

## **Cabinet - 24 October 2018**

### **Future of Community Alarm Service; inclusive of Call Handling, Telecare Equipment its Installation and Maintenance and the Response Service (CAS); outcome of consultation and preferred option**

**Portfolio:** Councillor Rose Martin, Adult Social Care

**Related Portfolio:** All

**Service:** Adult Social Care

**Wards:** All

**Key decision:** Yes

**Forward plan:** Yes

#### **1. Summary**

- 1.1 The Community Alarm Service (CAS) is not a statutory service and there was a policy decision in the setting of the 2017/18 budget to cease providing universal services.
- 1.2 The CAS currently costs the council £1.29 million per year to deliver; this is without the additional investment required to upgrade equipment and technologies in order to deliver a modern service of suitable quality. This budget is, in part, no longer available.
- 1.3 An options appraisal informed development of five consultation options, to release savings, manage the services within the financial resources available and introduce the opportunity for customer choice and improved service delivery
- 1.4 The Council extensively engaged on the options prior to commencing public consultation with WHG along with a range of key stakeholders including other registered social landlords in the borough as the offer of an alarm service is regularly part of a housing offer.
- 1.5 Prior to consultation commencing the Council were able to cross reference their data and advise WHG, 1499 tenants have a community alarm installed and of which only 12% (183) are known to have an assessed care need.
- 1.6 In March 2003 the Council went through Large Scale Voluntary Transfer (LSVT) transferring its housing stock to a number of housing providers collectively known as Walsall Housing Group (WHG). Under the terms of that transfer the Council was to continue to provide a CAS to the community alarm customers in the former Council housing.
- 1.7 The Council's obligation to provide a Community Alarm Service under the LSVT agreement continues until the Council having firstly consulted with the Group and community alarm customers and decide to either amend those arrangements or terminate the same at the Council's absolute discretion. WHG have confirmed

they actively encouraged feedback on the consultation process from tenants and have also provided a response in their role as a registered social housing landlord.

- 1.8 Our research has not been able to find any authority nationally that does not levy a charge and Walsall is the only council across the Black Country that does not currently charge. CAS is free to all customers, the majority of which are over the age of 60 without an assessed social care need.
- 1.9 If it is determined a charge should be levied the directorate would seek to issue a formal notification of changes and proceed to implement.
- 1.10 This is a key decision because it will affect existing and future service users across all wards.

## 2. Recommendations

2.1 Cabinet notes;

2.1.1. The feedback of public consultation conducted between 10 August and 21 September 2018 (appendix 1).

2.1.2 Cabinet notes that the overall preferred option for 53% of respondents was Option 1 followed by 27% preferring Option 2 and Option 4 being the most unpopular, however, officers are unable to recommend either of these options as detailed further under the weakness and threats sections of the report (refer to 3.3.6 and 3.6.13) and summarised below;

- Option 1 – the Council decided to reduce the funds for this service and it is recommended that this option is discounted as unaffordable. If option 1 is pursued a budget variance of £888,461 would need to be identified.
- Option 2 – this option is not recommended as it is not affordable, creates an administrative burden and is unlikely to deliver full cost recovery. Again, a budget variance of £135,002 as a minimum to £689,488 as a maximum, would need to be identified.

2.1.3 That in addition to addressing the budget variance to implement either Option 1 or 2, investment would be required to upgrade equipment/technology to ensure a quality service, comparable to the external market, was available.

2.1.4 That the top three suggestions from responders who selected Option 1 or 2 on how to fund CAS in the future were;

- By other means - i.e. changes to other services, efficiencies, less essential services, tackle benefit dependency – 32%
- reduce staff costs i.e. higher paid – 16%
- Council Tax increase – 9%

2.2 That having taken into consideration the responses to public consultation and for the reasons set out in section 3 of this report Cabinet approves the recommendation of Option 4: to **cease the provision of the service and direct customers to alternative providers in the market place**, as set out in paragraph 3.6.26 of the report.

### 3. Report detail

3.1 In February 2017 Cabinet agreed budget savings of circa £0.567m to be delivered against the Community Alarm service, split over 2 financial years, £0.190m for 2017/18 and £0.377m for 2018/19.

3.2 As well as reduction to the service budget, the services costs have increased over the two financial years due to increases in demand for its use as well as the outcome of an audit review. The audit review highlighted concerns around operating without sufficient resources and has subsequently required the service to increase the staffing contingent in year. For 2018/19, the current Community Alarms forecast spend is c£1.290m against an available budget of £0.402m, therefore Adult Social Care are currently forecasting a full year overspend of £0.888m. The directorate is exploring temporary mitigating action where possible to reduce this position across its services.

