

# CABINET

26 JULY 2024

## REPORT OF PORTFOLIO HOLDER FOR PARTNERSHIPS

### A. 8 TENDRING'S CARELINE SERVICE REVIEW

#### PART 1 – KEY INFORMATION

##### PURPOSE OF THE REPORT

To set out the outcome of a review of the Tendring's Careline Service in the context of the change in the market landscape, a number of on-going challenges, including its future financial sustainability, and to present a preferred option for the future provision for public consultation.

##### EXECUTIVE SUMMARY

Tendring's Careline Service (*Careline*) has been operational since 1987. When it was established, it provided a unique service to Tendring, allowing service users to maintain independent living through 24/7 monitoring and response. The service has been highly regarded by both customers and their family members. However, the telecare landscape has since changed, with several alternative providers now in the market offering similar services (*including telecare and lifting/response*) at comparable fees (see Appendix A).

Careline is an in-house service (*not a state entity, or Local Delivery Vehicle*) which allows service users to remain living independently in their homes. An additional lifting service was established in 2016, which allows responders to lift service users, if appropriate, providing complementary support to Emergency Services.

In addition to its regular operations (*as outlined above*), the Careline team supports the authority's Out-of-Hours service. This service provides a Council response to resident queries including Housing, Environmental Health, Emergency Planning, and CCTV during evenings, weekends, and bank holidays. It should be noted that the Out-of-Hours service is a completely separate working function to the Careline service. Outside of Out-of-Hours arrangements, CCTV is currently monitored by the Careline team and footage is downloaded as requested by Essex Police.

The last review of the service was reported to Cabinet in June 2022 (*Minute No. 23 – the decision is included within the Previous Decision's section*), where the future sustainability of the service was considered. Cabinet was informed at that time, the preferred course of action would be Option 4: an orderly and sustainable growth of the number of service users to increase income. Initially, the service would concentrate on the recruitment and training of enough staff to ensure a safe service was delivered to customers and that the TSA Accreditation was maintained at the next review in July 2022. Simultaneously, a marketing strategy would be drawn up to include online advertising, promotion of a new website with online retail capabilities, and demonstration appearances at relevant groups across Tendring. This strategy would be put into action once the service was fully staffed. Finally, fees and charges would be re-appraised towards the end of 2023 in time for implementation in April 2024. Having decided that Option 4 allowed time for the service to stabilise, an advertising campaign to take effect, and start generating new customers, whilst delaying fee increases for service users until April 2024, was the lowest risk to the Authority and to Tendring residents. At the time, it was hoped that by increasing customer numbers and associated fees, the reported subsidy could be reduced. However, since this date, it has not been possible to deliver on the proposals as set out in this earlier report to the extent that it sufficiently reduces the subsidy to the service. It is also

important to highlight wider economic factors that have been experienced since this earlier decision, including significant inflationary impacts in areas such as staff and other operational costs along with staff recruitment and retention challenges, all of which have an impact on the underlying 'economies of scale' for the Service.

It should also be noted that there has been a significant increase in the number of non-Tendring residents, accessing service provision, via the authority's contractual/commercial arrangements. The Careline service supports approximately 2,000 direct service users and supplies third-party provision serving approximately 7,500 service users.

Notwithstanding the above, it is important to highlight that there are a range of alternative providers, who are better placed to provide services, in the market, which provides a different context for the future provision of the Council's own service. Service users are now likely to be able to access more cost-effective provision in the market; Essex County Council provides a free of charge service if a resident is referred to them through a statutory provider e.g. Adult Social Care or a health care provider.

In terms of the financial impact of the above, the total required subsidy was £0.494m in 2022/23 and £0.403m in 23/24. Based on the service continuing in its current form an additional £0.296m budget has been included within the 2024/25 forecast. It is also important to highlight the continuing capacity challenges to meet the needs of a range of customers, including the authority's contractual commitments to other third-party companies.

Based on the above, and the continued development of the market in terms of other alternative providers, it is therefore timely to consider the future of the Careline (*telecare/lifting/response*) service within this changing context.

Over the past 12 months, a detailed review of the Careline service has been undertaken in light of the above, with the following considerations taken into account:

- The provision of a quality, consistent, compliant service to customers;
- The delivery of a financially sustainable service; and
- Consideration and fairness to staff.

