognised that the Meals on Wheels service contributes to ensuring that people living in their own homes maintain independence, manage and maintain nutrition as well as preventing an increase in dependency,

potentially resulting in more expensive care packages being required. It is also recognised that the service provides much needed human contact to people who might otherwise be totally isolated.

- 2.6. As the service provides a hot meal that does not need to be heated, this helps to minimise the need for lunch time visits by care staff to support an individual to prepare and eat a meal.
- 2.7. The inclusion of the welfare check ensures that wellbeing and safety concerns are identified and action is taken in a timely fashion. Drivers frequently report concerns to the relevant Hampshire County Council team or call for emergency services where necessary.

3. National Context

- 3.1. Nationally it has been reported that between 2010-11 and 2015-16, the number of meals on wheels handed out across the country fell from 6,736,104 a year to 3,460,583. The National Association of Care Catering (NACC) has reported that many top tier councils in the UK have ceased to provide Meals on Wheels service to local residents with top tier councils in South East of England meals on wheels coverage reducing from 67% in 2014 to 17% in 2016.
- 3.2. In addition, responses to a Freedom of Information request revealed that councils that responded had increased their prices for the service by an average of 20%, with some more than doubling the cost over five years to £6 a meal.
- 3.3. In Hertfordshire, a not for profit organisation delivers a two course hot meal at a rate of £4.45 for people who are eligible. In West Sussex meals are delivered without subsidy from the West Sussex County Council.
- 3.4. More locally, Meal on Wheels are available in Southampton and Portsmouth, with Portsmouth City Council charging £5.50 per meal.

4. Proposals

- 4.1. The proposal for Hampshire is to increase the charge to customers to £4.55 per meal with the service continuing to be delivered under the current contract.
- 4.2. An alternative option considered was to cease the service entirely. Such an approach would have an impact on some peoples' ability to manage and maintain nutrition. There is evidence that this reduced capacity can lead to reduced independence, ability to live in ones own home and may lead to more expensive care packages.

5. Engagement

- 5.1. On 12 - 13 December 2016, 1000 questionnaires were delivered to a sample of people across the county who are currently in receipt of the Meals on

Wheels service, delivered under the County Council contract. The questionnaire asked for views on three proposed options to increase charges per meal.

- Increase from £3.95 to £4.60
- Increase from £3.95 to £5.50
- Increase from £3.95 to £6.50

A report on the findings of the engagement can be found in appendix C.

- 5.2. People were asked to state whether each of the three proposed price increases would be affordable, if it would mean they would need to purchase less meals or if it would result in them having to source their meal from elsewhere. Customers were asked to respond by 22 December 2016.
- 5.3. 409 completed questionnaires were received. The majority of respondents (80%) felt that £4.60 was an affordable price to pay for a meal. 11% said they would have to buy fewer meals. 9% said they would try to get their meals from elsewhere.
- 5.4. 35% said that an increase to £5.50 would be affordable. 30% said they would have to buy fewer meals. 35% said they would try to get their meals from elsewhere.
- 5.5. 19% said that an increase to £6.50 would be affordable. 22% said they would have to buy fewer meals. 59% said they would try to get their meal elsewhere.

6. Financial Implications

- 6.1. The Adults' Health and Care Department are required to deliver a saving target of £43.1m as part of the Transformation to 2017 programme as stated in the October 2015 Cabinet report "Transformation to 2017 - Revenue Savings proposals". To help meet this challenge it is proposed, within this report, to increase the price paid by customers who are in receipt of the Meals on Wheels service.
- 6.2. The price per meal charged to customers in 2016/17 is £3.95. This proposal would increase the price charged, in 2017/18 to £4.55 per meal, a £0.60 increase. It is anticipated that this proposal will achieve a recurring budget saving of £235,000.
- 6.3. It should be noted that there is a risk that this proposal may lead to a reduction in customers taking up the service or in the number of meals per customer. The saving of £235,000 is based on an assessment that any reduction in meals will be less than 25%. Should the reduction in meals exceed 25%, the unit price the County Council pays per meal could increase thereby reducing the overall saving.

