



Food and Nutrition Report 2021-2022

Report on 2021 Basic Daily Fee
Supplement in Residential Aged Care



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1 Summary

This Food and Nutrition Report details reporting outcomes and trend analysis from the 2021 Basic Daily Fee (BDF) Supplement paid to aged care providers in the 2021-2022 financial year.

The first Food and Nutrition Report was published on 28 March 2022 and captured reporting outcomes for the first six months of the BDF. This report is the second report and captures reporting outcomes across the full 2021-2022 financial year.

The BDF supplement commenced on 1 July 2021 and provided an additional \$10 per resident per day to residential aged care providers.

As at 30 June 2022:

- 99% of providers signed up for the BDF supplement, and those providers received \$699.7¹ million.
- Over 2,700 individual services received the additional \$10 per person per day².
- Six³ providers (<1%) did not sign the undertaking and did not receive the BDF supplement as a result.

To receive the BDF supplement, providers were required to undertake food and nutrition reporting each quarter. Key observations from this reporting includes:

- An average of \$14.46 was spent on food⁴ per resident per day (Table A1) in 2021-22.
- 75% of services, when reporting on expenditure on food and ingredients only, spent more than \$10 a day in the six months to June 2022 (up from 67% in previous six months).
- The average spend per resident per day increased quarter on quarter for all expenditure models, with Quarter 3 showing a substantial increase of over 8% for services reporting expenditure on contract catering (Tables A2-A4).
- Food expenditure models did not change much across the year, with the proportion of services reporting expenditure on food and ingredients only, and the proportion of services reporting expenditure on contract catering remaining consistent (Figure 1).

The reporting has also provided insight into some of the creative and innovative practices being implemented by residential aged care services in the food, nutrition, and dining experience space.

Examples include enhanced use of kitchen gardens, the expansion of digital technology to support resident meal choice and a focus on measuring the mealtime experience.

1 The total figure includes amounts paid to MPS and NATSIFAC program providers which may not be included in reporting elsewhere. Data are live and subject to change and may not match figures published elsewhere.

2 Represented total amount of services who signed the undertaking during the financial year, including services that were or became operational at some stage during the financial year. Some services have since ceased operations.

3 One residential, two NATSIFAC and three MPS providers did not sign the undertaking.

4 Food expenditure refers to total expenditure for food and ingredients used to prepare meals and snacks on-site including expenditure for pre-prepared and bought-in main meals (total of Questions 1 and 2).

2 2021 Basic Daily Fee Supplement

Residential aged care providers are required to comply with the Aged Care Quality Standards, which includes providing varied meals of suitable quality and quantity to ensure consumers have enough nutrition, good health and reduced risk of malnutrition and dehydration.

Providers are also required to collect quarterly data on crucial areas of care, where food and nutrition can also have a direct impact, including unplanned weight loss, and report these through the National Aged Care Mandatory Quality Indicator Program (QI Program).

Further to this, and in response to recommendation 112 of the Royal Commission into Aged Care Quality and Safety, the Department of Health and Aged Care (Department) introduced the 2021 Basic Daily Fee (BDF) supplement to support aged care providers to deliver better care and services to older Australians receiving aged care services, with a focus on food and nutrition.

To receive the BDF supplement, providers were required to give a formal undertaking to deliver good quality and quantity goods and services to meet the living needs of residents, with a focus on food and nutrition. Providers were also required to report quarterly to the Department about their food and nutrition expenditure.

The 2021 BDF supplement was available to:

- residential and respite aged care services
- flexible care services that are Multi-Purpose Services (MPS), and
- services providing residential care under the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP).

If an eligible aged care service did not provide an undertaking or failed to submit their food and nutrition report by the advised deadline, payments were ceased until the undertaking was received and reporting was completed. No back-payments for the period of non-reporting were provided.

The BDF supplement was designed to be flexible. Providers could spend the additional funds on any improvements for residents and not just on food and nutrition, for example, an increase in staffing levels. However, the new reporting requirements made food and nutrition a particular focus.