Although there will be a number of permutations in relation to the options going forward, five underlying options were identified (*within the context above*) which are summarised as follows:

**Option 1** – Maintain current position (*remain in the market, which will require on-going financial support*).

**Option 2** – Provide an Out-of-Hours Council service only (*leave the market, focussing on the Council's core business and ceasing telecare and response/lifting*).

**Option 3** – Reduce shift pattern to 6 hourly shifts (*remain in the market, staffing changes required, which will require on-going, additional financial support*).

**Option 4** – Remove the responder/lifting service (*remain in the market, removal of one element of the service, which will require on-going, additional financial support*).

**Option 5** – Termination of third-party contracts (*remain in the market and service Tendring District Council residents only via the Careline scheme, which will require on-going, additional financial support*) and cessation of the TSA accreditation.

Detailed financial information relating to the five options is set out within the appendices of this report with a summary set out in the following table:

**Table A**

| Option | Potential Budget Required (£) | Potential Cost Pressure Required (£) | Potential One-off Costs required (£) | Alternative Providers in the Market | Comments/Considerations  |
|--------|-------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|--|
| 1      | 487,538                       | 262,468                              | 286,830                              | Yes                                 | Recruitment/Retention challenges would remain along with challenges of a competitive market. |
| 2      | 151,934                       | (72,956)                             | 746,000                              | N/A                                 | N/A  |
| 3      | 350,303                       | 125,413                              | 306,830                              | Yes                                 | Recruitment/Retention challenges would remain along with challenges of a competitive market. |
| 4      | 425,577                       | 200,687                              | 378,395                              | Yes                                 | Recruitment/Retention challenges would remain along with challenges of a competitive market. |
| 5      | 403,435                       | 178,545                              | 286,830                              | Yes                                 | Recruitment/Retention challenges would remain along with challenges of a competitive market. |

Although there is an increased one-off cost associated with Option 2, the pay-back period ranges from 2.22 years to 3.76 years when compared with on-going cost pressures for the other 4 options. (1.20 years to 1.48 years if also taking into account the one-off costs associated with the other 4 options).

A full overview of the advantages and disadvantages of each of these options is detailed in the Background and Current Position section of this report.

Following the detailed review, Option 2 has been identified as the recommended option; that is to cease the telecare and lifting/response provision of the Careline Service with the service solely providing the Council's Out-of-Hours and CCTV service. The proposal would allow current service users to transfer to an alternative provider within the market, in line with their individual needs and as best fits the customer. The Council's Out-of-Hours service and CCTV would remain in place as a contact line supporting residents with Out-of-Hours emergencies (as outlined above). It is worth repeating an earlier point that the Out-of-Hours service does not provide any Careline element such as telecare/lifting/response.

In fulfilling its statutory Best Value Duty, a period of public consultation will need to be undertaken with customers, residents and other key stakeholders, which will also include the organisations that the Council is currently providing services to contractually. Subject to the decision proposed within this report, potentially impacted staff will also be consulted with, acknowledging that the final decision on the future of the service has yet to be made.

A further report will be presented to Cabinet once the necessary consultation has taken place, to enable the outcome to be considered. During this period of consultation, there will be a pause on onboarding new customers, pending the outcome of the consultation; this will avoid a disrupted service to new customers who could potentially be quickly transferred to an alternative provider. This applies only if Option 2 is agreed as the preferred option, as per the recommendations of this report.

It should also be noted that if Option 2 remains the preferred option, following consultation, an additional £300k will be set aside (*subject to Cabinet agreeing recommendation f, detailed below*) for transitional costs; this will also include developing a detailed transition plan which will include the following:

- Contacting service users and/or their next of kin to explain the impact of the change and provide information about alternative providers.

- Redeployment options will be explored for affected staff, with redundancy considered only as a last resort.
- One month's notice of termination will be given to Careline customers as per their contract.

