

REPORT FOR: CABINET

Date of Meeting:	16 February 2017
Subject:	Improved Commercialisation of Helpline Service
Key Decision:	No
Responsible Officer:	Tom Whiting, Corporate Director of Resources
Portfolio Holder:	Councillor Kiran Ramchandani, Portfolio Holder for Performance, Corporate Resources and Customer Services Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation
Exempt:	No
Decision subject to Call-in:	No
Wards affected:	All
Enclosures:	None

Section 1 – Summary and Recommendations

This report requests authority to improve the commercialisation of the Helpline service.

This report summarises

- (1) the process undertaken to ascertain the opportunity,
- (2) the results from the research
- (3) makes recommendations accordingly.

Recommendations:

Cabinet is requested to:

1. Note the progress of the service to date
2. Approve the continued commercialisation of the Helpline service.

Reason: (For recommendations)

The Helpline Service has recently concluded a report to further improve the commercialisation of the Helpline service to enhance the service offering and improve revenues.

Section 2 – Report

Introductory paragraph

The Helpline and Telecare Service provides a monitoring service for vulnerable Harrow and Brent Council residents as well as sheltered housing schemes and private schemes within the Harrow Council area.

Harrow Helpline is a 24/7, 365 days a year community alarm service providing assistance and triage to adults and young people who:

- Are vulnerable
- Have health problems
- Live with physical and/or learning disabilities
- Live in domestic violence situations.

The service currently supports 9,000 service users across Harrow and Brent and is run by 32 staff, predominantly part time.

In 2011/12 the service had a funding deficit of £500,000 since when the Council has looked to increase revenues through service expansion.

The funding deficit is currently £200,000 and council officers have carried out a feasibility study to see how the service could be further improved and expanded to increase net revenue.

Options considered

The following options have been considered in relation to provision of the Helpline and Telecare services:

1. Increase income generated from the provision of the service,
2. Reduce the cost of provision of the service

Increase income generated from the provision of the service

The Helpline service offers vulnerable customers the opportunity to retain their independence by continuing to reside in their property and gives reassurance to them and their families that there is help available on a 24/7 basis in the event of an emergency.

The service developed a proposition which involved:

- Understanding the potential customer groups, their propensity to purchase and determine whether there are any additional customer groups that could be attracted (e.g. outside of the immediate North West London boundary)
- Gathering further market intelligence on competitors including their service offerings', strengths, weaknesses and pricing
- Determining the product and service mix. This included reviewing the existing product range from Tunstall (our current supplier) and the opportunity to expand into new technologies
- Understanding the introduction of more proactive, innovative and 'internet of things products
- Developing the strengths and unique selling points of the Council's offer
- Reviewing the use of partnership schemes, how partners can be incentivised and the impact on price points
- Developing a pricing approach that is commercially attractive to service users and their carers
- Developing a robust marketing plan to increase take up of the service

A wide range of potential customers were involved in the review including existing Harrow and Brent service users, Harrow's Adult Social Care Team, private organisations and third sector organisations.

The recommendation is to offer a core package providing a monitoring service with a fixed call-out service. A supported set up of the equipment including a test over the telephone is included.

As a result of researching the self-funding market, a service proposition was collated defining the products and services that could be offered to customers over and above the recommended base package.

These tailored packages will be available to various sets of clients with certain conditions such as dementia, heart disease and epilepsy however customers will not be prevented from purchasing whichever products they want.

Each product grouping will consist of core product and additional peripherals to support their condition. As a minimum, every single customer will have a base unit and pendant as additional sensors / detectors will not work without a base unit.

The service will aim to generate an additional 100 new customers each month and allowing for additional costs such as stock and staffing, it is planned to generate an extra £80,000 throughout 2017/18.

In order to meet the increase in growth a sales and marketing approach is being formulated. This will ensure that there is a clear understanding of the available routes to potential customers and will outline the processes to generate, manage and control marketing and sales activity.

Reduce the cost of provision of the service

A budget saving of £100,000 has already been incorporated within the operating budget for the service over the last 18 months. Further opportunities for reducing costs and overheads will be sought and implemented as appropriate.

Background

The Helpline and Telecare Service provides a monitoring service for vulnerable Harrow and Brent Council residents as well as sheltered housing schemes and private schemes within the Harrow Council area.

The Helpline and Telecare services are discretionary services provided predominantly to residents that live alone, are of pension credit age and generally with mobility, vision and hearing impairments. The service operates through a pendant alarm that is worn around the neck or wrist. The Telecare equipment relates predominantly to sensors that can automatically contact the Helpline when activated.

If the resident becomes unwell or has a fall, they can activate the alarm by pressing the pendant which then goes through to the Council Helpline Operators. The service is available 24 hours a day, 365 days a year.

Additionally, the Helpline service caters for the provision and monitoring of Telecare equipment. This equipment predominantly relates to sensors that are able to automatically contact the Helpline if activated.

Cabinet agreed a commercialisation strategy in 2015 which set a direction to look for opportunities to improve the trading performance of existing services.

Current situation

There are approximately 1,500 Harrow Council residents paying for the Helpline Service and a further 1,700 that receive the service free of charge either as part of a “reablement” package whereby the Council meets the cost of their support for up to six weeks, or, under the terms of their pre-existing Helpline contract.

Of the paying customers, 800 pay their charges directly to Harrow Council on a quarterly basis. There are currently three tariffs that exist for payment of the Helpline charges as follows:

- An initial payment of £180 followed by quarterly payments of £27.95,
- No initial payment and quarterly payments of £62.40,
- £41.60 per quarter (this is a legacy payment fee that is payable by some former Social Services referred customers).