3.3 The Directorate needs to determine the future arrangements for CAS in Walsall, so it can operate within current financial constraints as outlined in this report.

### 3.4 Current Provision

3.4.1 The services are delivered in-house by the council and cover:

- Telecare Equipment
- Community Alarms
- Having those items installed by an in-house team
- Maintenance offered by an in-house team
- Response Service

The service is available free of charge. It is available to all Walsall residents irrespective of need.

3.4.2 Telecare Equipment and Community Alarms is purchased through a company called Tunstall from a national East Shires Purchasing Organisation (ESPO) framework for Telecare and Telehealth services. It is stored in a secure room at the Integrated Community Equipment Store (ICES), based in Willenhall. A small amount of stock is also stored at Streets Corner. Customers are not charged for the equipment provided.

3.4.3 Installation, Maintenance and the Decommissioning of Equipment (when it is no longer needed) – is carried out by a team who are based at Streets Corner available 8am to 4pm, Mon-Fri. Response service staff are also trained to install and replace equipment outside office hours. The team consists of:

<b>Breakdown of employees:</b>	
1 x G6 FTE	Team Manager who can respond to urgent requests
1 x G4 FTE	Administrative Worker for updating of systems
5 x G4 FTE	Fitters who install and decommission equipment (2 permanent, 3 agency)

3.4.5 Work sheets are scheduled for the fitters to install/repair/replace and decommission equipment. They complete on average 6 jobs per day but currently do not undertake an annual maintenance check; doing so may reduce the number of system faults. A hand held device records the customer's

signature to confirm that equipment has been fitted and that they have been shown how to use it. This agreement is then uploaded onto the ELMS system to record details of what equipment has been installed. MOSAIC which is the care record system is then manually updated, which often results in time lags to reflect users starting and leaving the service.

- 3.4.6 Community Alarms telephony team are based at the Brownhills Depot in Pelsall. The service operates 24 hours a day, seven days a week, 365 days a year and responds to calls and alerts from community alarm equipment. Most calls are handled without the need to provide a physical response with advice and reassurance instead being given. Currently the team consists of:

<b>Breakdown of employees:</b>	
1 x G11 FTE	Team Manager who can respond to urgent requests
2 x G6 FTE	Senior Operators (covered by secondment)
14.2 x G5 FTE	Operators who receive and handle calls (5.2 permanent, 2.7 fixed term, 3.5 agency and 2.8 vacant)
1 x G4 FTE	Administrative Worker for updating of systems (Permanent)

- 3.4.7 The team handles an average of 5000 calls per week with approximately 170 of the calls requiring a response service to be provided. Not all of the calls received relate to Telecare services. The team has recently relocated to the Depot at Pelsall as part of the Council's Channel Shift plans to have a Corporate Call Centre. This team acts as the corporate switchboard for all calls post 5pm and up to 8.30am the next day. This will need to be separated out from the Community Alarms element and resolved within the Channel Shift programme, as it was never resourced or designed to operate in this way and as such, has taken this additional task on-board without increasing capacity.
- 3.4.8 Customers are linked to a call handler through their use of the Community Alarms service. There are 7,196<sup>1</sup> community alarm users. Approximately 3,200 have no identified responder with 4,000 having an identified responder. Of the 7,196 community alarm users only 810 (11%) are assessed as eligible to receive care funded by Walsall Council.
- 3.4.9 Response Service delivers a 24 hour a day, seven days a week, 365 days a year service and on average they respond to 170 calls per week. This is currently provided by the Intermediate Care Services model funded through the Better Care Fund on an interim arrangement. As such, if the Council decides to continue providing this aspect of the service there will be additional staffing costs to identify.
- 3.4.10 ***The June 2017 Internal Audit report on the Community Alarm service and telecare identified 3 fundamental and 13 significant recommendations based on the lack of sufficiently trained staff and insufficient staff resources across community alarms call centre and installation team to deliver the service. This is further compounded by the fact that the Council has not invested in telecare equipment and systems as a result substantial investment would be needed to deliver a quality telecare service similar to those available in the external market which are Telecare Service***

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<sup>1</sup> These numbers will vary through the consultation period

## ***Association (TSA) accredited.***

### **3.5 Outcome of the Soft Market Exercise**

- 3.5.1 A soft market test exercise was undertaken in September 2017 to explore whether there was any interest from wider partners to deliver Community Alarm and Telecare installation, maintenance and decommissioning services, and Responder Service to obtain indicative costs and feedback on how best to procure these services to achieve maximum value for money.
- 1.5.2 Twenty three providers on the ESPO Telecare and Telehealth Products & Services framework were contacted. They were provided with a copy of the service specification and asked to complete a response template to outline indicative costs and provide feedback. Four providers expressed an interest in delivering these services, but their indicative costs are all in excess of our allocated 2018/19 budget.