However, it is important to highlight at this stage of the decision-making process, the various milestones/stages required to successfully implement the recommended proposed option. This will be supported by a transition plan alongside the details in the draft Communication and Staffing Plan set out in this report and in Appendix C, which will be based on the following key principles:

- Ensuring openness, transparency, and encouraging active engagement with Careline customers so that they are aware of the choices available to them;
- Ensuring transparency and supporting customers and staff through the associated processes;
- Aiming for the withdrawal from the provision of Careline service by 31 March 2025 and terminating any associated contracts and not entering into any further agreements or contracts. No additional customers will be permitted to join the current telecare/lifting/response scheme;
- Limiting where possible, the financial risks to the Council;
- Transferring the focus to the Council's core business e.g. Out-of-Hours, for Emergency Planning, Environmental Services and Housing.

One-off funding set out elsewhere in this report includes funding to support the transition plan based on the above key principles which are likely to be informed by the associated consultation process.

## **RECOMMENDATION(S)**

**It is recommended that Cabinet:**

- a) notes the outcome of the review of the service as set out in this report and appendices and agrees the decision in principle to adopt Option 2, to cease the telecare and lifting/response provision of the Careline Service, in its entirety, including service delivery under third-party contracts and that the remaining service provision will solely relate to the Council's Out-of-Hours and CCTV service;**
- b) subject to a) above, the necessary consultation to be undertaken with customers, residents and key stakeholders. This consultation to be based upon balancing best value principles with the needs of our existing customers, who now have a wider range of options available on the open market, at more comparable rates than the Council can continue to supply the service for;**
- c) subject to (a) and (b) delegates the format and design of the consultation to the Leader, Portfolio Holder for Partnerships in consultation with the Assistant Director for Partnerships and the Assistant Director for Governance;**
- d) agrees the Communication and Engagement Plan with an overriding objective to encourage and support active engagement with services users to understand the principles of Option 2 and the alternative providers available, as well as understanding why Option 2 is the preferred option;**
- e) requests that the outcome of the consultation be reported back to the October/November Cabinet, for a decision as to the future provision of Careline Services (*telecare/lifting/response service*); to include a detailed transition plan as**

necessary; and

- f) subject to (a)-(e) above and the associated funding being agreed as part of item A.9 elsewhere on the agenda, sets aside a total budget of £0.746m to meet the potential implementation costs.

#### REASON(S) FOR THE RECOMMENDATION(S)

Given the changing market context, the recommendations are based on what is considered to be the best option for both service users and the Council.

Several other providers on the open market offer a like for like service, at a comparable price. Furthermore, Essex County Council provides a free of charge service, if a resident is referred to them through a statutory provider, such as Adult Social Care or a health care provider.

It is also important to highlight the continuing capacity challenges the authority faces in meeting the needs of a range of service users, including those supported by third-party contractual arrangements.

#### ALTERNATIVE OPTIONS CONSIDERED

All options are set out in this report and the accompanying appendices.

### PART 2 – IMPLICATIONS OF THE DECISION

#### DELIVERING PRIORITIES

The Careline service was established in 1987 and provides a high-quality service that provides monitoring and response/lifting for approximately 1,859 service users in Tendring, including our sheltered housing residents.

A revised Corporate Plan and Vision was approved by Full Council at its meeting on 28 November 2023. One of the six included themes is Financial Sustainability and Openness, with a commitment to continue to deliver effective services and get things done whilst looking after the public purse; that means carefully planning what we do, managing capacity and prioritising what we focus our time, money and assets on.

In the Plan and accompanying Vision, the authority has made a commitment that tough decisions will not be shied away from, but will be taken transparently, be well-informed, and based upon engagement with our residents.

#### OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

The Best Value Duty relates to the statutory requirement for local authorities and other public bodies defined as best value authorities in Part 1 of the Local Government Act 1999 (“the 1999 Act”) to “*make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness*”.

In practice, this covers issues such as how authorities exercise their functions to deliver a balanced budget ([Part 1 of the Local Government Finance Act 1992](#)), provide statutory services and secure value for money in all spending decisions.

The Council, as a best value authority is also required, pursuant to [section 3 of the 1999 Act](#), to consult on the purpose of deciding how to fulfil the Best Value Duty. This is the stage at which consultation will best assist the authority in deciding how to make arrangements to secure

continuous improvement, however, a consultation exercise will need to be conducted with the service users, providing them with information about the reasons for the proposed option for the Council to cease providing telecare/lifting/response provision and available options and alternative service providers.