The remaining cases (i.e. approximately 700) within the Harrow area relate to private schemes. These schemes are primarily for premises where there is more than one resident (e.g. sheltered accommodation) and for which separately agreed charges for the premises as a whole exist with the scheme owner.

Additional to the above, Harrow Helpline provides a monitoring service on behalf of Brent Council under a contractual arrangement which provides a separate income stream to the service.

Monitoring services for fire alarm activations at sheltered accommodation within the Harrow Council area and “out of hours” duty desk calls on behalf of Social Services are also undertaken within the Helpline service and subject to separate charging arrangements and terms.

Why a change is needed

The Helpline Service has only increased its prices once in the past few years. During that time, the true cost of operation has increased although a restructure within the service has made a significant revenue saving.

Additionally, a grant that formerly existed for Telecare equipment which is currently provided free of charge to residents, is no longer available.

The Council's financial position, as presented in the budget, requires us to deliver substantial cost reductions and new income streams.

In response to the need to reduce the budget deficit for the Helpline service; this is an opportune time to review the service provided to meet the needs of our potential clients.

Implications of the Recommendation

Resources, costs

The recommendations within this report will, if agreed, assist in "closing the gap" between the operating cost of the service and the income generated from the provision of the service.

Staffing and stock levels will aligned to increases in demand.

Staffing/workforce

The recommendations within this report are not anticipated to have an impact on staffing and workforce considerations.

Performance Issues

The recommendations within this report are not anticipated to have an impact on current or future performance levels of the service.

Environmental Implications

There are no environmental implications arising from the recommendations set out within this report.

Risk Management Implications

Risk included on Directorate risk register? No

Separate risk register in place? Yes

Risks associated with the price increase have been effectively managed through the controls established at the commencement of the project. These were documented on the project risk register and managed through the Project Management arrangements.

Legal Implications

The Care Act 2014 requires local authorities to design care and support systems to actively promote wellbeing and independence. This duty applies to individuals who do not have any current need for care and support as well as those with an assessed need. The helpline service can assist people to remain in their own homes and enable them to live an independent life without the need for additional family or other support.

Financial Implications

The 2016/17 Helpline Budget is £207,308

Based on the business case, a saving of £280k is included in the Medium Term Financial Strategy 2017/18 to 2019/20:

2017/18	£80k
2018/19	£100k
2019/20	<u>£100k</u>
	£280k

There are a number of dependencies on how the income is achieved, that this is built upon including:

- Willingness of the CCG and GP surgeries to participate
- Uptake from the voluntary sector and third parties
- Response to marketing and sales activity within the self-funder market
- The take up of new technologies by the customer base

Marketing information will be provided on the service to GPs and VCS so they can pass onto people who would benefit from the service.

The improved financial performance is an estimate and the savings are predicated on this level of uptake.

The key issue will be take up as it has been challenging to assess likely levels of take up compared to market potential.

This is a good opportunity that will be pursued and we are immediately starting work to market and push the service which will give us early intelligence on how successful it is likely to be. This approach is the best way of testing and assessing take up potential.

As a result of getting started now, we will be in a better position to understand the market by summer 2017 as our progress unfolds throughout the first six months of the year.

Financial and operational performance will be monitored monthly.

If the savings are not achieved as planned, the shortfall will have to be met across the Resources directorate.

Approximately 60% of current service users receive the service in accordance with a care plan and as such will only pay for the service is assessed as having the means to pay. The future projections are based on an increase in the number of users privately paying for the service and will not impact on existing users. The helpline service will still be offered free of charge as part of a reablement package where required. Following this, if a person requires

the service as part of a care plan, a financial assessment will determine whether the user will have to fund the service.

Equalities implications / Public Sector Equality Duty

Decision makers must have due regard to the public sector equality duty in making their decisions.

Consideration of the duties must precede the decision. Section 149 of the Equality Act 2010 sets out the equality duty as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

This duty is extended to a person that is not a public authority but who exercises public functions.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The service continues to assess whether any particular groups are likely to be affected more than others and if so, how these may be addressed.

An Equalities Impact Assessment for the recommended changes has also been attached to this report.

Consequently, the recommendations within this report are proposed on the basis that due regard has been given to the Council's Equalities obligations

and that the adverse impact identified within the Equalities Impact Assessment is justified in terms of the policy intent and recommendations concerned.

There is no adverse impact.

This scheme helps clients to stay in their homes for longer, therefore contributes towards the public sector equality duty by advancing equality of opportunity.

Council Priorities

The recommendations contained within this report support the corporate priorities for the following:

- Making a difference for communities
- Making a difference for the vulnerable
- Making a difference for families

In particular, the recommendations within this report support the continued provision of the Helpline service that facilitates independence and 24/7 access in the event of an emergency for the most vulnerable members of its communities.

The continued provision of the Helpline service allows residents to continue to live in their homes and provides assurance for their friends and families that in the event of an emergency, they will have access to a 24/7 monitoring service to provide support and arrange for the appropriate response.

Section 3 - Statutory Officer Clearance

Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 29 January 2017		
Name: Dawn Calvert	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 24 January 2017		

Ward Councillors notified:	NO, as it impacts on all Wards
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EqIA carried out:	YES
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EqIA cleared by:	Alex Dewsnap - EqIA Quality and Assurance Group
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Section 4 - Contact Details and Background Papers

Background Papers: None

Contact: Jonathan Milbourn
Head of Customer services & Business Support
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Call-In Waived by the Chair of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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