

Derbyshire County Council
Social Services Department

Report for Cabinet
11 September 2001

Report of the Director of Social Services

Best Value Review of Meals on Wheels Service

Purpose of the Report

To seek approval from Cabinet Members for the proposed changes to Meals on Wheels services following the Best Value Review.

Information and Analysis

Meals on Wheels is a vital and integral part of home support services to vulnerable people. It plays an important role in Derbyshire's and the Government's approach to keeping people living within their own homes. As part of the Best Value Review process, consultation with members about the report and executive summary and service model options has taken place over the last few weeks. This has led to the development of a fourth option in addition to the three options in the report, for which a financial schedule is attached. This follows on from extensive consultation with users.

Since 1995, the County has provided a much improved Meals on Wheels service through its partnerships with WRVS and Chesterfield Borough Council. Currently frozen ready prepared meals are either re-heated and delivered hot to people's own homes, or delivered ready frozen for re-heating at home. The Best Value Review, whilst recognising the improvements made thus far, feels that further improvements are possible.

The recommendations from the review are as follows:

- 1 **Bring higher quality of meals to service users** - greater choice of menu to users – allow them to select when they will eat – and provide a higher level of nutrition by moving to a 100% home re-heating service.

All current hot meal recipients will be visited to agree what their support needs will be following this change. Whilst many current users will be able to re-heat their own meals, some will need assistance from Home Help staff.

- 2 **Improve the quality specifications of the food** – the new service will further improve food quality for all users, in line with information from consultation. However, the contractor will also be expected to supply an extended quality range of meals for those users wishing to pay accordingly.

- 3 **Increase user contributions from £1.00 to £1.30** – users will pay for the cost of food; infrastructure costs will be borne by County and District Councils. No increase has taken place since 1997 and the charge will continue to be one of the lowest in the country. Users will be able to purchase an increased number of meals if they so wish.
- 4 **Ensure meal availability** by developing a more even access to the Meals on Wheels across the county.
- 5 **Consistent application of criteria** – the Department of Health is insisting that authorities provide consistent criteria for service users. Staff will receive guidance on application of the criteria for new users, with turnover it may be anticipated that this course of action will lead to savings for service reinvestment.
- 6 **Developing use of preventative resources** – for some potential users, a more appropriate way of meeting need will be by increasing the availability of day care, luncheon clubs and safe and well checking services, rather than inappropriate use of Meals on Wheels. Money will be allocated to promote these services in areas judged to be needing extra resources.

Other Considerations

Following agreement to this course of action, a detailed action plan with time-scales for re-tendering and specifying the service will be produced. It will be important to ensure the public is fully aware of these changes.

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality of opportunity, environmental, financial, health, legal, personnel and property considerations.

Officer Recommendation

That Cabinet Members approve the course of action proposed.

B BUCKLEY
Director of Social Services

County Hall
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MEALS ON WHEELS BEST VALUE REVIEW

	Year 1	Year 2	Year 3
Option 4 - 100% frozen and increase to same average meals per service user			
Investment in Service User equipment eg microwaves etc	(180,000)	(20,000)	(20,000)
Additional Home Help Hours	(159,000)	(159,000)	(159,000)
Additional contribution to Luncheon Clubs	(20,000)	(20,000)	(20,000)
Reduced Unit Cost from provider	287,431	287,431	287,431
Additional costs of reassessment and project leader	(74,257)	(26,833)	-
Increase in meals to ave. 3 per service user (excluding cost of food element)	(125,247)	(125,247)	(125,247)
Total (Cost) / Savings	(271,073)	(63,649)	(36,816)
Sub option - increase service user contribution to £1.30 and improve meal			
Additional income	231,320	231,320	231,320
Increase standard of meals from £1.19 to £1.30	(84,817)	(84,817)	(84,817)
Additional (Cost) / Savings	146,503	146,503	146,503
Potential maximum (cost)/ saving	(124,570)	82,854	109,687

Derbyshire County Council
Social Services Department

**Best Value Review
Meals on Wheels Service
2001**

**Executive Summary
Service Model Options
Cost and Saving Schedule**



INVESTOR IN PEOPLE



**Best Value Review
Meals on Wheels Service
2001**

**Executive Summary
Service Model Options
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MEALS ON WHEELS BEST VALUE REVIEW

