

Report to the Cabinet

Meeting to be held on Thursday, 8 September 2022

Report of the Executive Director of Adult Services and Health & Wellbeing

Part I

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Delivering better services;

Changes to the Telecare Service

(Appendices 'A' to 'E' refer)

Contact for further information:

Deborah Gent, Tel (01772) 530892, Policy, Information and Commissioning Senior Manager
Deborah.Gent@lancashire.gov.uk

Brief Summary

Since the introduction of a free telecare service, expenditure has been increasing at a rate of c.£1m each year, and with the introduction of more costly digital solutions, this annual demand pressure will continue to rise. The current annual cost of the telecare service is £5.4m per annum.

There is evidence that service users have opted to take up the service, in part because it is free, and not always because it significantly addresses their care needs or serves a genuinely preventative function. This has been reported in a range of anecdotal feedback from staff, and reaffirmed in the responses received from the public consultation which took place between 18 July and 8 August 2022.

The introduction of telecare charges will support the continuation and development of the service at a sustainable level and allow the county council to afford and embrace the full benefits offered by the transition from analogue to digital, for years to come. At present the county council is an outlier in terms of offering a completely free service.

This is deemed to be a Key Decision and the provisions of Standing Order C19 have been complied with.

Recommendation

Cabinet is asked to agree that, with effect from 1 January 2023, the following three



tier, non-means tested charging structure should be introduced in respect of telecare services provided by the county council:

- Level 1 – On-site staff or a nominated family member or friend responds to an alert or emergency call - **£4.00 per week.**
- Level 2 – A mobile responder responds to an alert or emergency call - **£5.50 per week.**
- Level 3 - This service has all the benefits of service level 2, plus the additional option of having up to 2 wellbeing calls or 1 visit per week - **£9.00 per week.**

Detail

Telecare is the provision of one or more sensors (e.g., fall detectors, temperature sensors, motion monitors, pendant/wrist alarms) in a service user's home, which are linked to a control hub. When one of the devices is triggered, it sends an alert via the telephone system to an alarm receiving centre. Staff in the centre respond to all alarm calls. They may offer advice, contact a family member, deploy a mobile responder or contact the emergency services.

Telecare is an important means to address the needs of service users by supporting people to stay independent in their own home for longer, whilst providing improved choice and control for both individuals, families and carers.

At present, Lancashire County Council provides telecare equipment, alarm monitoring and the mobile response service free of charge for 16,626 people who meet the Care Act eligibility criteria. The way in which telecare is currently being delivered is not fully achieving the county council's objectives or ambition for the use of technology, as existing telecare services are reactive, and alarm based. The draft Technology Enabled Care Strategy, set out at Appendix 'A', provides further details. Whilst it is believed reasonable outcomes are being achieved for some service users, there is no systematic approach to measuring these and it is considered that much more can be done.

The impending upgrade of our national telecom's infrastructure, the analogue switch off, is an opportunity to improve our technology enabled care offer and how it is delivered within Lancashire. This infrastructure upgrade will offer the opportunity to embrace significant developments in unobtrusive environmental and behavioural sensors, trackable and wearable technology (like GPS-enabled watches or shoes with fall detectors), and even ingestible medical devices, will become common.

With digital tools and artificial intelligence, it will become easier to work together with family members, carers and health colleagues to bring knowledge together, do a better job of predicting falls and illnesses, and giving health and social care professionals, families and carers a more rounded picture of the person they are supporting.

The contract with the current supplier, Tunstall, is due to expire on 31 October 2023 and will be retendered shortly. This recommission may be done collectively with the NHS and other Lancashire upper tier authorities to move to a fully digital,



preventative service, with an improved range of monitoring and alarm capabilities to meet a far greater range of needs.

Reasons for Recommendations

Service users have reported that telecare is important in supporting them to be independent and safe at home, whilst increasing choice and control. Service users also highlighted that telecare offers 'peace of mind' for their carers, family members and their loved ones involved in their care. However, digitising the service cannot be undertaken without reviewing the current charging policy.