7. HR implications

- 7.1. The Meals on Wheels service is delivered under contract to the County Council so there would be no Hampshire County Council staff issues involved with this decision.

8. Legal implications

- 8.1. Under the Care Act 2014 the County Council has a duty to meet a person's eligible needs including managing and maintaining nutrition. In addition, the County Council has a general duty to promote an individual's well-being and must have a regard to the importance of preventing or delaying the development of needs for care and support.
- 8.2. Separately the County Council must provide or arrange for the provision of services or take other steps to contribute towards preventing or delaying the development by adults and carers in its area of needs for care and support.
- 8.3. The statutory guidance under the Care Act states that local authorities must ensure that a person's income is not reduced below a specified level after charges have been deducted. The purpose of this minimum income guarantee is to promote independence and social inclusion and ensure that people have sufficient funds to meet basic needs such as purchasing food.
- 8.4. It is for the Executive Member as decision maker to have due regard to the need to: Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

9. Equalities Impact Assessment

- 9.1. In carrying out the Equalities Impact Assessment, those characteristics that relate specifically to the people using Meals on Wheels service have been specifically considered. These are age, gender and disability.
- 9.2. The service can only be accessed by those aged 55+; therefore there will be a high impact on recipients of Meals on Wheels in this age group of which 64% of active customers are aged 75 or over.
- 9.3. Disability is of high relevance to the service as the majority of people have physical and mental disability, including dementia, sensory loss and frailty. Of those a proportion will be unable to prepare a meal for themselves and require assistance to manage and maintain their own nutrition.
- 9.4. It is acknowledged that this proposal would have a disproportionate impact on women. This however, is due to the fact there are more women than men using the Meals on Wheels service. However, it is also acknowledged that many widowed men use the service as their spouses had historically supported them.
- 9.5. In December 2016, 1028 customers bought a meal each day of the week. Customers relying on the service, who purchase meal each day of the week

could see their weekly Meals on Wheels Costs rise from £27.65 to £31.85, an increase of £4.20 per week. It is noted that these proposals could impact the most vulnerable people financially; work has been carried out to determine that this proposed price increase is broadly in line with prices elsewhere in the county. Indeed, other nearby local authorities charge significantly more than the proposed price increase for their Meals on Wheels service.

- 9.6. Taking a full cost recovery model will bring the Meals on Wheels service in line with other County Council services. Such action will result in 1794 current customers paying 60p more for their meal.
- 9.7. The majority of customers are over 55 years of age, with physical or mental disabilities. Any changes in provision will have a high impact on this group of people. To mitigate the impact it will be necessary to provide clear information and advice to reduce concerns and support a smooth transition to the full cost recovery model. The Adults' Health and Care Department CART Team in HantsDirect will be available to offer a wellbeing check to help customers identify appropriate options. Particular care will be taken to support customers with additional support needs who will find the change difficult to understand and may need assistance in determining their options.
- 9.8. Some current customers will seek alternative options to source their meal either through a new supplier or alternative service. Where customers choose to attend a group activity to source their meal, such as a lunch club, there will be associated positive wellbeing benefits, through social interaction and taking part in stimulating activities.
- 9.9. To mitigate against the negative impacts of the changes a communication plan has been developed. The plan details actions which will help reassure customers. The plan will take full account of how to inform customers of the changes and will supply alternative local options. The options provided will take into account the needs of people with different dietary needs.

10. Recommendations

- 10.1. That the Executive Member for Adult Social Care approves a price increase for Meals on Wheels to £4.55 per meal from 1 April 2017.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	No
Maximising well-being:	Yes
Enhancing our quality of place:	No

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>
Care Act 2014		April 2014
Care and Support (Eligibility Criteria) Regulations		2015
Care and Support Statutory Guidance, Department of Health		September 2016 (revised)

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

1.2 Consideration of the Equality Duty is outlined in Section 9 of the report.

2. Impact on Crime and Disorder:

None.