Executive Summary

Setting the scene

- The best value review has sought to take account of important policy concerns; in particular The National Service Framework for Older People - The Council Plan - The Social Services Department mission statement -Health Improvement Plan - Community Care Plan - Joint Investment Plan - Key Themes
- The Meals on Wheels Service was introduced into Derbyshire in 1947 and grew gradually as a partnership between WRVS, District Councils and Derbyshire County Council. Initially the costs were shared equally between District Councils, users and DCC. The level of service users' contributions has at times been frozen and some District Authorities' contributions have not increased as costs have risen.
- Chesterfield has always had a service provided by the Borough Council, in its own kitchens. In 1995 the CBC bought a new, purpose built Meals on Wheels kitchen. They now deliver all their own meals. The cost of the service (minus user contribution) is shared equally with the County Council.
- Until 1995, hot food was produced and delivered from a variety of sources or DCC reheating kitchens. The system was unreliable and there was a need for this service to be improved.
- In 1995 the County entered into a contract with WRVS for the whole of the service, except Chesterfield. The WRVS took over our kitchens, and a small number of staff transferred their employment. A frozen meals service was added to the existing service, at the same time.
- The changes ensured significant improvements in co-ordination and reliability. The Best Value Review recognised from the outset that significant changes and improvements have already been made.

Baseline Information (2000 -2001)

- 640,000 meals per year are delivered by the WRVS; 141,500 by Chesterfield Borough Council. Approximately half of all meals are delivered frozen for home reheating.
- Hot meals are reheated from frozen in large purpose built ovens, placed in insulated containers, and delivered to individual homes.
- For historical reasons, availability of hot meals varies considerably across the county. E.g. Chesterfield people can have 3 meals p.w. 4 in High Peak whilst most people have two hot meals per week.
- Use of frozen meals varies, 72% of service users receiving frozen meals in some areas and as low as 33% in others.
- Culturally appropriate meals are available where requested. Take up is low.
- Frozen meal users can have up to 7 meals per week where it would save Home Help time.
- People who receive a frozen service can have a choice of meal. Users of hot meals receive the "dish of the day", unless they have a therapeutic or culturally appropriate need.

Cost

- Users pay a standard £1.00 for a two-course meal. The price includes delivery and, where needed, loan of freezer and steam cooker. Service user contributions have remained the same since 1997.

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- 2000/01 the total value of Meals on Wheels contracts with WRVS and Chesterfield Borough Council was £1,787,999 of which service users contribute £779,427.
- The District Councils other than Chesterfield paid a total of £203,082. Chesterfield's costs were divided equally between the Borough and County Council and each paid £100,000.
- The unit cost for WRVS meals for 2000/01 was £2.26 (net £1.26 of client contribution). In Chesterfield it was £2.42. The difference is due to Chesterfield having a fully paid workforce. However, Derbyshire County Council's costs are less because of the level of contribution by Chesterfield BC.

Legal Considerations

- Local authorities have a duty to ensure that those people whom they assess as needing meal assistance receive it. This could, for instance, be provided in a day centre, or by a Home Help. There is no legal duty to provide Meals on Wheels.
- There are no legal food standards for Meals on Wheels. However, the ABSSC (Advisory Body of Social Service Caterers) has set national standards for the supply of meals.

Challenge

- The review asked fundamental questions about the purpose of a MOW service and concluded that the MOW is a poor way of providing social contact and ensuring people are safe and well. Delivered hot meals are not as good as frozen meals. This is because the reheating and storage of hot meals causes significant deterioration in food quality and nutrition during the transportation process.
- The review believes that the criteria should be changed and service be available only for those people who have a need for assistance with meals.
- It also concluded that the question of financial support for the service is complex, but felt that the level of user contribution needed to be set at the cost of the food element of the meal, and in such a way as to ensure fairness and equity.
- The review looked at the merits of a hot service and frozen provision. An independent consultant concluded that application of the criteria varied, and felt that significantly more people could use frozen meals if they were given training - or provided with technical aids. None the less there were some users who would need help to heat a meal. He also concluded that some people continued to receive a service after they had ceased to need it.
- The production of food is dependent upon factors including the quality of the ingredients, the skill of the cook as well as issues of food safety. The best hot meal is one prepared from fresh ingredients, and eaten soon after cooking. But the next best thing is an expertly prepared frozen meal, heated at home and eaten as soon as possible: frozen meals have an undeserved negative image.