3 Data Definitions

- The following definitions have been used in this report:
- Average daily spend is derived from sum of expenditure greater than zero divided by number of occupied bed days in the quarter.
- Contract catering refers to expenditure on pre-prepared and bought-in main meals as a part of a contract arrangement (Question 2).
- Contract catering only refers to services that only reported their food expenditure on pre-prepared and bought-in main meals as a part of a contract arrangement (Question 2 only).
- Food and ingredients refers to expenditure on food and ingredients used to prepare meals and snacks on-site (Question 1).
- Food and ingredients only refers to services that only reported their food expenditure on food and ingredients used to prepare meals and snacks on-site (Question 1 only).
- Food expenditure refers to total expenditure for food and ingredients used to prepare meals and snacks on-site including expenditure for pre-prepared and bought-in main meals (total of Questions 1 and 2).
- Provider refers to an aged care provider that delivers Commonwealth funded residential, MPS or NATSIFACP services.
- Service refers to an aged care service that delivers Commonwealth funded residential aged care only (RACF).
- Total responses includes zero values.
- Sep 21 / Q1 refers to 1 July 2021 – 30 September 2021.
- Dec 21 / Q2 refers to 1 October 2021 – 31 December 2021.

- Mar 22 / Q3 refers to 1 January 2022 – 31 March 2022.
- Jun 22 / Q4 refers to 1 April 2022 – 30 June 2022.



4 Data Quality and service response

This report has been compiled from self-reported data⁵ by residential aged care services through the My Aged Care Provider Portal and includes forms submitted to NutritioninAgedCare@health.gov.au.

The self-reported data consists of responses to questions that were both mandatory and non-mandatory (See Table 1).

Data quality was limited by the variable responses on non-mandatory questions across quarters, specifically in relation to hours for food service staff. As a result, questions about staffing hours are not included in this analysis (Question 5 & 6 – Table 1).

There was also some variation in the responses relating to contract catering, with some responses including costs related to transport, labour, and administration costs. Some services were unable to split the costs of labour in their contract catering but were able to provide some information on food and ingredients used to prepare meals and snacks on site. This resulted in a lack of comparability with services that reported food and ingredients only.

Providers of NATSIFACP and MPS services received the BDF supplement, however there were some quality issues with this data. As a result, these reporting outcomes are excluded in this report.

⁵ Self-reported residential data (excluding MPS and NATSIFACP) as of 29 August 2022. To determine percentage reported and spend per resident, data was sourced from NAPS Occupancy Report as of 26 August 2022. Services without occupancy information are excluded (i.e. new services, closed services, or facilities having multiple Service NAPS IDs).

5 Responses to Food and Nutrition Report questions

Each service was required to answer up to nine questions in the Food and Nutrition Report, comprising of:

- Seven quantitative questions, of which 2 were mandatory, and
- Two mandatory qualitative free-text questions.

In the six months to 30 June 2022, all non-mandatory questions saw an increased response rate⁶ compared to the previous six months (Table 1).

Table 1: Residential service response rate against mandatory and non-mandatory questions, six monthly, 1 July 2021 - 30 June 2022.

Question	Question type	6 months to 31 Dec 2022	6 months to 30 Jun 2022
Question 1: Expenditure on food and ingredients used to prepare meals and snacks on-site	Mandatory	100%	100%
Question 2: Expenditure on pre-prepared and bought-in main meals	Mandatory	100%	100%
Question 3: Expenditure on oral nutritional supplements	Non-Mandatory	69%	70%
Question 4: Expenditure on oral health living expenses	Non-Mandatory	51%	53%
Question 5: Hours for cooks and chefs	Non-Mandatory	67%	69%
Question 6: Hours for other food management and/or food service staff	Non-Mandatory	71%	72%
Question 7: Expenditure on allied health support (such as dietitians, speech pathologists and oral health practitioners) for residents to improve their nutritional wellbeing	Non-Mandatory	67%	68%
Question 8: How do you ensure you are providing an appropriate standard of daily living services?	Mandatory	100%	100%
Question 9: Do you have any plans to review or improve your provision of daily living services?	Mandatory	100%	100%

⁶ Services reporting zero values were considered as submitting and included in the compilation of expenditure rates in this report. Percentage response rate does not include “not applicable” responses.

6 Analysis of reported expenditure on food and nutrition

Food expenditure, average daily spend per resident per day

In 2021-22 residential services spent an average of \$14.46 per resident per day on food expenditure.

- The average spend per resident per day for food expenditure increased each quarter, from \$13.94 in Q1 to \$15.00 in Q4 (Table A1).

