

Food and Nutrition Report

1. Overview

1.1 Royal Commission into Aged Care Quality and Safety – Final Report and Government Response

- The final report of the Royal Commission into Aged Care Quality and Safety (the Royal Commission) highlighted the importance of food and nutrition in the overall wellbeing of senior Australians. The report criticised the average expenditure of \$6 per person per day on food in residential aged care¹. It also noted the significant and often irreversible consequences of poor nutrition and association with other health risks, including an increased incidence of falls and fractures, increased time for pressure injuries to heal, and increased risk of infection.
- The Australian Government has commenced a multi-faceted response to improving the quality of life for senior Australians by driving better practices in residential aged care through a range of food and nutrition related initiatives. A comprehensive overview of these measures is provided on the [Department of Health website](#).

2. Government Basic Daily Fee Supplement

The primary focus of this report is the sector reporting of the Government's \$3.2 billion (over 4 years) funding of the Basic Daily Fee (BDF) Supplement. From 1 July 2021, this provides an additional \$10 per resident per day, to enable residential aged care providers (providers) to deliver better care and services to residents, with a focus on food and nutrition. This funding also includes National Aboriginal and Torres Strait Islander Flexible Aged Care Program services and Multi-purpose Services.

2.1 Purpose and desired outcomes of Government Basic Daily Fee Supplement

- The BDF was provided to residential aged care services to improve the delivery of care and services to senior Australians, with a focus on food and nutrition
- To receive the supplement eligible providers² 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 and
 - report quarterly on improvements to daily living services to meet the care needs of residents, with a focus on food and nutrition, including on their food-related expenditure.

¹ Royal Commission into Aged Care Quality and Safety citing Hugo, C., Isenring, E., Sinclair, D. and Agarwal, E. (2018), What does it cost to feed aged care residents in Australia?. *Nutr Diet*, 75: 6-10. <https://doi.org/10.1111/1747-0080.12368>

² The BDF undertaking was applicable to all eligible services that the provider operated. The reporting requirement was to be completed for each service operated by the provider

- If an eligible 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 report submitted to the Department. No back-payments for the period of non-reporting were provided.
- Residential aged care providers, irrespective of receiving the BDF supplement, are required to:
 - comply with the Aged Care Quality Standards including providing varied meals of suitable quality and quantity to ensure consumers have enough nutrition and good health and reduce the risks of malnutrition and dehydration and
 - 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).
- The supplement was designed to be flexible. Providers can spend these additional funds on any improvements for senior Australians, not just food and nutrition. The funds could also be used to increase staffing. However, the new reporting requirements made food and nutrition a particular focus.

2.2 Key metrics

- **878 providers signed up with over 2,600 services to receive the additional \$10 per person per day.** Each service operated by the provider was required to submit the Food and Nutrition report. The Department contacted providers to encourage uptake and supported the sector with the Food and Nutrition Reporting by publishing detailed information including explanatory text, conducting webinars, online notices, newsletter articles, and releasing with the active assistance of aged care peak bodies.
- As at the end of 2021, **99% of eligible providers signed the undertaking** and as at that date, those providers had received **\$350 million under the BDF supplement**.
 - Any eligible provider that did not sign up to the BDF during the undertaking process was approached by the Department to encourage participation and offer support.
 - One residential care, four Multi-Purpose services and three NATSIFAC program providers are yet to sign up for the BDF undertaking and the services operated by these providers are not receiving the BDF supplement.
- **100% of Food and Nutrition Reports** for the July to September 2021 quarter (Q1) were received by from eligible residential care; Multi-Purpose services and NATSIFAC program services.
- **99.7% of Food and Nutrition Reports** for the October to December 2021 quarter (Q2) were received by the Department as at 6 March 2022.
 - Any service that did not report on time was approached by the Department to encourage participation and offer support.
 - Five residential care services and three NATSIFAC Program services are yet to submit their report and are not receiving the BDF supplement

2.3 Responses to Food and Nutrition Report questions

- Each service, operated by the eligible provider, were required to answer up to nine questions in the Food and Nutrition Report using the My Aged Care Provider Portal.
- As this was the first time providers have been asked to gather the information and report on these specific questions, not all providers were expected to be able to report against all questions.
- For this reason, two of the quantitative questions were mandatory and five were discretionary.
- Seven questions were quantitative, and two questions were qualitative.
- The specific questions and the explanatory notes are available on the [Department's website](#). Table 1 below provides the percentage of responses³ reported by residential services against the quantitative questions.