#### **Soft Market Exercise Costs Summary**

<b>Service</b>	<b>Budget 18/19</b>	<b>Average Annual Indicative Cost based on Soft Market Exercise</b>	<b>Variance</b>
Equipment	£184,180	£184,180	£0
Installation/Maintenance and Decommissioning	£0	£306,270	£306,270
CAS	£217,667	£265,500	£47,833
Responders	£0	£608,000	£608,000
<b>TOTAL</b>	<b>£401,847</b>	<b>£1,363,950</b>	<b>£962,103</b>

- 3.5.3 From the feedback gathered one provider recommended that Walsall should procure all 3 services under a single lot or on co-dependent lots with a lead provider assigning work to subcontractors/partners. West Midlands Fire Service (WMFS) who deliver a response service in Dudley, Wolverhampton and Coventry via a Public to Public exemption<sup>2</sup> recommended close partnership working to explore whether they could meet our service requirements for the response service, rather than undertake a tender. However, in the summer of 2018, WMFS have decided to withdraw from delivering response services across the West Midlands and have served notice on all respective Councils.
- 3.5.4 At the time of the soft market test, there was no inclusion of a customer charge to cover the deficit of the available budget and full cost recovery.
- 3.5.5 The table below provides a summary of the costs facing the service in respect of the options presented in this report.
- **Option 1** - Do nothing with the existing Services and Adult Social Care funds the budget shortfall
  - **Option 2** - Retain the service in house and introduce a charge for the CAS and response service

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<sup>2</sup> Walsall could consider the use of Regulation 12 of the Public Contracts Regulations 2015 to engage with WMFS if that is the preferred option

- **Option 3** - Commissioning of services to the external market and the introduction of a charge for the CAS service
- **Option 4** - Cease the provision of the service and offer alternative providers in the market place
- **Option 5** - Walsall Council will cease to provide the Community Alarm Service to customers without a social care need and direct these customers to alternative providers. For customers with an assessed social care need, the council will buy the Community Alarm Service from another provider.

<b>Summary of Options Full Year Effect</b>					
	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Option 5</b>
Total Costs	£1,290,308	£1,290,308	£1,363,950	£0	£1,290,308
Total Income	£0	(£198,973)	(£146,973)	£0	(£49,504)
<b>Total Net Over spend</b>	<b>£1,290,308</b>	<b>£1,091,335</b>	<b>£1,216,977</b>	<b>£0</b>	<b>£1,240,804</b>
<b>Budget</b>	<b>£401,847</b>	<b>£401,847</b>	<b>£401,847</b>	<b>£401,847</b>	<b>£401,847</b>
<b>Shortfall/ Surplus</b>	<b>£888,461</b>	<b>£689,488</b>	<b>£815,130</b>	<b>(£401,847)</b>	<b>£838,957</b>

### 3.6 Public Consultation (inclusive of customers and general public)

#### 3.6.1 **Option 1 – Do nothing with the existing Services and Adult Social Care funds the budget shortfall**

3.6.2 This would retain the status quo for existing customers, prospective customers and staff. However, the Council will not achieve the budget savings attached to these services and they will continue to cost the Council an additional £888,461 per annum.

#### 3.6.3 Strengths, Weakness Opportunities & Threats (SWOT) Analysis:

<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>• Retains universal service provision</li> </ul>	<ul style="list-style-type: none"> <li>• Budget savings not achieved</li> <li>• <b>Significant investment would be needed to address the internal audit recommendations and to invest in modern equipment and systems to deliver a quality service.</b></li> <li>• Resources not being allocated to those in greatest need</li> <li>• Inefficient systems</li> <li>• Not aligned with most other local authorities which have either started to charge for services; or ceased providing the service as there is a strong market place for these services</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• Potential income is being lost</li> <li>• Current practice will continue which has been below market standard (due to limited resources)</li> </ul>

#### 3.6.4 Cost Appraisal:

<b>Service</b>	<b>Budget 18/19</b>	<b>Forecast 18/19</b>	<b>Variance</b>
Equipment	£184,180	£284,180	£100,000
Installation/ Maintenance and Decommissioning	£0	£197,998	£197,998
Community Alarms Service	£217,667	£467,737	£250,070
Responders	£0	£290,393	£290,393
Equipment maintenance	£0	£50,000	£50,000
<b>Total</b>	<b>£401,847</b>	<b>£1,290,308</b>	<b>£888,461</b>

**Summary:** the Council decided to reduce the funds for this service and it is recommended that this option is discounted as unaffordable.

3.6.5 **Option 2 – Retain the service in house and introduce a charge for the CAS and response service**

3.6.6 Introduce a flat rate charge £4.00 per week for all users of the CAS service which will be used to fund the community alarm service. This would be regardless of whether or not the user has an identified responder.