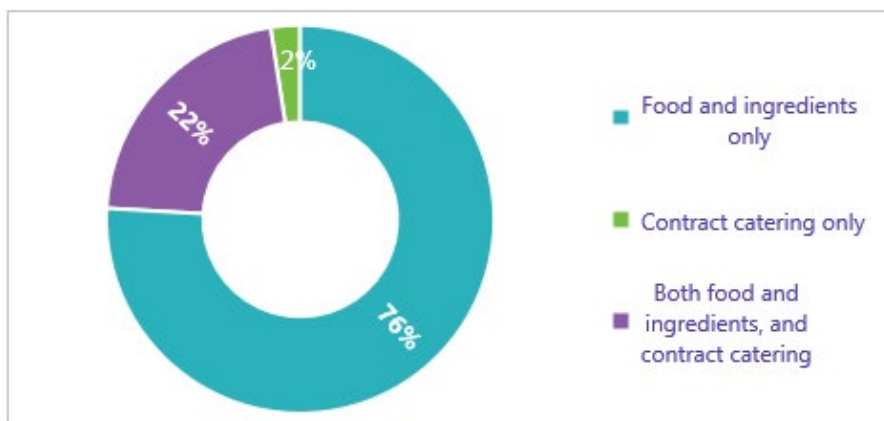
The food expenses reported by residential services in 2021-22, are categorised into the following:

- food and ingredients only
- contract catering only
- combination of food and ingredients, and contract catering.

In 2021-22, 76% of residential services reported their expenditure as food and ingredients only, followed by 22% reporting a combination of food and ingredients and contract catering, with the remaining 2% reporting contract catering only (Figure 1).

76% of services in the 6 months to June 2022, reported their expenditure as food and ingredients only, an upward shift of around 1% compared to 75% in the previous 6 months. This corresponds to a similar downward shift for services reporting expenditure in the other contract catering categories. Tables A2 – A4 show these proportions have remained stable quarter on quarter.

Figure 1. Share of food expenditure by model type, 2021-22.



The following analysis provides more detail separating these costs by model type.

Expenditure on food and ingredients only

- 76% of residential services reported in this category only, with an average spend of \$12.54 per resident per day in 2021-22.
 - This average spend increased each quarter, from \$12.25 in Q1 to \$12.93 in Q4 (Figure 2 and Table A2).
 - Q4 saw the largest quarterly increase in this average spend up 3% to \$12.93 from \$12.56 in Q3 (Table A2).