Post consultation, should Cabinet make the formal decision to implement Option 2, the authority will ensure that its relevant people policies and best practice are robustly applied to support staff. Appendix C - Communications and Staffing Timescales.

**LEGAL REQUIREMENTS (including legislation & constitutional powers)**

|  |     |   |   |
|--|-----|---|---|
| Is the recommendation a Key Decision? (see the criteria stated here) | YES | If yes, indicate which by which criteria it is a Key Decision   | <ul style="list-style-type: none"> <li>✓ Significant effect on two or more wards.</li> <li>✓ Involves £100,000 expenditure/income.</li> <li>✓ Is otherwise significant for the service budget.</li> </ul> |
|  |     | And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date) | <p>5<sup>th</sup> September 2023.<br/>Late September for final Key Decision to be published.</p>  |

### **Best Value - The general duty.**

- (1) A best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- (2) For the purpose of deciding how to fulfil the duty arising under subsection (1) an authority must consult—
  - (a) representatives of persons liable to pay any tax, precept or levy to or in respect of the authority,
  - (b) representatives of persons liable to pay non-domestic rates in respect of any area within which the authority carries out functions,
  - (c) representatives of persons who use or are likely to use services provided by the authority, and
  - (d) representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions.
- (3) For the purposes of subsection (2) “representatives” in relation to a group of persons means persons who appear to the authority to be representative of that group.
- (4) In deciding—
  - (a) how to fulfil the duty arising under subsection (1),
  - (b) who to consult under subsection (2), or
  - (c) the form, content and timing of consultations under that subsection, an authority must have regard to any guidance issued by the Secretary of State.

The rationale behind the requirement to consult when proposals are at a formative stage. If consultation is to be meaningful, it needs to be undertaken at a point where the mind of the decision-maker is still open to change and can, therefore, be influenced by the responses to the consultation. A decision-maker can consult upon a preferred option and even a decision in principle, provided that its mind is genuinely open.

It is acceptable for the decision-maker to have a preferred option before consultation begins, but there must be genuine potential for that preference to change as a result of the consultation. Case law has demonstrated that care is required if a consultation strategy entirely excludes certain options from the debate.

Unless consultees have some idea of the decision-maker's rationale for the proposals put forward or the key factors that are likely to be important in the decision-making process, it may be difficult for any effective response to be made. Therefore, consultees should be made aware of the basis on which a proposal for consultation has been considered and will be considered afterwards. They should be aware of the criteria that will be applied by the decision-maker when considering proposals and the factors that will be decisive or of substantial importance at the end of the process.

|            |  |
|------------|--|
| <b>yes</b> | <b>The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:</b> |
|------------|--|

The report has highlighted that there are no anticipated liabilities to be incurred through the termination of existing contracts with third-parties, and that further work will be undertaken prior to the next phase of decision making. It is important that information regarding the termination of the contracts is available at that point, to enable Cabinet to make an informed decision, accepting that funding has been set aside to cover these risks if they subsequently emerge.

I would also suggest that the Equality Impact Assessment for Option 2 is reviewed once the public consultation has taken place and updated, before any final decision is made on the future provision of the service.

## FINANCE AND OTHER RESOURCE IMPLICATIONS

In terms of the recent financial performance of the Careline Service, a summary is as follows (excluding indirect costs):

| Year      | Original Budget<br>£m | Revised Budget<br>£m | Final Outturn<br>Position<br>£m |
|-----------|-----------------------|----------------------|---------------------------------|
| 2021/22   | 0.005                 | 0.061                | 0.137                           |
| 2022/23*  | 0.010                 | 0.400                | 0.494                           |
| 2023/24   | 0.293                 | 0.374                | 0.403                           |
| 2024/25** | 0.521                 | N/A                  | N/A                             |

\* This includes the £221k that was utilised to underwrite the financial risks associated with the continuation of the service previously agreed.

\*\* This includes an additional £296k agreed as part of the 2024/25 budget to support the Service whilst the review is undertaken.