3.6.7 Walsall does not currently charge for CAS or response services, it is free to all customers, the majority of which are over the age of 60. From analysing the current list of 7,196 registered CAS and response customers:

- 810 are in receipt of a social care service
- 6,386 are not in receipt of a social care service

3.6.8 An analysis using the ASC charging model of the 810 people in receipt of another type of social care service other than a community alarm, resulted in a total of 68 liable to pay a charge. This is low in comparison to the overall number as the majority are likely to already be paying the maximum allowed charge for the other services they receive and therefore not eligible to be charged. Assuming a £4.00 weekly charge was levied against the 68 eligible to pay, the total income generated would only be £14,144 per annum.

3.6.9 If the other 6,386 customers of community alarms not in receipt of another type of social care service, is modelled at 10% who would be prepared to take up the service if it is charged at £4.00 a week this could generate income up to £132,829 per annum.

3.6.10 Based on other comparative local authorities it has also been modelled that up to a 1,000 users may be prepared to pay for the service of a physical responder team. However based on previous implementation modelling assumes only 100 users would take up and contribute to the service, and would generate up to £52,000 at an additional charge of £10 per week. Thus a customer with the full service would pay £14 per week.

3.6.11 The total income generated by bringing in a charge could be up to £198,973 per annum. With a further cost added to administer the charging for the service and for managing the non-payment of debts, it is estimated that the service would still have a shortfall to operate at full cost recovery. This is estimated due to the assumptions about take up of the service and the fees people would be prepared to pay.

3.6.12 This overall cost to the Council would be £888,461 which would be reduced to between £135,002 and £689,488 if charging is implemented. However it would be further prudent to not realise any of this potential revenue saving until forecast income levels are secure. This would only be certain through analysis of billed payments and actual income received after the first years cycle of charging is complete.

3.6.13 Strengths, Weakness Opportunities & Threats (SWOT) Analysis:

<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>Retains universal service provision</li> <li>Consultation for 16/17 Budget showed support for customers paying for the service</li> </ul>	<ul style="list-style-type: none"> <li>Budget savings not achieved</li> <li>Adult Social Care Charging Policy may need to be changed which requires a period of consultation</li> <li>Substantial administrative resources would be required to bill the 6,386 client's not in receipt of social care services and manage enquires and request to remove equipment</li> <li><b>Significant investment would be needed to address the internal audit recommendations and to invest in modern equipment and systems to deliver a quality service.</b></li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>Offers the opportunity to review current users and remove those that don't need the service</li> </ul>	<ul style="list-style-type: none"> <li>Non-payment of charge and associated administration costs.</li> <li>Unaffordable due to risk for the income model remaining with the Council</li> </ul>

3.6.14 Cost Appraisal:

	<b>Budget 18/19</b>	<b>Forecast 18/19</b>	<b>Variance</b>
Equipment	£184,180	£284,180	£100,000
Installation/Maintenance and Decommissioning	£0	£197,998	£197,998
Community Alarms Service	£217,667	£467,737	£250,070
Responders	£0	£290,393	£290,393
Equipment maintenance	£0	£50,000	£50,000
<b>Total</b>	<b>£401,847</b>	<b>£1,290,308</b>	<b>£888,461</b>
Income (worst case)	£0	(£198,973)	(£198,973)
<b>NET TOTAL</b>	<b>£401,847</b>	<b>£1,091,335</b>	<b>£689,488</b>

3.6.15 The cost to the Council is strongly dependent on the level of income that could be achieved, this is affected by various factors such as reduction in take up by clients, eligibility to pay and non-payment/debt write off. The table below shows the impact on income for various percentages of take up by clients.

	<b>Percentage of Universal clients</b>			
<b>Total Cost</b>	£888,461	£888,461	£888,461	£888,461



<b>£4 flat rate for 68 liable ASC users</b>	(£14,144)	(£14,144)	(£14,144)	(£14,144)
	<b>10% (100 clients)</b>	<b>20% (200 clients)</b>	<b>30% (300 clients)</b>	<b>40% (400 clients)</b>
<b>£10 flat rate for responder service based on take up and contribution of service</b>	(£52,000)	(£104,000)	(£156,000)	(£208,000)
<b>£4 for other CAS users</b>	(£132,829)	(£265,658)	(£398,486)	(£531,315)
<b>Total Income</b>	(£198,973)	(£383,802)	(£568,630)	(£753,459)
<b>Net Cost</b>	<b>£689,488</b>	<b>£504,659</b>	<b>£319,831</b>	<b>£135,002</b>

**Summary:** this option is not recommended as it is not affordable, creates an administrative burden and is unlikely to deliver full cost recovery. The risk for those issues would sit wholly with the Council.