Table 1. Service response rate against mandatory and non-mandatory questions, 1 July-31 December 2021

Question No.	Question Type	Question	Responses Received
Question 1	Mandatory	Expenditure on food and ingredients used to prepare meals and snacks on-site	100% responses
Question 2	Mandatory	Expenditure on pre-prepared and bought-in main meals	100% responses
Question 3	Non-Mandatory	Expenditure on oral nutritional supplements	69% responses
Question 4	Non-Mandatory	Expenditure on oral health living expenses	51% responses
Question 5	Non-Mandatory	Hours for cooks and chefs	67% responses
Question 6	Non-Mandatory	Hours for other food management and/or food service staff	71% responses
Question 7	Non-Mandatory	Expenditure on allied health support (such as dietitians, speech pathologists and oral health practitioners) for residents to improve their nutritional wellbeing	67% responses
Question 8	Mandatory	How do you ensure you are providing an appropriate standard of daily living services?	100% responses
Question 9	Mandatory	Do you have any plans to review or improve your provision of daily living services?	100% responses

³ Percentage of responses (does not include "not applicable" responses) for each question are for residential services only and include forms received on My Aged Care Provider Portal and via PDF to NutritioninAgedCare@health.gov.au.

2.4 Analysis of sector-provided data in relation to expenditure on food and nutrition

- This analysis is based on self-reported data by residential services through the My Aged Care Provider Portal⁴ and includes forms submitted to NutritioninAgedCare@health.gov.au.
- Of all services (over 2,600 residential care services) who self-reported the data through My Aged Care the average daily spend was approximately **\$13.94** in Q1 and **\$14.27** in Q2. However, some of this data reported includes labour costs where residential care services were unable to separate these.

The following analysis provides more detail separating these costs.

- **75% of residential services, in the past six months, reported expenditure on food and ingredients used to prepare meals and snacks on-site only**
 - Amongst the 75% of services that reported expenditure on food and ingredients as **on-site only**, the average expenditure was **\$12.25 in Q1** and **\$12.44 in Q2**, as per Table 2 below.
- **Over 2% of residential services, in the past six months, reported expenditure on pre-prepared and bought-in main meals only**
 - Approximately 2 to 3 per cent of services reported expenditure only on contract catering⁵ where they were unable to split out labour costs, see Table 2 below.
 - The services providing only contract catering reported their average daily spend as **\$25.15** in Q1 and **\$25.61** in Q2.
- **Over 21% of residential services, in the past six months, reported expenditure as a combination of food and ingredients used to prepare meals and snacks on-site and pre-prepared meals bought in**
 - Some of the 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; see Table 2 below.
 - Approximately 21% services reported their average daily spend as **\$18.63** in Q1 and **\$19.02** in Q2

⁴ Data used for analysis was reported by residential services through the My Aged Care Provider Portal and includes forms submitted via pdf to NutritioninAgedCare@health.gov.au as at 4 March 2022. To determine percentage reported and spend per resident, data was sourced from NAPS Occupancy Report as at 22 February 2022. Services without occupancy information are excluded (i.e. new services, closed services, or one facility having multiple NAPS IDs).

⁵ Contract catering is defined as food which is prepared as part of a contract arrangement between the aged care service and the approved food provider (either on- or off-site).

Table 2. Average expenditure to support improved food and nutrition

	Food and ingredient expenditure (Question 1)		Expenditure on pre-prepared and bought-in main meals (Question 2)		Expenditure both on-site and bought-in (Question 1 + Question 2)	
	Quarter 1 (Jul - Sep 2021)	Quarter 2 (Oct - Dec 2021)	Quarter 1 (Jul - Sep 2021)	Quarter 2 (Oct - Dec 2021)	Quarter 1 (Jul - Sep 2021)	Quarter 2 (Oct - Dec 2021)
Reporting Period						
Number of services responding	2,035	1,978	77	65	551	608
Share of total residential services responding	76.2%	74.2%	2.9%	2.4%	20.6%	22.8%
Average daily spend per resident	\$12.25	\$12.44	\$25.15	\$25.61	\$18.63	\$19.02

2.5 Number of services spending more than \$10 per day

- **67% of residential services**, in the past six months, reported an average daily spend on food and ingredients of more than \$10 per day.
- **Less than 2% of residential services**, in the past six months, reported an average daily spend less than \$6 per day
- Services spending less than \$10 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 its ongoing sector monitoring.

