

Cabinet

21 June 2017



Title	Telecare and SPAN funding		
Purpose of the report	To make a decision		
Report Author	Janice Lowin & Niky Rentall		
Cabinet Member	Councillor Maureen Attewell	Confidential	No
Corporate Priority	Clean and Safe Environment		
Recommendations	<ul style="list-style-type: none">• Agree 12 week free alarm service following an overnight hospital stay in the last 4 weeks• Agree to use the money set aside from the Council Tax increase 2016-17 which was ring fenced for Independent Living services to support the telecare service (likely to be in the region of £34,518)• Delegate authority to agree telecare pricing structure to the Group Heads for Community Wellbeing in consultation with the Portfolio Holder		
Reason for Recommendation	To allow the alarm and telecare service provided by Spelthorne to consider future charging options.		

1. Key issues

- 1.1 For the last 5 years Surrey County Council (SCC) have provided funding towards the Spelthorne Personal Alarm Network (SPAN) and telecare provision. This was a joint agreement between SCC and the 11 District and Borough councils (D&B's). The agreement was instigated by SCC with the aim of mainstreaming telecare to assist people to live independently in their own homes and reduce hospital admissions/readmission. Telecare includes items such as linked smoke alarms, pill dispensers and chair sensors.
- 1.2 Over the last 2 years, SCC have debated making changes to the funding for telecare, particularly since the Better Care Fund was introduced in 2015. Meetings have taken place between SCC and the D&B's, but no changes have been agreed. D&B's were therefore surprised to be notified by SCC on the 31 March that a decision had been made to cut funding for people not eligible for a social care package with immediate effect.
- 1.3 Key changes between the previous agreement and new funding agreements with SCC include:

Previous agreement	New agreement
All individuals staying overnight or longer in hospital, or those who had been a victim of crime in their home in the last 3 months were entitled to a 12 week free trial of SPAN alarm and telecare. The cost of this was reimbursed by SCC.	No free trial to anyone
The cost of all telecare purchased by D&B's was reimbursed in full by SCC on a quarterly basis	SCC will only reimburse the cost of telecare equipment for those who are eligible for a social care package. This is estimated to be 2% of the current 1200 clients (i.e. 24 clients). The remaining 1176 will no longer receive funding.
An installation cost of £142.91 for the first 120 installations per year was paid by SCC to SBC. £73.98 paid for any installation after this.	Installation fee paid by SCC for those eligible for social care package (estimated 2% of clients) is still to be agreed. SCC will not fund the remaining 98% of client installations.

- 1.4 The 12 week free trial of the alarm service has been offered by for the last 10 years through various funding options. Spelthorne has been reimbursed for providing this service by SCC. After the initial 12 weeks 80% of these opt to keep the equipment and then pay for the continuing service.
- 1.5 The vast majority of all new business to the SPAN/ telecare service comes through the 12 week free trial.
- 1.6 As well as financial implications with the new agreement, there are also potential safeguarding issues.
- 1.7 Linked smoke detectors were part of the standard SPAN/telecare offering. SBC was recently involved in a serious case review where a death occurred due to linked smoke detectors not being fitted. There is concern that under the new funding regime, 98% of clients will not automatically be provided with a free linked smoke detector.
- 1.8 For 2016-17, Cabinet agreed to ring-fence part of the Council Tax increase (£55,955) for Older People's services following conversations with SCC regarding them potentially withdrawing all funding (approximately £100k) for centres and Meals on Wheels . SCC later decided not to withdraw the funding straight away and have recently written to say that we will receive the amount in full again for 2017-18.
- 1.9 The SPAN service currently has 1200 clients, of these
 - 24 will continue to be funded by SCC.
 - 652 clients have telecare,
 - 583 have linked smoke detectors.

- 1.10 SCC's current agreement will be reviewed at the end of 2017-18. The agreement leaves questions about how the SPAN service should operate moving forward.

2. Options analysis and proposal

- 2.1 SCC are only funding those clients who are eligible for a social care package. The vast majority of our clients will be affected by the changes. There are several options available to consider moving forward.

