



## **THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

**Title of meeting:** Community Wellbeing, Health & Care

**Subject:** Meals Delivery Service

**Date of meeting:** 10<sup>th</sup> July 2023

**Report by:** Debbie Young, Head of Quality and Performance

**Wards affected:** All

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- 1. Requested by** Councillor Matthew Winnington, Cabinet Member for Community Wellbeing, Health & Care
  - 2. Purpose** To update the Cabinet Member and spokespeople on progress since the December 2022 portfolio meeting.
  - 3. Information Requested**  
Performance of the current meals delivery provision within the city.
  - 4. Progress since December 2022**

Age UK Portsmouth (AUKP) currently provide a meal delivery service across PO1-PO6 postcode areas, under a concession agreement meaning the cost of the service is ordinarily covered by the income generated. In the last quarter of 2022/23 AUKP provided between 1739 and 1916 meals per month.

At the beginning of 2023, AUKP approached the Council as the service was running at a deficit. The service delivery is intended to be cost neutral with costs for services covered at an individual customer level, via payments for meals. However, due to demand being almost 50% lower than anticipated with delivery over a wider postcode area. In recognition that the indicative profile of meal volumes and postcode range was significantly different to the actual demand, resulting in income not covering costs during mobilisation, it was agreed that PCC would make a one-off payment to enable the continuation of the service.

AUKP have worked closely with colleagues in the Council's Finance Team and Adult Social Care, and shared details on costs which evidenced rising operating costs, in particular variable costs namely food costs averaging 17% increases but in some cases as high as 20%. These costs would not have been foreseeable at the outset of the concession. Throughout 2022 into 2023 the wider impact of the inflation rate (CPI) at



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10.1% raising further to 10.4% in March 2023 increased the risk of AUKP no longer being able to deliver the service.

Consequently, an increase in the meal price (for main meals only) was discussed and agreed with the cost rising from £7.23 to £8.50.

The increase was communicated to customers via a client pack which comprised of a client letter, A5 leaflets and Main Meal Menus, together with a Teatime Snack menu. Clients were advised of the price increase mid-April with implementation from 1st May 2023

### **5. Additional value**

The service promises the delivery of Safeguarding Practices to every customer through AUKP's delivery drivers. The drivers act as meal server and informal befriender to support the wellbeing of everyone who uses the service. AUKP understands the importance of meal delivery and is committed to being a successful partner to the Council with the added impact of personalised service provision which supports the individual wellbeing of every customer, 'it is not just about delivering a meal, the service is so much more than that'.

Portsmouth residents already using the service have told the service that they like the food and are developing trusted relationships with the Driver Team who genuinely care and feedback concerns to office-based colleagues at AUKP. These colleagues are then able to immediately action support for individuals concerned. The meals delivery service is seen by AUKP as a crucial part of the circle of support that they offer to the local community through their existing services.

### **6. Next steps**

AUKP are focused on building the customer base to ensure profitability and service sustainability. It is imperative that Age UK Portsmouth operates MOW as a minimum break-even service and therefore agreement to ongoing marketing support through Adult Social Care resources as well as AUKP, will help to support achievement of a larger number of clients.

In April 2023 the responsibility for oversight of the arrangement was handed over from Health and Care Portsmouth Commissioning (HCPC) to the Contracts Team in Adult Social Care. Reviews are undertaken on a 6-monthly basis. The service currently has a food hygiene rating of 4 as per the inspection on 9<sup>th</sup> June 2022.

Further to recent contact from AUKP, ASC understand during the first quarter of 2023/4 there has been a notable reduction in referrals and customer base, which again brings the continuation of the service delivered by AUKP into question. ASC are currently looking into the situation and will work with AUKP to understand the issues, risks and



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actions and opportunities needed to treat or mitigate, including any change needed to the current referral process.

The current concession contract runs from 13/06/2022 to 12/06/2024, with the option to extend for a further period of up to 6 months. ASC Contracts are scheduled to start work on the plan for the future provision which will include an understanding of demand, what residents of Portsmouth want and an options appraisal.

Should the options appraisal result in a decision to deploy a similar delivery model to the current service, an appropriate (compliant) procurement process will be undertaken to award a new contract to commence on the expiry of the contract with AUKP.

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Signed by (Director)

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location