2.6 Other insights

- Table 3 below provides the average spend per resident per day on other expenditure by services to support improved food and nutrition in residents.

Table 3. Average expenditure on other items to support improved food and nutrition

Other expenditure to support improved food and nutrition	Average spend per resident per day	
	Quarter 1 (Jul - Sep 2021)	Quarter 2 (Oct - Dec 2021)
Expenditure on oral nutritional supplements	\$0.76	\$0.71
Expenditure on oral health living expenses	\$0.07	\$0.09
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

3. Creative and innovative services reported

- The Food and Nutrition Reporting has surfaced innovative and creative practices being implemented by residential aged care services in the food, nutrition, and dining experience space.
- Some services are already driving best practice and going above and beyond the standard in delivering quality food, nutrition, and dining experiences to residents in residential aged care. Through the Food and Nutrition Reporting requirements, these services took the opportunity to highlight the inventive nature of their service, displaying their commitment to improving the nutritional outcomes of senior Australians.
- Highlights include:
 - **Kitchen Gardens** – built in consultation with residents and aimed at engaging all residents irrespective of their cognitive and physical abilities, the kitchen garden showcases the process of growing, harvesting, and preparing fresh produce for use in on-site kitchens for all to enjoy.
 - **Supporting senior Australians with dementia** by using:
 - **red crockery and contrasting placements** allowing diners to easily identify items for use
 - **meal cards with images** for resident to independently select their meal choice and
 - the introduction of a **“Wanderfull Menu”** to provide calorie and protein rich finger foods "on the run" to further support residents who are known to pace the corridor and who present challenges with eating meals at designated mealtimes.
 - **Improving consumer engagement** – with technology by assisting senior Australians to select their daily meal choices and size using tablets closer to meal delivery.
 - **Taste testing** – before each new menu is released, residents can participate in a **"Chefs Table"** where menu items are prepared and taste-tested for approval by residents before inclusion in the menu.
 - **“Community Street Project”** – an immersive experience where residents experience the replication of a street scape with pop up shops and cafés.

4. Next Steps

In addition to publishing this data, the Department has provided service level data to the Commission to consider as part of its broader regulatory intelligence used to inform its ongoing sector monitoring. This includes providing data for matching the services reporting expenditure of \$10 or less against complaints received relating to food and nutrition, and assessment against the aged care standards at specific residential aged care services.

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 residential aged care providers to collect quarterly data on crucial areas of care where food and nutrition can also have a direct impact. This includes 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 up to 20% of senior Australians will be asked “do you like the food here” and these results will be published through [Star Ratings for residential aged care](#).

The Food and Nutrition Reporting has enabled the Department to better understand “what good looks like” in food and nutrition and the dining experience and provides it with opportunities to better detail expectations into the [Aged Care Quality Standards](#) as part of the [current review underway](#).

The Food and Nutrition Reporting data is being used by the Department to consider policy options to further improve food and nutrition outcomes for senior Australians. The Department will continue to engage the sector based on the insights provided by the Food and Nutrition Reporting to consider policy options to further improve food and nutrition outcomes for senior Australians.

From October 2022, new Food and Nutrition Reporting requirements are being enhanced as part of strengthened obligations under the Quarterly Financial Report (QFR). All questions will be mandatory unlike the current Food and Nutrition Reporting requirements, thereby providing better transparency of provider expenditure across fresh versus processed food and internal versus external contract catering costs. The new reporting requirements can be found on [the Department of Health'](#)

Future policy options to improve transparency for consumers include publishing food expenditure at the service level through Annual Governance Statements or the Star Rating on My Aged Care. Recent stakeholder consultations with Senior Australians indicate they are highly supportive of this.

The Department will look to publish the next two quarters of Food and Nutrition Reporting following the conclusion of the 2021-22 Financial Year.