3. Climate Change:

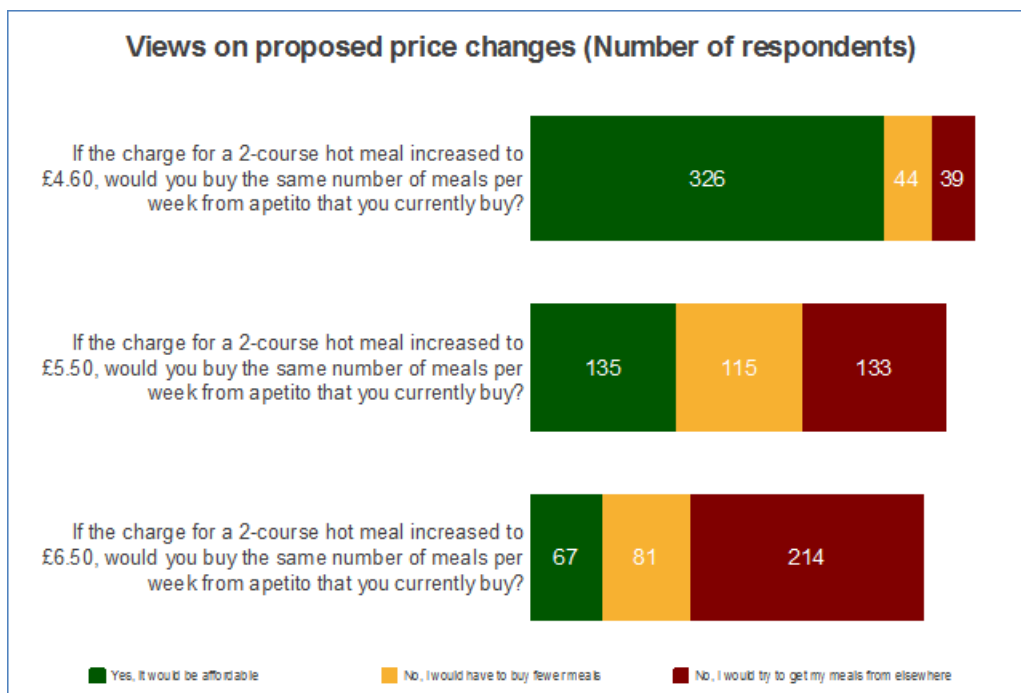
How what does is being proposed impact on our carbon footprint / energy consumption? Not applicable.

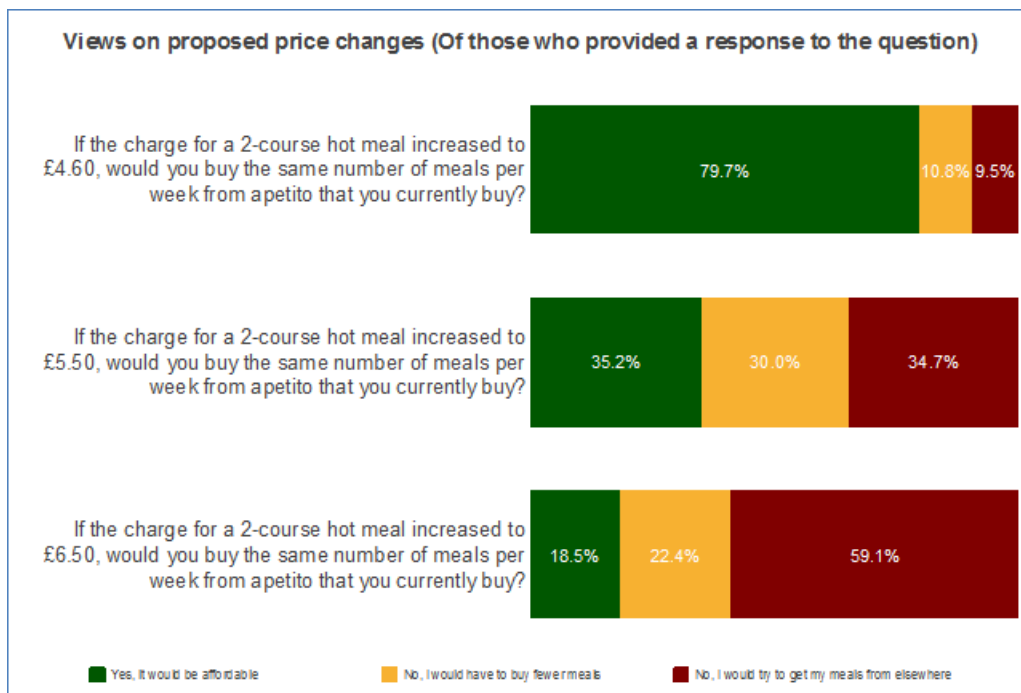
How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? Not applicable.