Developing choice within the service and the payment structure could lead to an increase in the usage and scope of telecare. The introduction of a three-tier service model complements a strengths-based approach, enabling each person to choose a service level which meets their needs and aspirations, which can then be escalated or de-escalated as their need changes. The offer of a wellbeing check may also alleviate demand pressures on the county council's overstretched domiciliary care services.

Making the service universal will ensure all residents have access to support that appropriately meets their care needs and aspirations, without the need for a full social care assessment. This will help to support the Living Better Lives in Lancashire programme, a change programme that is designed to introduce a new operating model in social care, based on assets, strengths and collaboration.

This proposal includes the offer of free, time limited (up to 6 weeks) telecare after hospital discharge, as part of the reablement process. This early exposure to telecare will help increase user confidence in the equipment and the service, whilst encouraging continued uptake.

For current telecare service users who receive other social care services, they will be charged a means tested fee dependant on their chosen level of service. However, all future service users, regardless of their eligible social care need or their financial assessment will pay a non-means tested weekly fee.

Additionally, expenditure for the telecare service has exceeded income over the last two years and will continue to do so. Telecare is currently funded from the Better Care Fund, which is a Local Authority Section 31 grant (a pooled fund between the NHS and Lancashire County Council to support integrated working). The charging proposal would help to reduce this pressure. The Business Case, set out at Appendix 'B' provides further detailed information.

Other options considered

1. *Maintaining the free service* – this would result in continued service growth and cost pressures with no income to invest in the digital switchover. Significant funds would need to be found from elsewhere, which would create a further budget pressure.
2. *Means testing the targeted service* – this would require conducting 11,000 Financial Assessments for those telecare service users who have no other form of commissioned support. This would be complex and expensive to



- implement and administer.
3. *Providing a free service for those people who receive Pension Credit (Guarantee Credit only) or Housing Benefit* – this could significantly increase demand whilst failing to generate the income needed to invest in the digital transformation of the service.
 4. *A flat rate charging structure* – this would limit service choice and mean that those service users who utilise the mobile response service would continue to subsidise those who do not.

Consultation

A consultation has been undertaken in respect of the proposal to introduce charges for the telecare service. The consultation ran from 18 July 2022 to 8 August 2022, with responses being received until 12 August 2022, all of which were taken into consideration. The full range of responses are set out at Appendix 'C'.

Principal stakeholders in the consultation process for charging for telecare were identified as:

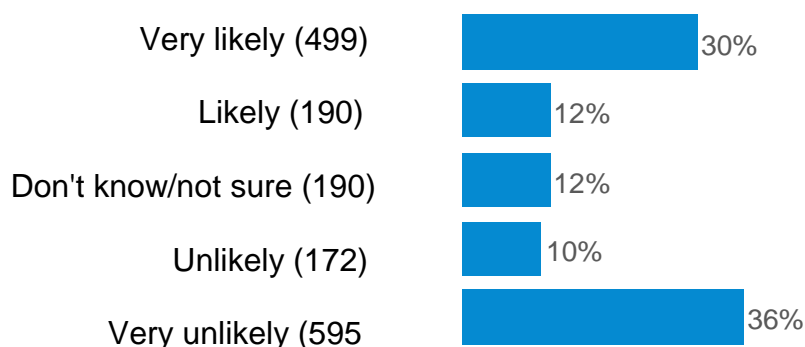
- Individuals who use the service;
- Families, friends and carers of individuals who use the service;
- Adult Social Care staff; and
- The broader public, sought through the Get Involved - Have Your Say webpage, alongside a Twitter and Facebook post.

The principal methodology for engagement was a published survey, made available in electronic and paper versions. A paper copy, which included a link to the online questionnaire was sent directly to all 16,000+ service users.

A total of 1,650 (10%) completed surveys were returned. There were 742 responses submitted via the online survey platform, with 908 responses received in paper format.

42% of respondents said that they would be willing to pay for the telecare service. 46% of respondents said that they would be unlikely to continue using telecare if charges are introduced and 12% indicated that they were unsure or did not know at this point in time.

How likely are you to continue using telecare if charges are introduced?