### 3.6.16 **Option 3 – Commissioning of services to the external market and the introduction of a charge for the CAS**

3.6.17 The soft market exercise has revealed that there is interest in the external market to deliver these services, but indicative costs are all in excess of Walsall's 2018/19 budget. It could cost the Council an additional £962,103 per annum if these services were externalised, and dependent on the level of income this current overspend could be reduced to between £416,644 and £815,130.

3.6.18 Introduce a flat rate charge £4.00 per week for all users of the CAS service which will be used to fund the community alarm service. This would be regardless of whether or not the user has an identified responder.

3.6.19 Walsall does not currently charge for CAS or response services, it is free to all customers, the majority of which are over the age of 60. From analysing the current list of 7,196 registered CAS and response customers:

- 810 are in receipt of a social care service
- 6,386 are not in receipt of a social care service

3.6.20 An analysis using the ASC charging model of the 810 people in receipt of another type of social care service other than a community alarm, resulted in a total of 68 liable to pay a charge. This is low in comparison to the overall number as the majority are likely to already be paying the maximum allowed charge for the other services they receive and therefore not eligible to be charged. Assuming a £4.00 weekly charge was levied income for the 68 liable could be up to £14,144 per annum.

3.6.21 If the other 6,386 customers of community alarms not in receipt of another type of social care service, is modelled at 10% (the worst case) who would be prepared to take up, and were liable to pay, the service if it is charged at £4.00 a week this could generate income up to £132,829 per annum.

3.6.22 The total income generated by bringing in a charge could be up to £146,973 per annum. With a further cost added to administer the charging for the service and for managing the non-payment of debts, it is estimated that the service would still have a shortfall to operate at full cost recovery. This is estimated due to the assumptions about take up of the service and the fees people would be prepared to pay.

3.6.23 Strengths, Weakness Opportunities & Threats (SWOT) Analysis:

<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>Retains universal service provision</li> <li>Consultation for 16/17 Budget showed support for customers paying for the service</li> </ul>	<ul style="list-style-type: none"> <li>Budget savings not achieved</li> <li>Adult Social Care Charging Policy may need to be changed which requires a period of consultation</li> <li>Substantial administrative resources would be required to bill the 6,386 client's not in receipt of social care services and mange enquires and request to remove equipment.</li> <li>Resources not being allocated to those in greatest need</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>Create partnership opportunities with others</li> </ul>	<ul style="list-style-type: none"> <li>Non-payment of charge and associated administration costs.</li> <li>Unaffordable due to risk for the income model remaining with the Council</li> </ul>

3.6.24 Cost Appraisal:

<b>Service</b>	<b>Budget 18/19</b>	<b>Average Annual Indicative Cost based on Soft Market Exercise</b>	<b>Variance</b>
Equipment	£184,180	£184,180	£0
Installation/Maintenance and Decommissioning	£0	£306,270	£306,270
CAS	£217,667	£265,500	£47,833
Responder Service	£0	£608,000	£608,000
<b>TOTAL</b>	<b>£401,847</b>	<b>£1,363,950</b>	<b>£962,103</b>
Income (worst case)	0	(£146,973)	(£146,973)
<b>NET TOTAL</b>	<b>£401,847</b>	<b>£1,216,977</b>	<b>£815,130</b>

3.6.25 The cost to the Council is strongly dependent on the level of income that could be achieved, and this is affected by various factors such as reduction in take up by clients, eligibility to pay and non-payment/debt write off. The table below shows the impact on income for various percentages of take up by clients.

	<b>Sensitivity Analysis of Income</b>			
<b>Total Cost</b>	£962,103	£962,103	£962,103	£962,103
<b>£4 flat rate for 68 liable ASC users</b>	(£14,144)	(£14,144)	(£14,144)	(£14,144)

	<b>10% (638 clients)</b>	<b>20% (1,277 clients)</b>	<b>30% (1,916 clients)</b>	<b>40% (2,554 clients)</b>
<b>£4 for other CAS users</b>	(£132,829)	(£265,658)	(£398,486)	(£531,315)
<b>Total Income</b>	(£146,973)	(£279,802)	(£412,630)	(£545,459)
<b>Net Cost</b>	<b>£815,130</b>	<b>£682,301</b>	<b>£549,473</b>	<b>£416,644</b>

**Summary:** This option is not recommended as it is not affordable; the introduction of a new charge creates an administrative burden and is unlikely to deliver full cost recovery. The risk for those issues would sit wholly with the Council.

3.6.26 **Option 4 – Cease the provision of the service and offer alternative providers in the market place**

3.6.27 Based on the level of funding available for 2018/19 there will be insufficient funds to deliver these services. It is suggested therefore that the service is ceased.

