

# BIRMINGHAM CITY COUNCIL

## PUBLIC REPORT

<b>Report to:</b>	<b>CABINET</b>
<b>Report of:</b>	<b>Strategic Director for People</b>
<b>Date of Decision:</b>	<b>18<sup>th</sup> October 2016</b>
<b>SUBJECT:</b>	<b>REMODELLING TELECARE</b>
<b>Key Decision: Yes</b>	<b>Relevant Forward Plan Ref: 002385/2016</b>
<b>If not in the Forward Plan: (please "X" box)</b>	<b>Chief Executive approved</b> <input type="checkbox"/> <b>O&amp;S Chairman approved</b> <input type="checkbox"/>
<b>Relevant Cabinet Member(s):</b>	<b>Cllr Majid Mahmood - Value for Money &amp; Efficiency</b> <b>Cllr Paulette Hamilton - Health and Social Care</b>
<b>Relevant O&amp;S Chairman:</b>	<b>Cllr Mohammed Aikhlaq - Corporate Resources &amp; Governance</b> <b>Cllr John Cotton - Health, Wellbeing and the Environment</b>
<b>Wards affected:</b>	<b>All</b>

<b>1. Purpose of report:</b>
<p>This report aims to:</p> <p>1.1 Present a future model for delivering Telecare services to support the citizens of Birmingham that requires approval.</p> <p>1.2 Highlight to Cabinet transition requirements for citizens identified with eligible needs.</p> <p>1.3 Secure approval from Cabinet for the People Directorate to enter into a service level agreement with the Place Directorate for the provision of a funded Telecare service to meet assessed social care need.</p>

<b>2. Decision(s) recommended:</b>
<p>That Cabinet:</p> <p>2.1 Approves the principles of the future model for Telecare services to support the citizens of Birmingham.</p> <p>2.2 Delegates the extension of the current Telecare service with Tunstall to support transitional arrangements as described in para 5.5 to the Cabinet Members for Value for Money and Efficiency and for Health and Social Care jointly with the Strategic Director for People.</p> <p>2.3 Authorises the Strategic Directors for People and Place enter into a service level agreement for the provision of funded telecare services as part of a social care package.</p>

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### **3. Consultation**

#### **3.1 Internal**

The delivery of a new model for Telecare forms part of the Maximising Independence of Adults (MIA) Programme which is overseen by the Service Director for Commissioning from the People Directorate. Delivery of the MIA Programme is overseen by a Board which includes senior representatives from Adult Social Care, Business Change, Finance and Commissioning. This proposal is supported by both the Commissioning and MIA Board.

The proposals contained within this report have been discussed with colleagues in Adult Care Access Point, the Enablement Service and Adult Social Work Team Group Managers including the Hospital Social Work Teams. This group understands the need to reduce cost and encourage independence to our citizens, whilst providing telecare support to those citizens with an assessed eligible need for care and support. They understand the need for these changes, however they have requested that the communication of these changes is consistent and clear and delivered in a co-ordinated approach.

The service model has been jointly developed with colleagues in the Place Directorate and has been formed to create a corporate approach to telecare across the two Directorates with Careline providing the service for our eligible citizens. Councillor Griffiths as the Cabinet Member for Housing and Homes has been consulted and included in these discussions and receives updates from Careline colleagues too.

Officers from Finance, Legal Services and Procurement have been involved in the preparation of this report.

#### **3.2 External**

Tunstall, as the current service provider, have been informed of the Council's intention to decommission the current service and move to a new model as set out within this report.

The proposal to move to a model within which all citizens self-fund their own telecare service was the subject of consultation as part of the corporate business planning and budget setting process. This consultation was at both a Corporate and Directorate level. 37% of those who responded to the consultation agreed with the proposal to introduce charging for all. The remainder expressed some concerns about affordability and impact on the most vulnerable who may be adversely affected or put at risk through the removal of the service. The proposals contained within this report do respond to the issues raised though consultation with a funded service being maintained for those with assessed eligible need for care and support.