Meals on Wheels Questionnaire findings

409 people completed the questionnaire.

- 326 (80%) said that an increase to £4.60 would be affordable. 44 (11%) said they would have to buy fewer meals. 39 (9%) said they would try to get their meals from elsewhere.
- 135 (35%) said that an increase to £5.50 would be affordable. 115 (30%) said they would have to buy fewer meals. 133 (35%) said they would try to get their meals from elsewhere.
- 67 (19%) said that an increase to £6.50 would be affordable. 81 (22%) said they would have to buy fewer meals. 214 (59%) said they would try to get their meal elsewhere.





182 people commented on the proposals. The themes of their comments are listed below, with the most common themes listed first.

- **Many thought that the meal currently provided would not be worth buying or would not be good value if the price was raised.** 45 people stated that a significant increase in price would need to come with significant improvement, or criticised aspects of the service that they felt made it difficult to justify an increase in price. Nine of the 45 said it would not be good value at £5.50 and three said it would not be good value at £6.50. Some of the criticisms of the service were that:

 - The portions are small or often small (17 people). It was suggested that portions had got smaller recently. People said they had to supplement the meals with extra vegetables, soup or bread because the portions were inadequate. In contrast, two people said the portions were more than enough for them. One said they would divide a meal into two portions if the price went up. The other said that, as they did not eat the whole meal, if the price were increased they would be wasting money.
 - The meals are not very nice or the quality could be improved (14 people). Comments included: there could be more meat and vegetables and less potato; the meals are dried up; there is a lack of fresh green vegetables; there are too many vegetables; the quality has got worse.
 - They are often delivered at irregular times or late, especially at weekends (eight people). People described lunch being delivered after

2pm, and after 4pm at weekends, due to short staffing, confusion at the apetito office and breakdowns.

- There is a lack of choice in meals or ingredients (nine people). People commented on lack of choice for coeliacs, vegetarians and diabetics as well as lack of choice generally. Two people said they were unhappy that there is always swede with the main meal.
- The wrong meals are often delivered (six people). One person said that they were sometimes supplied with meals containing ingredients they are allergic to. Another said they were sometimes supplied meals containing gluten though they asked for gluten-free meals. One person also said there was difficulty in requesting gluten-free food as the menus often do not include a gluten-free option and one has to telephone to request it.
- One person said meals sometimes do not turn up and though they had repeatedly asked for the meal to be dished up, this does not happen.

Four people said that it would be cheaper to get ready meals or microwave dinners if the price went up. One said they would get groceries delivered instead. Three said they were currently unhappy with the service and were going to stop using it or would look elsewhere, but did not give any detail as to why. One said the prices should be made lower rather than higher.

In contrast, some people gave compliments to the service or said they valued it. 21 people commented that they were happy with the service, grateful for it, or wanted to continue with the service if they could afford it. Another 12 people said they enjoyed the meals or that the food was lovely. Three people said the puddings are good. One person said the meals are good quality and one said the choices are good. One said they arrive promptly. Five people complimented the drivers or said they appreciated seeing them. One said the service had helped to get them independent again.