As highlighted within the table above, the most recent full year performance relates to 2023/24, which resulted in the Council effectively subsidising the Service by £0.403m for the year. Based on the service continuing in its current form, an additional estimated amount of £0.296m was included within the 2024/25 forecast, which results in the Original Budget / subsidy for 2024/25 totalling £0.521m as set out in the table.

A financial analysis of the options set out elsewhere in this report has been undertaken with the outcome set out within **Appendix B**. The options were costed based on each aspect of the service, including staffing, working patterns, service contracts, Out-of-Hours and the Telecare Services Association (TSA accreditation). All of these aspects of the service were included in the scope of the review of Careline.

The appendix therefore sets out the financial forecast for the future on-going operational revenue costs for each option and identifies the associated on-going cost pressure required compared to the current underlying net 'base' budget for the Service. The estimated on-going cost pressures range from an additional £0.262m for Option 1, to a reduction in net costs of £0.073m for Option 2.

As highlighted within **Appendix B**, options to increase current Careline prices have been considered, however they are unlikely to be economically / commercially successful given they are not competitive compared to alternative providers and existing customers can access cheaper alternatives as set out in **Appendix A**.

As set out elsewhere in the report, although the review has been broadly / initially based on non-financial considerations within a changing market, it is important to highlight that Option 2 would not only remove the risk of additional cost pressures emerging in future years, but it is estimated that it would provide a relatively modest reduction in terms of the Council's overall budget. This is especially important given the challenging financial position faced by the Council over the current forecast period.

However, it is important to highlight that there will be various one-off costs across the 5 options considered that range from replacement equipment costs (*Options 1,3,4 and 5*) to potential transitional / 'decommissioning' costs associated with Option 2.

The highest one-off costs relate to Option 2 and total £0.746m. However, based on the reduced on-going revenue costs associated with the same option, there would only be a limited payback period of 3.76 years compared to the second lowest cost option (*1.48 years if including one-off*



costs within the comparison).

In terms of the one-off costs associated with Option 2, it is important to highlight a number of potential key items which include the following:

- The cost of supporting customers to transition to an alternative provider, as necessary.
- A 'time lag' between potentially terminating contracts, which could see an immediate loss of income, without an immediate corresponding reduction in expenditure as the relationship is unlikely to be linear.
- The cost of agency staff if existing staff leave ahead of the associated reduction in service provision to existing customers.

In addition to the above and subject to Cabinet's agreement and necessary consultation process, if Option 2 is progressed then the Council is unlikely to completely withdraw from the service until 31 March 2025 at the earliest and therefore the total budget for 2024/25 may not be sufficient.

With the above in mind, an additional sum of £0.300m is proposed to be set aside to respond to such risks. When taken together with the other one-off costs set out within **Appendix B**, it is proposed to set aside a total of £0.746m to support these costs if they arise. The proposed funding is set out within item A.9 elsewhere on the agenda, with the recommendations set out above therefore remaining subject to the associated agreement from Cabinet later in the agenda.

At the present time, there are no anticipated legal/financial liabilities relating to the termination of any existing contracts as any such arrangements will be managed within the terms of the associated agreements. However, this will form part of the work highlighted below.

As set out elsewhere in this report, the outcome from the associated consultation process will be reported back to Cabinet later in the year along with a transition plan. This will provide a timely opportunity to review / revisit the key financial considerations as part of determining the final agreed way forward, but it is prudent to set aside the funding identified above now as part of this report. Any changes required to be made to the financial position set out above will therefore be included in the report that will be presented later in the year to support Cabinet in their decision-making process.

A useful summary of the key financial information discussed above has been set out within **Table A** elsewhere in this report.

|            |   |
|------------|---|
| <b>Yes</b> | <b>The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:</b> |
|------------|---|

Although there are no significant issues to highlight over and above those set out elsewhere in this report, it is important to highlight the pragmatic and prudent approach of setting the necessary funding aside at this point in the decision making process. This therefore 'underpins' the 'in principle' decision proposed, albeit this remains subject to the necessary consultation.

As highlighted earlier in the report, when the outcome of the consultation is reported back to Cabinet later in the year, the financial considerations will be revisited to support the Cabinet's final proposals.

