

## **Report to the Cabinet**

**Report reference:** C-005-2020/21

**Date of meeting:** 11 June 2020



**Epping Forest  
District Council**

**Portfolio:** Housing and Community – Cllr H Whitbread

**Subject:** Telecare Provision

**Responsible Officer:** Jennifer Gould (01992 564073).

**Democratic Services:** Adrian Hendry (01992 564246).

### **Recommendations/Decisions Required:**

**Following Essex County Council's decision to procure a county-wide care technology service, Cabinet are asked to approve the recommendation to cease EFDC's own delivery of telecare.**

### **Executive Summary:**

Essex County Council (ECC) have decided to procure a county-wide care technology service for telecare and assistive technology delivery. This has significant implications for EFDC's own future delivery of telecare to residents across the district.

The purpose of this report is to provide background on current services and set out the options available for the ongoing delivery of EFDC's telecare provision.

This report details two options available to the Council:

1. Status quo - do nothing;
2. Cessation of the delivery of telecare;

Ultimately recommending that EFDC cease the delivery of telecare to residents living in private dwellings across the district.

### **Reasons for Proposed Decision:**

#### Cessation of the delivery of telecare

ECC's county-wide model provides an alternative for existing users from a trusted provider that offers the potential for both economies of scope and scale. This approach will likely improve efficiency and harness resources to invest and innovate ensuring the new service is at the cutting edge of telecare and assistive technology which will likely be superior to EFDC's offer.

Cessation of service delivery will remove a number of financial and operational risks that currently sit within the Council. The likelihood is that 2.7 full-time equivalent staff who currently work for the Council solely on the provision of telecare will be transferred to a newly contracted provider under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE).

## Other Options:

### Maintain status quo

There is an option to maintain the status quo with EFDC continuing to provide telecare to residents within the district. However, retaining current arrangements is unlikely to be a realistic option for the service given that the modest contribution it generates of around £20,000 per year currently would result in a deficit of at least c£15,000 following the mobilisation of ECC's new contract. The reasons for this include:

- The funding from Essex County Council to supply and maintain the telecare equipment and cover the installation costs will no longer be available under the new arrangement.
- Essex County Council currently fund the first 12 weeks of the service costs for service users. This will no longer be available outside of their new framework contract once the new contracts are awarded.
- Continuation of the service directly by the Council would require a sustainable business case (an increase in the charges to cover costs and support continuous improvement).
- Residents may view the other options such as those provided through ECC as representing better value for money in terms of both costs and potentially service quality.
- A likely outcome is that there will be little or no demand for the service without EFDC significantly investing to deliver outcomes to match the 'best in class' market offer.

## Report:

### Background – Existing Service

1. For around 10 years EFDC have worked in partnership with ECC to provide Careline services. This includes the provision of alarms and sensors in residents' homes to help them live independently and safely.
2. The service also known as 'telecare' offers a 24/7/365 emergency alarm monitoring service to older and disabled people living within the District. The Service is also offered to other vulnerable groups including victims of domestic violence and younger people with disabilities.
3. The Council's own sheltered housing schemes have a separate hard-wired system installed in their properties which is **not affected** by these changes.
4. EFDC currently provide telecare to around 1,350 private sector homes. The purpose of the service is to provide a professional installation and alarm monitoring service, enabling customers to maintain independent living.
5. Service users pay an annual rental to EFDC for the service of £161.20 covering a telecare alarm and up to 4 sensors. ECC pay the cost of the equipment, installation charge and funds the first 12 weeks rental.
6. After direct cost are covered EFDC telecare service makes a modest contribution to overheads of around £20,000 per year.
7. The service generates an income of around £140,000 from Customers plus around £35,000 from ECC (this figure varies) which fund the following annual costs:

- Tunstall Response Call Centre contract costs of around £60,000 a year to monitor the alarms (varies dependant on demand for the service).
- New equipment costs are around £15,000 per year and staffing costs of around £80,000.

### **ECC's new approach**

8. ECC's ambition is to ensure more people enjoy independent, healthy, safe lives and are keen to use new technologies (such as telecare) to deliver care, support individuals and families in caring for each other, encourage healthy and active lifestyles and to address the needs of an ageing population.

9. As such the County Council aim to invest in care technology to support independent living as part of their adult social care responsibilities under the Care Act 2014.

10. Their changes are also motivated by the proposed switch-off of the public switched telephone network (PSTN) in 2025, which will affect delivery of the existing Careline service.

11. An external review of the County's telecare services in 2018 indicated they were not maximising the potential of technology to support people to live independently.

12. Following this review Essex County Council undertook a pathfinder project which demonstrated savings to the Health & Adult Social Care budgets. This was used to estimate that savings of £11.8million would be achieved over 3 years, which would pay for the investment required in setting up the new county-wide telecare service.

13. ECC has entered into a procurement exercise to provide a county-wide telecare service. Tenders were released in November 2019 and it was originally anticipated that new contract arrangements will commence in July 2020, with contracts awarded in March 2020. However, due to Covid-19 we are yet to establish whether these timelines are still on track.

### **Resource Implications:**

The recommendation to cease EFDC's telecare provision should limit the Council's exposure to loss of income and increased overheads, particularly given EFDC have already made representations to ECC (along with several other 2<sup>nd</sup> tier Councils) that TUPE applies to the 2.7 FTEs currently undertaking this area of work.

### **Legal and Governance Implications:**

Legal and HR have been consulted in relation to the staffing implications.

### **Safer, Cleaner and Greener Implications:**

While there is a risk of some disruption to service users which could impact on their safety at home as the new contracts commence this can be minimised through planning and on-going effective partnership working with Essex County Council throughout the period of service transition.

**Consultation Undertaken:**

Initially consultation has been undertaken with the Portfolio Holder.

**Background Papers:**

N/A

**Risk Management:**

There is a risk that ECC do not accept that TUPE applies to the 2.7 FTEs currently engaged in this area of work which could potentially lead to a financial impact for the Council.

There is also a risk to service users' health, safety and wellbeing during the transition phase of the service moving to ECC's county wide provider albeit this can be mitigated as far as possible with robust partnership working.

**Equality Analysis:**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an Appendix to this report.