#### **4. Compliance Issues:**

##### **4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?**

The recommendation contained within this report is consistent with:

##### **4.1.1 Council Business Plan and Budget 2016+**

Delivery of a new model for providing Telecare services is a key element of the Council Business Plan and Budget 2016+. The proposals in this report build upon the Business Plan priority by setting out a comprehensive approach to telecare services which recognises the diversity of need and ensures compliance with our statutory duties. As such it proposes a model within which some citizens may continue to receive a funded service as it is considered the most effective and efficient way of meeting assessed eligible need for care and support, whilst others, who do not have an eligible need, self fund.

##### **4.1.2 Future Council**

The recommendations made in this report support delivery of the Council's Future Council programme and form part of the Maximising Independence of Adults Programme. The proposals aim to manage the demand for Council provided services by enabling citizens who do not require a telecare service to meet assessed eligible need for care and support, to purchase services they want directly from the market.

##### **4.1.3 Birmingham Business Charter for Social Responsibility**

In order to discharge the Council's duty under the Public Services (Social Value) Act 2012 and the Council's Social Value Policy, Tunstall Healthcare will be required to continue to comply with the Charter's principles. Compliance with the Birmingham Business Charter for Social Responsibility is part of the contract conditions and Tunstall Healthcare as an existing Charter signatory will be required to update their Action Plan for the period of the extension. Careline are an internal service provider and therefore are not required to sign up to the Business Charter for Social Responsibility'

##### **4.2 Financial Implications**

The Council has funded Telecare services via a contract with Tunstall since 2011. The Business Plan and Budget 2016+ approved a new model for Telecare which moved responsibility for paying for the service from the Council to the citizen. The budget was reduced by the proposed saving of £1.6m per annum to reflect this.

The recommendations contained within this report have implications for the approved budget. They highlight a need for the Council to continue to fund telecare services both during transition to the new model and for some on an on-going basis. This will reduce the level of savings that can be achieved in this and future financial years against the target shown above.

Estimated financial projections at this point need to recognise that further clarity needs to be secured in relation to the needs profiles of citizens to confirm the split between the eligible and self-funder groups. The contract extension with Tunstall will have a bearing

on the overall expenditure in 2016/17.

The figures included in the Month 4 Budget Monitoring report to Cabinet on 20 September 2016 included a shortfall against the telecare saving of £0.8m. This represents the current estimate of costs which will be incurred in 2016/17 in managing this transition process. These costs relate to payments made to date to Tunstall under the approved contract extension to 31 August 2016, any further payments to Tunstall under the proposed contract extension, costs incurred by Careline in managing the transfer of service users and provision of services to people with assessed eligible need for care and support. This last cost will need to continue in 2017/18 and future years depending on the number and type of service requirements and this will be built into the People Directorate budget as part of the Council's overall budget setting process.

Following the transition of service provision to Careline, it will be necessary to ensure that the charging mechanism implemented does not result in costs not relating to HRA tenants, as a consequence of their tenancy, falling on the HRA. This will be achieved by charges to People Directorate for any service users with eligible need for care and support and direct to other service users.

#### 4.3 Legal Implications

The Care Act 2014 together with associated regulations and statutory guidance requires the local authority to meet assessed eligible need for care and support.

In our discussions with Tunstall, they have not indicated any TUPE implications.