3.6.28 As an alternative to the Council providing the service, there is a strong and good quality market place for these services. Customers told us in the Budget Consultation in 2016/17 that they would prefer to pay for a service rather than it not be available.

3.6.29 If this option was implemented during 2018/19, this could reduce some of the current forecast overspend. In terms of the full year effect once implemented the full costs of £1.290m would cease and the remaining budget of £0.402m could be offered up to reduce the current budget gap Adult Social Care is incurring.

3.6.30 To illustrate the types of offers and the costs a comparative analysis has been undertaken and just some examples of the service offer are illustrated overleaf:

Provider	Service Range	Costs
Lifeline 24	Personal alarm Telephony response Equipment provided Equipment maintained No physical responder (but emergency services contacted)	£2.28 per week
Eldercare	As above	£5.58 per week to buy Or £4.15 per week to rent Additional optional offer of responder service £10 per week (available in some areas only)
Age UK	As above	£4.16 per week Plus £82.80 one off equipment charge Additional service offer of a key safe for £95
Saga	As above	£4.41 per week
Telecare24	As above	£3.22 per week

		Additional optional offer of a falls sensor £3.65 per week extra
Suresafe24	As above	£3.45 per week

3.6.31 Based on other comparative local authorities it has also been modelled that up to a thousand users may be prepared to pay for the service of a physical responder team. Thus a customer with the full service would pay a minimum of £12.28 per week.

3.6.32 In addition to the providers listed in 3.6.28, Accord Housing Group currently provide a community alarm service for their own tenants living in some properties. In circumstances where having an alarm service is a condition of a social housing tenancy, low income households may be able to claim housing benefit to help cover the costs of that service. Typically this type of arrangement occurs in sheltered housing schemes or specialist housing schemes for vulnerable people. It is possible that other housing providers in Walsall may decide to develop a similar service for their tenants should the opportunity arise.

3.6.33 Strengths, Weakness Opportunities & Threats (SWOT) Analysis:

<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>Releases financial savings of £1m +</li> <li>Creates choice for customers</li> <li>Consultation for the 16/17 Budget showed support for customers paying for the service</li> <li>The market place offers are cheaper than the Council can provide the service for</li> <li>Reduces the financial risk to the Council</li> </ul>	<ul style="list-style-type: none"> <li>Staff redundancies</li> <li>Less availability of response services but this can be tailored to those with greater need.</li> <li>Paying for a service may put some vulnerable people under increased financial pressure.</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>Excellent market exists for these services</li> </ul>	<ul style="list-style-type: none"> <li>People may choose not to take up the service</li> </ul>

**Summary:** taking this option creates the most choice for customers. There is a well-developed and affordable market place for customers who can purchase these services directly. There are a range of providers, many of whom deal with 10,000 calls a day in an efficient manner. Some offer additional services which can be added to the community alarm basic service. Most offer a guaranteed response time, for example Age UK who will respond to callers within 60 seconds. This option also enables the release of the budget for service in totality to address the budget pressures for 2018/19.

3.6.34 **Option 5 – Walsall Council will cease to provide the Community Alarm Service to customers without a social care need and direct these customers to alternative providers. For customers with an assessed social care need, the council will buy the Community Alarm Service from another provider**

- 3.6.35 This option would look to provide a service only to the 810 clients in receipt of a social care service, and redirect the 6,386 clients not in receipt of a social care service to other alternative providers.
- 3.6.36 Introduce a flat rate charge £4 per week for all users of the CAS service which will be used to fund the community alarm service. This would be regardless of whether or not the user has an identified responder.
- 3.6.37 An analysis using the ASC charging model of the 810 people in receipt of another type of social care service other than a community alarm, resulted in a total of 68 liable to pay a charge. This is low in comparison to the overall number as the majority are likely to already be paying the maximum allowed charge for the other services they receive and therefore not eligible to be charged. Assuming a £4.00 weekly charge was levied income for the 68 liable could be up to £14,144 per annum.
- 3.6.38 Based on other comparative local authorities it has also been modelled that up to a thousand users may be prepared to pay for the service of a physical responder team. This would generate up to £35,360 at an additional charge of £10 per week based on the 68 clients already being charged. Thus a customer with the full service would pay £14 per week.
- 3.6.39 The total income generated by bringing in a charge could be up to £49,504 per annum. With a further cost added to administer the charging for the service and for managing the non-payment of debts, it is estimated that the service would still have a shortfall to operate at full cost recovery. This is estimated due to the assumptions about take up of the service and the fees people would be prepared to pay.
- 3.6.40 The overall overspend to the Council would be £838,957 under this option as though the universal service element would cease, the continuation of the community alarms and responder services will require the same level of staffing currently in place.
- 3.6.41 Strengths, Weakness Opportunities & Threats (SWOT) Analysis:

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Consultation for the 16/17 Budget showed support for customers paying for the service</li> </ul>	<p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>• Budget savings not achieved</li> <li>• Lose universal offer which neighbouring councils provide</li> <li>• Adult Social Care Charging Policy may need to be changed which requires a period of consultation</li> <li>• Paying for a service may put some vulnerable people under increased financial pressure</li> <li>• Any risks outlined in 3.4.9 would remain</li> </ul>
<p><b>Opportunities</b></p>	<p><b>Threats</b></p>

<ul style="list-style-type: none"> <li>• Excellent market exists for these services</li> </ul>	<ul style="list-style-type: none"> <li>• Equity of service offer may be challenged</li> <li>• People may choose not to retain the service</li> <li>• Non-payment of charge and associated administrative costs</li> <li>• Unaffordable due to the risk for income model remaining with the Council</li> </ul>
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### 3.6.42 Cost Appraisal:

<b>Service</b>	<b>Budget 18/19</b>	<b>Forecast 18/19</b>	<b>Variance</b>
Equipment	£184,180	£284,180	£100,000
Installation/ Maintenance and Decommissioning	£0	£197,998	£197,998
Community Alarms Service	£217,667	£467,737	£250,070
Responders	£0	£290,393	£290,393
Equipment maintenance	£0	£50,000	£50,000
<b>Total</b>	<b>£401,847</b>	<b>£1,290,308</b>	<b>£888,461</b>
Income	£0	(£49,504)	(£49,504)
	<b>£401,847</b>	<b>£1,240,804</b>	<b>£838,957</b>

**Summary:** the Council decided to reduce the funds for this service and it is recommended that this option is discounted as unaffordable.

## 4. Council Corporate Plan priorities

4.1 Ensuring there is a service available for people, at a reasonable cost and with good quality is important to the Council. It will enable the council to promote independence choice and control for adults and young people who live in the community and would benefit from these services. This in turn improves the quality of service provision, leading to better outcomes for residents.

4.2 This proposal links and contributes to the Council's corporate priority 'Make a positive difference to the lives of Walsall people':

- Increasing independence and improving healthy lifestyles so all can positively contribute to their communities.

## 5. Risk management

5.1 There is a risk that if the Council stops this service altogether, vulnerable people could struggle to contact support at time of need. However this risk is mitigated if there are low cost alternative options available for people to purchase. There are 7,196 current CAS users:

- 810 are in receipt of social care services, and
- 6,386 are not in receipt of adult social care services.

- 5.2 6,386 people are taking up a universal offer. Whilst the Council does not have a statutory obligation to offer or fund the service these people will be signposted to find alternative providers in the market should they choose to continue the service.
- 5.3 For Walsall Adult Social Care clients, they have needs assessed under of the Care Act, and we will ensure that an allocated worker, supports these customers in a transfer to a new service. This will be based on a review of their overall needs.
- 5.4 Users of the service will be supported to claim Disability Related Expenditure from the Department of Work and Pensions (where necessary) to help fund future service provision; if eligible this will be reflected in support plans and financial assessments will be reviewed in line with our Contribution Policy.
- 5.5 Separate to the CAS public consultation, an exercise is ongoing to identify corporate enquiries, service requests and emergency reports received by the CAS out of standard hours of opening. CMT will be presented with a series of options on how out of hours services may operate and be funded in the future pending the outcome of public consultation
- 5.6 93% respondent's smoke detectors are linked to the lifeline system; if the lifeline system is removed or disabled we will leave the smoke detector in situ and this would activate like any other smoke alarm. Should a replacement be required in the future we will refer to the Fire Service who install smoke detectors free of charge as part of their fire safety check service
- 5.7 84% of respondents have a key safe installed; this will be left in situ.
- 5.8 There is a risk if the responder service was removed that many people would not have a personal responder to respond if required. Between 69% and 81% of respondents have responded they do have a family member, friend or neighbour would respond if contacted, alternative options are available in the market for those who do not have a personal responder.

## **6. Financial implications**

- 6.1 As detailed within the report, in February 2017 Cabinet agreed budget savings of circa £0.567m to be delivered against the Community Alarm services, split over 2 financial years, £0.190m for 2017/18 and £0.377m for 2018/19. Since this decision, costs for delivering this service have increased due to increases in demand for its use, and concerns around operating without sufficient non-financial resources. This subsequently required the service to increase the staffing contingent in year at further cost.
- 6.2 For 2018/19, the current Community Alarms forecast spend is c£1.290m against an available budget of £0.402m, therefore Adult Social Care are currently forecasting a full year overspend of £0.888m in respect of this area of service delivery, the equivalent of £0.074m per month. The directorate is exploring

temporary mitigating action where possible to reduce this position from across its other services.