Consultation

- 500 users responded to a survey which showed that frozen meals were more popular than hot: 27% of users shop for themselves or are assisted to do so; 41% prepare meals for themselves on other days and 75% said they would be prepared to pay more for higher quality meals.
- Regular monitoring shows that an average 78% of users are generally satisfied with services. Dissatisfaction relates to food quality.
- A taste panel of users concluded that other brands of meal within a similar price range were generally more popular than our supplier.

MEALS ON WHEELS BEST VALUE REVIEW

- District Councils indicate they wished to continue to be involved in the partnership; - were comfortable with adjustment to the criteria - wished to maintain their contributions at current levels and two districts felt that higher service user contribution levels should be phased over 2 years.
- Chesterfield BC, agreed with the above but also wanted a greater proportion of meals to be delivered frozen and felt hot users should be charged more than frozen users.

Competition Options (County Policy)

1. Cessation of the service, in whole or in part
 2. Transfer of the service to another provider
 3. Joint commissioning or delivery of the service
 4. Creation of a public-private partnership, such as a joint venture company
 5. Re-negotiation of an existing contract
 6. Restructuring the in-house service
 7. Provide a core service in-house and buy top-up support from the private sector
 8. Market comparison and Dummy tendering
- Option 6 & 7 are not appropriate in this case. Having two suppliers (WRVS & CBC) adds complexity.

Recommendations for re- specifying Meals on Wheels

- Service should be provided only on the basis of assessed need
- Nutrition should play a vital part in any assessment
- Services should be distributed upon an equitable basis.
- Service user opportunity for choice should be maximised. It will also allow users to eat their meal when it is most convenient for them.

Therefore :-

- Information to the public needs improvement.
- Introduction of microwaves where it would save carers and Home Help staff time.
- Improved range of menu availability with the price reflecting the food element.
- Improved user choice - by allowing users to select from a higher range of meals
- Improve the basic meal quality, but raise the price to cover the cost of the food element.
- Users be supplied with the number of meals according to the assessment, but able to purchase additional meals at the appropriate price, plus infrastructure costs.
- Infrastructure costs should remain the responsibility of DCC and District Council partners for meals provided on the basis of assessed need.
- Adjust the number of service users by changing eligibility

MEALS ON WHEELS BEST VALUE REVIEW

SERVICE MODEL OPTIONS

Option 1 - Cessation of Local Authority involvement in Meals on Wheels

- Stopping the Meals on Wheels Service. Additional Home Help time would be required to prepare or reheat meals. The local authority could maintain its legal obligations without specifically providing a Meals on Wheels service.
- Ready cooked meals from supermarkets are obtainable, but availability is variable, particularly in rural areas. It may also be appropriate to use some freed resources for extra luncheon clubs and home visiting schemes.
- Domiciliary services would have to be involved in preparing some meals - at extra cost to the department. It would be necessary to supply additional household equipment.

Projected annual savings, once fully implemented would be as follows:

<i>Additional Home help Hours</i>	<i>-£159,079</i>
<i>Additional Equipment in people's own homes (£180,000 year 1 only)</i>	<i>-£ 20,000</i>
<i>Net Savings to DCC & District Council</i>	<i>£802,313</i>

Option 2 - Keeping the present general configuration of provision, except that service would be distributed equitably across districts.

- Keep the current proportions of hot to frozen. Adjust availability to ensure equity, which would cause some areas to gain provision, but others would lose. Keeping service as it is will require extra investment, (£50,000 in year 1), because some of the kitchens will need to be replaced. Food costs are also likely to rise. Therefore, unless a greater contribution from users agreed, costs will increase roughly in line with inflation.

Projected annual savings, once fully implemented would be as follows:

<i>Saving to DCC & District Councils.</i>	<i>£0</i>
<i>It is likely that there will be additional costs.</i>	

Option 3 - Move to a totally frozen service, and the service would be distributed equitably across districts.

- The question here would be at what speed. This could be - (A) move gradually to a 70% frozen 30% hot - and then review. - (B) Move to 100% frozen in one planned move.

(A) Move to 70% frozen 30% hot provision

- Use of hot meals is reduced to the above proportions. Recipients of hot meals be encouraged to move to a frozen service. Transfer of resources to achieve equity. As in Option 2; extra investment, (£50,000 in year 1), will be needed to be replaced and relocate current equipment.