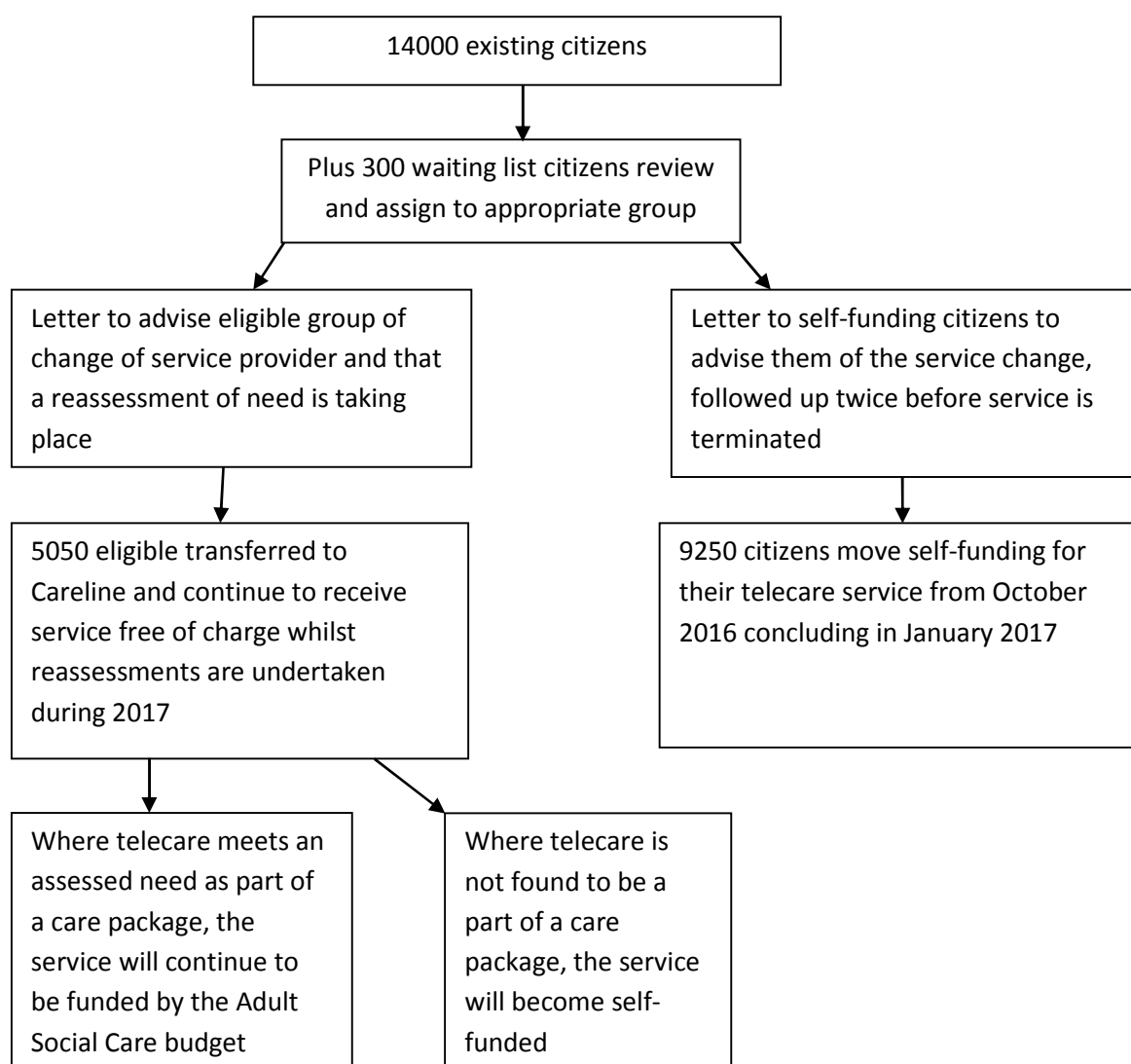
#### 4.4 Public Sector Equality Duty

Telecare services are predominantly used by older people and people with disabilities. Remodelling the way that such services are delivered therefore has the potential to have a disproportionate impact on these groups. The proposals contained within this report have been formed to mitigate the impact, with a funded service being retained for those who have may have an eligible need for care and support being met by telecare. This funded service will be maintained until a reassessment has been completed to confirm whether or not the telecare is meeting an assessed eligible need or not. Where the assessment confirms an assessed need telecare will form part of the citizens funded care package. If this is not the case the citizen will be advised that they will have to purchase telecare themselves, should they wish to continue to receive this service.

As a consequence of the proposals in this report, some citizens who currently receive a funded service will be required to pay. Given the profile of telecare users this will have an impact on older people. There are options to mitigate this impact through supporting citizens to claim attendance allowance, which should they wish could be used to cover the costs of their telecare service. Affordability issues will be monitored during the transition of this service to understand the level of impact and to identify, if possible further mitigating actions.