6.3 The table below provides a summary of the costs facing the service in respect of the options presented in this report.

- **Option 1** - Do nothing with the existing Services and Adult Social Care funds the budget shortfall
- **Option 2** - Retain the service in house and introduce a charge for the CAS and response service
- **Option 3** - Commissioning of services to the external market and the introduction of a charge for the CAS service
- **Option 4** - Cease the provision of the service and offer alternative providers in the market place
- **Option 5** - Walsall Council will cease to provide the Community Alarm Service to customers without a social care need and direct these customers to alternative providers. For customers with an assessed social care need, the council will buy the Community Alarm Service from another provider

<b>Summary of Options Full Year Effect</b>					
	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Option 5</b>
Total Costs	£1,290,308	£1,290,308	£1,363,950	£0	£1,290,308
Total Income	£0	(£198,973)	(£146,973)	£0	(£49,504)
<b>Total Net Over spend</b>	<b>£1,290,308</b>	<b>£1,091,335</b>	<b>£1,216,977</b>	<b>£0</b>	<b>£1,240,804</b>
<b>Budget</b>	<b>£401,847</b>	<b>£401,847</b>	<b>£401,847</b>	<b>£401,847</b>	<b>£401,847</b>
<b>Shortfall/ Surplus</b>	<b>£888,461</b>	<b>£689,488</b>	<b>£815,130</b>	<b>(£401,847)</b>	<b>£838,957</b>

6.4 Option 4 is the only option, which will not require additional investment in the service.

## 7. Legal implications

7.1 In March 2003 the council transferred its housing stock under Large Scale Voluntary Transfer (LSVT) to a number of housing providers collectively known as Walsall Housing Group. Under the terms of that transfer the Council was to continue to provide a Community Alarm Service to the Community Alarm customers in the former Council housing.

7.2 The Council's obligation to provide a Community alarm Service under the LSVT agreement continues until the Council having firstly consulted with the Group and community alarm customers decides to either amend those arrangements or terminate the same at the Council's absolute discretion.

7.3 The Council are able to satisfy WHG involvement as they have been extensively engaged and contributed to development of the five options prior to consultation commencing.

7.4 WHG have responded to consultation indicating option 5 as their preference.

## 8. Procurement implications



8.1 The nature of procurement advice will be determined by the option selected.

## **9. Property implications**

9.1 No Council property assets are implicated by the proposals in the report.

## **10. Health and wellbeing implications**

10.1 Continuing to ensure there is access to the market for such services will enable the Council to promote independence choice and control for adults and young people who live in the community would benefit from the service.

## **11. Staffing implications**

11.1 There are 31.4 staff affected (10.3 agency staff & 21.1 permanent staff) by these proposals. The nature of staffing implications will be determined by the option selected.

## **12. Reducing inequalities**

12.1 An equality impact assessment has been undertaken and is being updated throughout the process (appendix 2).

## **13. Consultation**

### 2016 Consultation

13.1 During the autumn 2016, 6647 CAS customers were consulted with regards to the cessation of the Council's Response element of the CAS, 731(11%) responses were received.

13.2 The majority of responses assumed that this proposal was to cease the whole of the community alarm service, not just the response service. In reflection of this there was a general view put forward by respondents that customers would be willing to pay a small nominal fee for this service to continue.

13.3 Customers that responded stated that as long as some assurance was given that a speedy response in times of emergency can be continued, it was less relevant who provided the response. There were a high number of responses that expressed concerns that the withdrawal of the response service would put additional pressure on other statutory services for example; Ambulance Service, Police and the Council's Emergency Duty Social Work Team.

### 2018 Consultation

13.4 The directorate conducted key stakeholder listening and engagement during July to inform the development of the options outlined in 3.6

13.5 Public Consultation took place between 10<sup>th</sup> August and 21 September 2018 which consisted of:

- Postal questionnaires to 7300+ customers
- We wrote to 4000 families, friends, or carers and a range of key stakeholders including GP's, Walsall Health Care Trust, the ambulance service and voluntary and community sector organisations inviting feedback on the consultation option.

- 6,000 leaflets advertising the consultation were dropped across 56 GP surgeries, 25 clinics and leaflets were included in the Walsall Carers newsletter.
- 4 face to face public consultation sessions at different times of the day, days of the week and at different locations within the borough

13.5 A copy of the consultation report can be found at appendix 1.

## Background papers

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Paula Furnival  
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15 October 2018



Councillor Rose Martin  
Portfolio Holder

15 October 2018