- **Many said price increases would be unaffordable.** 38 people said they would not be able to afford any of the proposed increases, for example because they are on a fixed or limited income, or because their other costs, such as costs of care, had gone up. Four people said that many older people would not be able to afford an increase and Meals on Wheels should be kept affordable for vulnerable people. 23 people said they would not be able to afford over £4.60 or £5.50 and would have to go without or cut down on Meals on Wheels if the price was increased to that level. Four said they would be likely to get ill as a result of having to go without or cut down and it was suggested that it would be cheaper in the long run to continue to subsidise Meals on Wheels rather than have people end up ill in hospital. One of the four said this would have a knock-on effect on their family. Eight said they

would not be able to afford Meals on Wheels at £6.50. Five of the eight said they would have to use alternative sources of hot meals, such as asking friends or family, using Premier Meals, having only cold food or buying ready meals for a carer to heat up. One said this would not be cost effective for the Council as they do not currently need a carer to help with lunch and if they do, the Council will have to pay the cost. One said they would have to cut down on some meals seasonally. Three people said they may not be able to afford the increases should other costs rise as they expect, as their pensions or benefits are not increasing at such a rate. Six people said, whilst they may be able to afford an increase, it would put a strain on their finances. Seven people said any of the proposed prices would be affordable or acceptable, with one of the seven stating that if they did not get the service they would have to pay carers to provide them meals. Three said £4.60 would be affordable or acceptable.

- **Some people are dependent on the service.** 31 people said they had no choice but to have Meals on Wheels if they wanted a meal and/or a visit, due to their physical condition or living circumstances (for example, having tremors, being unable to stand or being unable to cook). 10 said it was difficult or impossible for them to get a hot meal any other way. Some said their physical condition or living circumstances meant that they had no choice but to pay any increased charges. Five said they would have to cut down on home help, personal care or heating if the price of Meals on Wheels increased. 12 of those who indicated they were totally dependent on Meals on Wheels said they would have to go hungry or eat less if the prices went up (two of whom said this would happen if the price went up to 6.50, six said this would happen if it went up to 5.50). A further two said a price rise and subsequently having to go without Meals on Wheels or cutting down would impact on their ability to live independently or self care. Five people said if the prices increase, they would need to try to get meals from elsewhere but would struggle to do this or would not know how to do it.
- **Some think that the proposed increases are excessive.** 15 people said they felt that the percentage increases in the proposals were very high, with some pointing out that at 39% and 64% respectively the higher increases proposed were way above the rate of inflation. It was pointed out that the prices went up in April 2016. Seven people suggested other rates that they felt would be more acceptable, ranging from £4.10-£4.55.
- Several people made suggestions about the service.
 - Seven people asked if it would be possible to have one course only at the current price of the two-course meal to make it more affordable for the supplier and the customer. Three people said they only have a main course but are still charged the full price and one of the three

suggested that they would be prepared to pay no more than £4.60 for one course.

- Two suggested that if big increases were made in the price, it would help if they were phased in over time.
- One person suggested that the focus should be on making deliveries on time rather than raising the price, as when deliveries are late the customers are not charged – if they were on time, more money would be coming in.
- One person suggested that the prices should be two-tier, for example £5.50 for those who can afford it and £4.60 for those who cannot.
- One said prices should not be means tested, but should be the same for all.
- One suggested the Council should try to get a business to sponsor the meals (for example, a football club).
- One suggested determining how much people pay by their age.
- One person asked if people who have just joined the scheme could get a lower rate.
- Some people wrote to say they felt that it was unfair that people who need Meals on Wheels may have to pay more.
 - Three said that it was unfair that the Government cut grants to the Council but pay large sums in foreign aid.
 - One said the Government should try to get more money from tax dodgers rather than from the elderly and poor people.
 - One said cutting financial help for elderly people who served in the war is treating them very badly.
 - One said as people who were not born in the UK get financial help, so should people who have worked and paid their way.
- One person queries whether the extra money paid by the customer would go to pay *apetito* or if it would go to the Council to pay for other things.

Conclusion

The majority (80%) of people surveyed felt that £4.60 was an affordable and fair price to pay for a meal. For many, at £5.50 or £6.50, the 2 course meal would no longer be considered as value for money or affordable. Many people said they would cut down on the number of meals from *apetito* if prices went up and not all of

them indicated that they had an alternative source for meals. For a small number of people, a price increase may make self-care and independent living more difficult to achieve and there could be a risk to health if suitable alternatives could not be found.