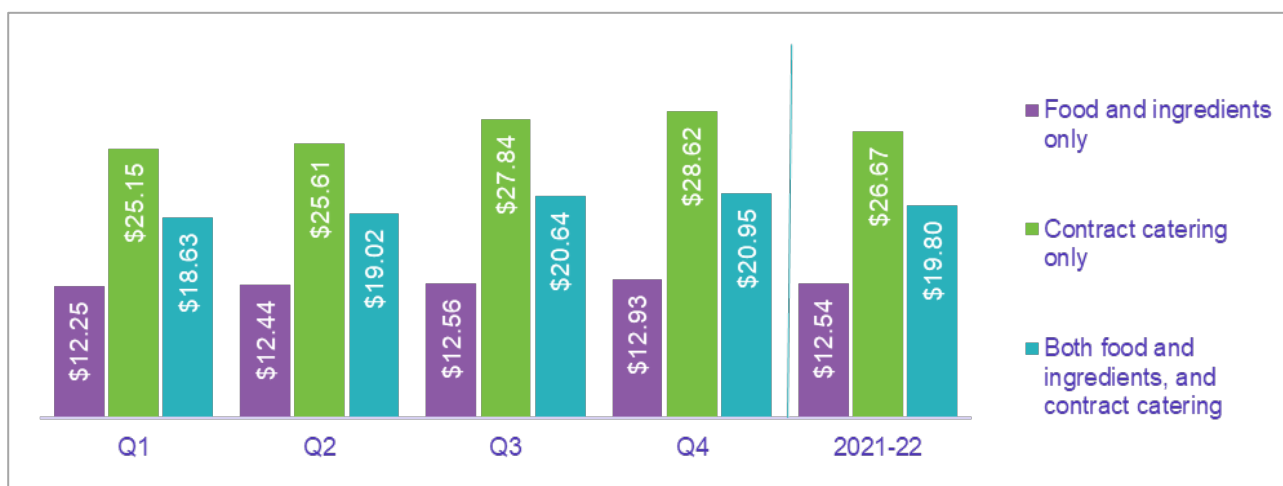
Expenditure on contract catering only

- 2% of residential services reported in this category only, with an average spend of \$26.67 per resident per day in 2021-22.
 - This average spend increased each quarter, from \$25.15 in Q1 to \$28.62 in Q4 (Figure 2 and Table A3).
 - Q3 saw the largest quarterly increase in this average spend, up 8.7% to \$27.84 from \$25.61 in Q2 (Table A3).

Expenditure on a combination of food and ingredients and contract catering

- 22% of residential services reported expenditure in this category, with an average spend of \$19.80 per resident per day in 2021-22.
 - The average spend increased each quarter, from \$18.63 per resident per day in Q1 to \$20.95 in Q4 (Figure 2 and Table A4).
 - Q3 saw the largest quarterly increase in the average spend, up 8.5% to \$20.64 from \$19.02 in Q2 (Table A4).

Figure 2. Average daily spend per resident per day by expenditure model 2021-22, quarterly.



Residential services spending more than \$10 per day

75% of residential services, with expenditure on food and ingredients only, reported an average spend of more than \$10 per resident per day in the six months to 30 June 2022, up from 67% reported⁷ in the six months to 31 December 2021.

Services spending less than \$10 per resident per day have been referred to the Aged Care Quality and Safety Commission (the Commission) to consider as part of its broader regulatory intelligence which is used to inform ongoing sector monitoring.

⁷ Refer to the Food and Nutrition Report published 28 March 2022. This report included data from 1 July – 31 December 2021.

Residential services spending less than \$6 per day

1% of residential services, with expenditure on food and ingredients only, reported an average spend of less than \$6 per resident per day in the six months to 30 June 2022, down from 2% reported in the first six months to 31 December 2021.

Other insights

Table A5 shows in 2021-22, the average spend per resident per day for other items to support improved food and nutrition were:

- \$0.71 for oral supplements.
- \$0.08 for oral health living expenses.
- \$1.20 for allied health support.



7 Creative and innovative practices reported

The below table provides some examples of innovative practices that have been reported by providers across 2021-22. These are captured here to highlight some of the positive stories of how services are improving food and nutrition for older Australians.

Innovation	Examples
Improved use of technology	<ul style="list-style-type: none"> • A digital 'Look Book' where photos are taken of meal options to assist in meal choice for residents (particularly residents living with dementia or with reading impairment) and to help staff know how to prepare/present the meals out of hours when needed • Using an iPad to personalise menu options when ordering meals and/or snacks and to assist in nutrition monitoring of individual residents
Inclusion of cultural or religious values	<ul style="list-style-type: none"> • Celebrating national and international special events like St Patrick's Day, Maltese Independence Day and Melbourne Cup luncheon • Hiring chefs with specific cultural backgrounds to ensure meals are culturally authentic • Introducing BBQ lunches or dinners and offering various choices such as kangaroo tail to provide options for First Nation residents • Presenting menus that are translated into other languages when needed
Further education and training	<ul style="list-style-type: none"> • Supporting chefs and facility staff by training 'nutrition champions' through online platforms • Allocating specific tasks on aged care nutrition, meal environments and healthy eating to ensure engagement, momentum for change and sustainability for food, nutrition and dining experiences over time
Development of a tool to measure food wastage	<ul style="list-style-type: none"> • Ensuring effective food management processes are adhered to • Ensuring residents are happy with the meals offered and verified which meals were not enjoyed • Assessing individual resident food consumption to further target specific food preferences, including the way the food is cooked
Implementation of 'Food Focus Committees'	<ul style="list-style-type: none"> • Involving chefs, residents of all physical or cognitive abilities, their families, and facility staff to support cohesion, idea sharing and continuous improvement of meals and dining experiences
Improving clinical outcomes	<ul style="list-style-type: none"> • Using a colourful musical trolley to deliver cold drinks and flavoured ice blocks to prevent dehydration in summer

8 Continuous improvement of Food and Nutrition in Aged Care

As of 1 October 2022, the 2021 BDF supplement has been rolled into the new AN-ACC funding for residential services. MPS and NATSIFACP services will continue to receive the BDF as a discrete payment from 1 October 2022.