A high-level summary of the narrative responses is detailed below:

Respondents who were prepared to pay for the service said:

- It is an excellent, vital service.
- It helps me stay safe and gives peace of mind.
- I have no choice, I need this service.
- It is a fair price.

Those respondents who were unlikely to continue with a paid for service said:

- They are unable to afford the proposed charge, especially with the cost-of-living crisis.
- The price is too high.
- I no longer require the service.

Following the closure of the public consultation, consideration was given to the information that had been provided to service users and the responses that had been received. In light of the response rate and the quality of the feedback received, which reaffirmed the impact already identified by the county council, it was decided that a further public consultation would not provide any additional considerations.

A second stage of the consultation was conducted via two focus group meetings to seek the views of social care assessors. A total of 22 Social Workers and Social Care Support Officers attended these meetings. Many questions were answered about the proposed changes, allowing those who attended the meetings to better understand the proposal. 63% of attendees said that they agreed with the introduction of a charge for the service, 27% disagreed and 27% were neutral. 60% of assessors thought that the service should remain targeted at those people with an assessed social care need and should be means-tested.

If the proposal to charge is implemented, the county council and its provider will carefully monitor service users who express a wish to cease the service, to ensure that this will not have a detrimental effect on their health and wellbeing.

In considering the feedback from the consultation, the following steps will be taken to manage any service change:

- Monitoring of the service to identify service user exits and the reasons.
- Ongoing liaison with the service provider to identify those service users as being potentially “at risk” who do not opt to continue with the service, due to a charge being implemented.
- Those current service users who receive telecare as part of a package of care services will have the cost incorporated into their package. Their contribution to the cost of the whole care package will be calculated based on their means. The effect of this is that many people with higher levels of need in receipt of care services will pay no more than they currently do. All future service users, regardless of their eligible social care need or their financial assessment will pay the non-means tested weekly fee.



- Careful consideration of options for any service users identified as being “at risk” but choosing to discontinue with the service to ensure they are provided with a free passive sensor (i.e., the [Internet of things](#) and the [Republic of things](#) are placed within the persons home and last for up to 3 years, they will allow family and friends to remotely monitor their loved one.
- Clear and easy to understand information for current and potential service users regarding:
 - Potential benefits of the service;
 - Eligibility for VAT relief for disability related expenditure;
 - Information on benefit entitlements which could assist with the cost of the service;
 - Sign-posting to free apps which offer an alternative monitoring solution such as [Howz](#) (suitable for people with a smart meter), the [Ask my Buddy App](#) (suitable for people with an Amazon Alexa or Google Home Hub) and [Life 360](#) (suitable for people with a mobile phone).

The consultation results and focus groups have confirmed and reaffirmed what the county council believed would be the likely impact on the telecare service users. The consultation process did not flag any new concerns that had not already been identified.

Implications:

This item has the following implications, as indicated:

Risk management

A wide assessment of the current telecare service has taken place and there are a number of significant risks to the authority if services are not transformed and additional investment sought. Ongoing risks, which Cabinet are asked to consider include:

- The service in its current format may not be sustainable in light of increasing demand for social care services at a time of ongoing reduction in budgets;
- The council needs to respond to the challenges and opportunities presented by the 2025 digital switchover in relation to utilising technology in social care; and
- Disparity in price and service outcomes/outputs continues across the North West region. Appendix 'D' provides further details.

Financial

The proposals outlined in the report will help contribute towards the county council's identified savings targets.

Although, at present, there are over 16,000 service users in receipt of the telecare service, it is assumed that there will be a 30 – 50% reduction, due to the introduction of charges (based on the experiences in Trafford and Birmingham respectively). Service users will be asked to 'opt in', to continue accessing the service, and it is



expected that a 40% reduction in demand for the service would reduce the current expenditure by £2.19m each year (i.e., a reduction of 6,400 service users x £6.58 per week).