- 2.2 **Existing Clients.** We propose no change to existing clients and their charges. SCC have already covered the costs for purchasing any equipment currently in place so there are no further financial implications unless an item of equipment becomes faulty and requires replacing.

2.3 12 week free trial - options

- (a) Keep the 12 week free trial for clients (for SPAN alarms only) but reduce the qualification time i.e. anyone who has had an overnight hospital stay or been a victim of crime in the last 4 weeks. Previously this was 12 weeks.
- (b) Runnymede, Surrey Heath and Woking Councils are proposing to reduce the free trial to 6 weeks (with the qualification time being a stay within the last 12 weeks). In our experience this does not provide time for clients to realise the benefit and we would anticipate a much lower uptake at the end of the trial with this option. Following a hospital stay, an initial care package with the reablement team lasts up to 6 weeks. It would be after this time the benefit of the equipment would be fully realised.
- (c) Elmbridge are proposing no changes to the current service.
- (d) The proposal for keeping the 12 week free trial (with a 4 week qualification time) could be financed by the money ring fenced from Council Tax.

2.4 Telecare Equipment

All telecare equipment (including smoke alarms) have always been funded by SCC with no cost passed to the client. The cost of the telecare equipment is by far the largest cost associated with the withdrawal of SCC funding. Should these charges be passed on to new clients, it is likely that uptake would be considerably reduced.

2.5 Options for the future of this service:

- (a) Cease to provide telecare equipment (including smoke alarms) to any new clients. This could potentially mean an increased risk to the health of already vulnerable individuals. There have been a number of deaths from fire in the borough where linked smoke alarms were not been fitted.
- (b) Continue to provide telecare equipment with no charge to the client. Based on last year's figures this is estimated to cost £66,103 per year.
- (c) Delegate authority to agree the telecare equipment pricing structure to the Group Heads for Community Wellbeing in consultation with the Portfolio Holder in conjunction with part funding telecare using £34,518 of Council Tax ring fenced money.

3. Financial implications

3.1 Financial implications (based on last year's figures)

Change	2016/17 Income from SCC	Expected 2017/18 income from SCC (2%) of client base	Expected 2017/18 clients (98%) of client base	SBC contribution 2017/18
12 Week free	£17,750	0	0	£17,750
Telecare equipment	£32,729	£1,144	Pricing to be agreed by Group Head in consultation with the Portfolio Holder	
Installation cost	£17,428	£660	0	£16,768
Total	£67,907	£1,804	To be agreed	£34,518

3.2 With the withdrawal of SCC funding, the shortfall in the 2017-18 budget is expected to be £34,518 (12 week free trial and Installation cost previously paid by SCC). It is proposed this shortfall would be covered by the ring fenced Council Tax contribution. This would then allow us to see the true impact on the service and the budget. It should be noted that there are also uncertainties around the expected uptake of the service and income from clients.

3.3 A draft pricing structure was agreed informally by all Surrey D&B's however in March 2017 SCC rejected this proposal. The pricing structure agreed by D&B's will form the basis of our pricing discussion.

4. Other considerations

4.1 Installation of equipment includes initial testing by our trained technicians. Equipment may include bed sensors, smoke alarms, falls detectors, pill dispensers etc. Equipment is programmed to specific client requirements and then linked to the base alarm in the home. During installation the equipment is tested in situ to ensure it accurately conveys information, 24 hours a day, 365 days a year to the call centre. Time is spent with clients, family members and carers showing them how the equipment works and ensuring all questions are answered and understood. The technicians also ensure all relevant paper work is checked and signed

4.2 There is a risk that referrals from SCC reduce and also that self-funders (98% of our clients) do not take up the option of telecare. Risks will be mitigated by

working closely with clients and their families once they leave hospital and by promoting the use of telecare

- 4.3 Any change in charges to clients will impact on SBC as new invoicing processes and procedures for billing will need to be implemented.

5. Timetable for implementation

- 5.1 This will be immediate

Background papers: There are none

Appendices: There are none