From 1 July 2022, Food and Nutrition Reporting requirements have been enhanced as part of strengthened obligations under the Quarterly Financial Report (QFR). All questions are mandatory in the new QFR, unlike the BDF reporting requirements, to provide greater transparency of provider expenditure across fresh versus processed food, and internal versus contract catering costs. The new reporting requirements can be found on the [Department of Health and Aged Care website](#).

The Department will continue to analyse this data against other data sources as these become available. This includes the National Aged Care Mandatory Quality Indicator Program (QI Program) which requires providers to collect quarterly data on crucial areas of care where food and nutrition can also have a direct impact. The QI Program includes data on unplanned weight loss, consecutive unplanned weight loss, falls and major injury and pressure injury quality indicators.

These data sources will also include the consumer experience data when it becomes available through Consumer Experience Interviews (CEIs) conducted this year. Through CEIs at least 10% of older Australians will be asked “do you like the food here” and these results will be published through Star Ratings for residential aged care services.

The Food and Nutrition data is being used by the Department to consider policy options to further improve food and nutrition outcomes for older Australians. Future policy options to improve transparency for consumers include publishing more Food and Nutrition information through provider operations reporting and the Star Ratings on My Aged Care.

The Department is continuing its commitment to the improvement of food in aged care. In addition to strengthening reporting, we are also strengthening accountability by developing a dedicated food and nutrition standard as part of the urgent review of Aged Care Quality Standards, with public consultation to be undertaken in October to November 2022. For more information and to have your say, visit [Ageing and Aged Care Engagement Hub](#).

Appendix A: Data tables

Table A1: Average food expenditure to support improved food and nutrition, 2021-22, quarterly

Food expenditure	Sep 21	Dec 21	Mar 22	Jun 22	2021-22
Average spend per resident per day	\$13.94	\$14.27	\$14.64	\$15.00	\$14.46
Average spend, quarterly change (%)		2.3%	2.6%	2.5%	

Table A2: Services reporting expenditure for food and ingredients only, 2021-22, quarterly

Food and ingredients only	Sep 21	Dec 21	Mar 22	Jun 22	2021-22
Number of responses	2,035	1,978	2,007	1,996	8,016
Share of total responses	76%	74%	76%	76%	76%
Average spend per resident per day	\$12.25	\$12.44	\$12.56	\$12.93	\$12.54
Average spend, quarterly change (%)		1.5%	1.0%	3.0%	

Table A3: Services reporting expenditure for contract catering only, 2021-22, quarterly

Contract catering only	Sep 21	Dec 21	Mar 22	Jun 22	2021-22
Number of responses	77	65	57	61	260
Share of total responses	3%	2%	2%	2%	2%
Average spend per resident per day	\$25.15	\$25.61	\$27.84	\$28.62	\$26.67
Average spend, quarterly change (%)		1.8%	8.7%	2.8%	

Table A4: Services reporting expenditure for combined food and ingredients, and contract catering, 2021-22, quarterly

Combination of food and ingredients, and contract catering	Sep 21	Dec 21	Mar 22	Jun 22	2021-22
Number of responses	551	608	571	555	2,285
Share of total responses	21%	23%	22%	21%	22%
Average spend per resident per day	\$18.63	\$19.02	\$20.64	\$20.95	\$19.80
Average spend, quarterly change (%)		2.1%	8.5%	1.5%	

Table A5: Average spend per resident per day for other items to support improved food and nutrition, 2021-22, quarterly

Other expenditure to support improved food and nutrition	Sep 21	Dec 21	Mar 22	Jun 22	2021-22
Expenditure on oral nutritional supplements	\$0.76	\$0.71	\$0.66	\$0.70	\$0.71
Expenditure on oral health living expenses	\$0.07	\$0.09	\$0.09	\$0.07	\$0.08
Expenditure on allied health support (such as dietitians, speech pathologists and oral health practitioners) for residents to improve their nutritional wellbeing	\$1.12	\$1.18	\$1.12	\$1.39	\$1.20



 Visit <https://agedcareengagement.health.gov.au/>

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To use the National Relay Service, visit nrschat.nrscall.gov.au/nrs or call 1800 555 660.