## 5. Relevant background / chronology of key events:

- 5.1 The Council has provided funding for a telecare service via a contract with Tunstall since 2011. The service has been free of charge to customers. The costs to the Council have risen over the period of the contract. Approximately 14,000 citizens currently benefit from the funded telecare service. Telecare provides the citizen and their family with reassurance that should a fall occur, or emergency support be required, help can be called at the touch of a button. The service enables the citizen to stay in their own home.
- 5.2 Following consultation as part of budget setting, the option to move to a funded model which is cost neutral to the Council was confirmed by Cabinet in April 2016 and the budget for 2016/17 was amended accordingly.
- 5.3 A more detailed assessment of the proposal undertaken as part of the initial implementation phase identified problems with the proposal which could place the Council in breach of its statutory duties under the Care Act 2014. Concerns were raised that for some citizens telecare was meeting an assessed eligible need for care and support.
- 5.4 In response to these concerns a more detailed service model has been developed as depicted below, which is aligned to the needs of the citizen and an equalities assessment has been undertaken:



5.5 A transition plan has been developed to support the move to the proposed new delivery model, which comprises the following key elements:

- a) **Extension report with Tunstall** – The Council's formal contracting arrangements with Tunstall expired on the 30<sup>th</sup> August 2016. Tunstall currently provide 14,000 citizens with a telecare service. Transitioning to the new service model will require continued engagement with Tunstall for a period of up to 6 months. This will enable all existing service users to move to the new service offer and other aspects of the transition to be finalised. Contracting arrangements will need to be put in place to procure a continued service from Tunstall until transitioning has occurred. The final value of this extension is to be profiled but would not exceed £250,000 and will be subject to a separate report to the Cabinet Members for Value for Money and Efficiency and for Health and Social Care jointly with the Strategic Director for People.
- b) **Continuation of a funded service** – Up to 1 in 3 citizens who currently receive a funded service may continue to be eligible to receive a funded telecare service as part of their care package. Arrangements to fund this support will have to be put in place whilst this need is reassessed. Where the assessment confirms an assessed need, telecare will form part of the citizens funded care package. If this is not the case the citizen will be advised that they will have to purchase telecare themselves, should they wish to continue to receive this service.

This report recommends that the funded service be provided by Careline who are an internal supplier of telecare services based in the Place Directorate. The Careline service represents quality provision and provides value for money being below the national benchmark price for telecare. Careline have the capacity to increase their customer base and as they are an existing telecare service there will be no technical risk to our citizens. It is therefore recommended via this report that a service level agreement is developed with the Place Directorate in this respect. A transition plan is being formalised between Tunstall and Careline to secure careful implementation.

- c) **Market development** – Two thirds of the current telecare user group are considered not to have assessed eligible need for care and support. It is proposed that these citizens are notified that the Council will not continue to fund their telecare service in the future and they will be given a notice period to make new arrangements to purchase any continued service themselves directly from the market. Within this proposal the Council will not seek to promote or refer citizens to any given supplier but will signpost via My Care in Birmingham to the range of suppliers registered with the Telecare Services Association. A market place event is planned for early December to assist citizens to understand the options available and make their choice.
- d) **New Referrals** - Telecare can continue to be promoted to newly presenting citizens as a service which may benefit them. Citizens who feel that they wish to access telecare will be directed to My Care in Birmingham, or the Carers HUB, for options on how to purchase the services they want. The exception to this will be where telecare is identified as a component of a care package, in which case a system for the social worker to refer to Careline for a funded service will be put in place under the terms of the previously referenced service level agreement with the Place Directorate.

<b>6.</b>	<b>Evaluation of alternative option(s):</b>
6.1	Decommission Services – The Council has duty to meet assessed eligible need for care and support. Decommissioning the Tunstall service without making adequate alternative arrangements would place the Council in breach of this duty and would have a hugely negative impact on citizens. This option is not considered viable.
6.2	Procure a new supplier for funded telecare from the open market – This is a possible alternative to using the Place Directorate's Careline service to deliver this component. It is not considered to be the most appropriate solution however, and does not support the creation of a corporate approach to telecare. The Careline service is a high quality service with good outcomes and a high level of customer satisfaction. The costs are in line with market rates. Given this, it is not considered that entering into a procurement exercise at this point would deliver better outcomes for citizens or value for money for the Council.

<b>6.</b>	<b>Reasons for Decisions (s):</b>
	To allow the Strategic Director for People to progress with the remodelling of Telecare services

<b>Signatures</b>	<b><u>Date</u></b>
Councillor Majid Mahmood Cabinet Member for Value for Money and Efficiency	.....
Councillor Paulette Hamilton Cabinet Member for Health and Social Care	.....
Peter Hay Strategic Director for People	.....

<b>List of Background Documents used to compile this Report:</b>

<b>List of Appendices accompanying this Report (if any):</b>
App 1 – Public Sector Equality Duty and EA