In addition, based on a reduced number of 9,600 telecare users (40% reduction) and costed on the cheapest level of service, it is assumed that the introduction of a weekly charge will generate income in excess of £1.6m per annum:

Number of service users	Recommended price	Income projection
6,720 (69% of telecare users do not receive formal care and have not had a financial assessment)	£4.00 per week non means tested	£1.39m
2880 (31% of telecare users do receive formal care and have had a financial assessment) of those:		
• 38% of users pay nothing = 1,094	£0	£0
• 53% of users pay a contribution = 1,526	£2	£158k
• 9% of users pay the full cost = 260	£4	£54k
TOTAL		£1.6m

Future years' charges would be based on the incremental increase agreed as part of the county council's budget setting process, with the aim of generating full cost recovery over the next 2 – 3 years. It is an expectation that the charges applied would be paid by direct debit on a monthly basis, in order to reduce the administrative resources required to bill people.

Based on the current non-residential payer status (as detailed in the table above), 53% of the current telecare service users would likely make a contribution towards the cost of their care, meaning that telecare income would increase by means testing the telecare service for those people with an existing package of care. However, contributions to their other care costs could decrease, as their financial assessment of affordability would be impacted. This means the overall increase in income will be lower, but it is not possible to estimate accurately what the likely additional income will be at this time, as each person's circumstances will be different. With that in mind, the data shows that 69% of the current telecare service users have no other form of commissioned support and have not had a financial assessment.

Based on the current weekly service cost of £6.58 per service user, the anticipated savings are highlighted in the table below:

	Number of service users	LCC Expenditure	Income	Net cost
Currently	16,000	£5.4m	£0	£5.4m
Expected	9,600	£3.3m	£1.6m	£1.7m
	Saving			£3.7m



The telecare service may also benefit from promotion to a wider audience in order to take advantage of any potential economies of scale, which could ultimately result in a lower weekly charge.

Legal

Section 2 of the Care Act 2014 places a duty on a local authority to prevent, delay or reduce the need for care and support arising. The provision of telecare services supports the wellbeing principle within the Care Act 2014, enhancing individual's independence and well-being for as long as possible. Preventative interventions can help people live safely and reduce the need for care and support.

The Care and Support (Preventing Needs For Care And Support) Regulations 2014 permits a local authority to make a charge for the provision of services, facilities or resources under section 2 of the Care Act 2014, in relation to preventing needs for care and support.

Section 2(5) of the regulations provides that a charge under the regulations may only cover the cost that the local authority incurs in providing or arranging the provision of the service, facility or resource. The current weekly contract price (for monitoring only) is £6.58 per telecare user, therefore applying a charge of £4.00 per week will ensure that the county council is not charging more than the cost incurred.

Procurement

Through established contract management arrangements, the county council will continue to engage with Tunstall and Progress Lifeline to ensure that the current contract continues to support people to maintain their independence.

Equality and Cohesion

Telecare services are currently available to all adults aged 18 or over, with an assessed and eligible Care Act, 2014 need.

An Equality Analysis, set out at Appendix 'E', has been undertaken to assess the impact of the charging proposal on the protected characteristic groups and the key findings are summarised below:

- **Age:** The service is used predominantly by older people aged 65 and over.
- **Disability:** A high number of people who currently use the service consider themselves to have a disability or long-term health condition.
- **Gender:** A higher proportion of females use the service than males, this may be due to longer life expectancy for females.
- **Marital status:** A high percentage of telecare service users live alone and therefore potentially have a more limited network of support around them. The telecare equipment may play a key role in enabling an individual to seek help and assistance if they fall ill, have an accident or have concerns about their personal safety or wellbeing.
- **Socio-economic:** Affordability and ability to pay for the service has been a key theme that was reflected throughout the consultation responses,



especially in the qualitative data. People being asked to pay will result in them choosing to no longer receive the telecare service. If individuals chose to end the service due to the fact, they are unable to afford it, it may have an adverse impact on the health and social care system with more individuals accessing services following a fall or being unable to manage independently at home without the support a community alarm and as a result being admitted to hospital or a residential care placement.

- **Rurality:** People will continue to be able to access the service in the more rural areas of Lancashire.

List of Background Papers

Paper	Date	Contact/Directorate/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