MEALS ON WHEELS BEST VALUE REVIEW

Projected annual savings, once fully implemented would be as follows:

Saving to DCC and District Councils **£2,136**

(B) Move to a totally frozen service

- Move towards a totally frozen service. This would ensure the best quality meal for users. All current hot meal users would have to be reassessed to ascertain their need for assistance. Some of the savings would be used to ensure some people had the re-heating help they needed eg extra Home Helps or use WRVS volunteers. Some people will need equipment e.g. microwaves. This would immediately reduce by year 2.

Projected annual savings, once fully implemented would be as follows:

Additional Home help Hours **-£159,079**
Additional Equipment (£180,000 year 1 only) **-£ 20,000**

Savings to DCC and District Councils **£287,431**

The following sub options apply to:

- Option 2
- Option 3a & 3b

Sub Options

1. Move towards equity; revise current criteria, which would have the effect of reducing the number of service users by 30%. 30% has been taken as an indicative level, from the numbers of people who are capable of preparing their own meals on days when they do not have a MOW.
2. The cost to service users is increased to £1.30.
3. The quality of food is improved by either 6p or 11p per meal.

The financial effects of these sub options are shown in the attached schedule.

MEALS ON WHEELS BEST VALUE REVIEW

	Year 1	Year 2	Year 3
Option 1 - Remove the Meals Service			
Additional Home Help Hours	(159,079)	(159,079)	(159,079)
Investment in Service User equipment eg microwaves etc	(180,000)	(20,000)	(20,000)
Savings	981,392	981,392	981,392
Total (Cost) / Savings	642,313	802,313	802,313
Option 2 - Leave the basic service			
Reinvestment on Capital Equipment for current provider	(50,000)	0	0
Total (Cost) / Savings	(50,000)	0	0
Sub option - reduce by service by 30% in 2 years			
Additional costs of reassessment and project leader	(121,680)	(26,833)	-
Reduction in number of users	73,604	220,813	294,417
Additional (Cost) / Savings	(48,076)	193,980	294,417
Sub option - increase service user contribution to £1.30 and improve meal			
Additional income (assumes 30% reduction)	213,971	179,273	161,924
increase standard of meals from £1.19 to £1.30	(78,456)	(65,734)	(59,372)
Additional (Cost) / Savings	135,515	113,539	102,552
Potential maximum (cost)/ saving	37,439	307,519	396,969
Option 3A - 70% frozen /30% Hot			
Reinvestment on Capital Equipment for current provider	(50,000)	-	-
Reduced Unit Cost from provider	2,136	2,136	2,136
Additional costs of reassessment and project leader	(109,824)	(26,833)	-
Total (Cost) / Savings	(157,688)	(24,697)	2,136
Sub option - reduce by service by 30% in 2 years			
Reduction in number of users	73,445	220,334	293,779
Additional (Cost) / Savings	73,445	220,334	293,779
Sub option - increase service user contribution to £1.30 and improve meal			
Additional income (assumes 30% reduction)	213,971	179,273	161,924
increase standard of meals from £1.19 to £1.30	(78,456)	(65,734)	(59,372)
Additional (Cost) / Savings	135,515	113,539	102,552
Potential maximum (cost)/ saving	51,272	309,176	398,467
Option 3B - Total Frozen Service			
Investment in Service User equipment eg microwaves etc	(180,000)	(20,000)	(20,000)
Additional Home Help Hours	(159,000)	(159,000)	(159,000)
Additional contribution to Luncheon Clubs	(20,000)	(20,000)	(20,000)
Reduced Unit Cost from provider	287,431	287,431	287,431
Additional costs of reassessment and project leader	(121,680)	(26,833)	-
Total (Cost) / Savings	(193,249)	61,598	88,431
Sub option - reduce by service by 30% in 2 years			
Reduction in number of users	63,979	191,936	255,913
Additional (Cost) / Savings	63,979	191,936	255,913
Sub option - increase service user contribution to £1.30 and improve meal			
Additional income (assumes 30% reduction)	213,971	179,273	161,924
increase standard of meals from £1.19 to £1.30	(78,456)	(65,734)	(59,372)
Additional (Cost) / Savings	135,515	113,539	102,552
Potential maximum (cost)/ saving	6,245	367,073	446,896