#### **USE OF RESOURCES AND VALUE FOR MONEY**

The following are submitted in respect of the indicated use of resources and value for money indicators:

|   |  |
|---|--|
| A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;  | Full financial information is shown in Appendix B.   |
| B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including and  | This is a Key Decision ( <i>on Schedule – 5<sup>th</sup> September 2023</i> ) and a range of options for the service are provided within the Cabinet report. |
| C) Improving economy, efficiency, and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services. | Full financial information is shown in Appendix B. Alternative provision and costings are shown in Appendix A.   |

### **MILESTONES AND DELIVERY**

Staff were provided with an update about the ongoing review in May 2024 by the Assistant Director for Partnerships.

#### **Key milestones are detailed below:**

|   |   |
|---|---|
| August 2024<br>Early/Mid-September<br>September/October<br>2024 | Public consultation begins<br>Public consultation reminder<br>O&S Committee   |
| Late Sept<br>2024   | Public consultation ends  |
| October 2024  | iCab<br>Pre agenda publication  |
| October/<br>November<br>2024                                    | Cabinet<br>Final decision made  |
| November 2024   | Formal staff consultation begins ( <i>depending on agreed option</i> ).<br><br>Service users to be informed of the post consultation outcome and next steps ( <i>as outlined in the proposed transition plan</i> ). |

A Communications and Staffing Plan are shown in Appendix C.

The Trade Union has been provided with an update on the review process including the potential impacts on staff and service users. They have offered support throughout the process.

During the consultation period and beyond, it is possible that some staff may decide to find alternative employment outside of TDC, potentially affecting staffing levels during the implementation period. A period of implementation of the chosen option would need to be agreed for the transfer of staff to other roles, to support the smooth running of the service and avoid a negative effect on the service users' experience.

Under the authority's Best Value obligations, an agreed period of consultation is required for service users, contractors, key stakeholders and those affected by the changes to Careline service. Alternative providers would need to be contacted to ensure there is no loss of service for the vulnerable people who rely on this Careline service. A minimum termination period of 4 weeks is required for service users.

A date to stop taking on new customers would need to be agreed if the service were to cease to continue in its current format.

Implementation milestones are detailed in Appendix C and the Background and Current Position sections of this report.

## **ASSOCIATED RISKS AND MITIGATION**

Discussions need to take place at the earliest opportunity with the alternative providers to ascertain their availability to take on service users and what timescale they could facilitate this. The Council would not be recommending alternative providers but would be providing factual information to Careline customers.

Essex County Council (ECC) provide a similar service for free. The criteria for this are that the customers have to be referred through Adult Social Care, their GP or hospital. There is no means-test for this service. Enquiries would need to be made at the earliest opportunity to ensure that ECC have the capacity and budget that can facilitate the level of service users should some need to transfer. This would form part of the consultation process.

There may also be a requirement to utilise agency staff if existing staff leave early and there may be a time lag between termination of contracts, resulting in an immediate loss of income, and therefore expenditure may not reduce in a linear way.

## **EQUALITY IMPLICATIONS**

Section 149 of the Equality Act 2010 places a statutory duty (The Public Sector Equality Duty, "PSED") on the Council in the exercise of their functions and is applicable when making decisions to have due regard to the needs to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

The protected characteristics are age, disability, gender assignment, pregnancy and maternity, marriage and civil partnership, race, religion or sexual orientation. The Acts states that notably, 'marriage and civil partnership' is not considered a relevant protected characteristic for advancing equality of opportunity (b) and fostering good relations.

Equality Impact Assessments ("EqIA") have been conducted for each of the five options provided within this report.

A summary of the EqIA outcomes are shown in Appendix D.

Nevertheless, the Equality Impact Assessment highlights that the proposals outlined in this report may potentially affect both service users and staff, particularly in relation to disability and age. As detailed elsewhere in this report, it is crucial to address any associated impact through the proposed transitional arrangements, with the corresponding costs specified in the financial analysis. Several key principles guide this approach, as follows:

- Feedback from service users as part of the consultation.
- The use of data to determine support for individual service users .
- To regularly review and update the Equality Impact Assessments as required.

- To ensure clear Communication to both Service Users and staff.

### **SOCIAL VALUE CONSIDERATIONS**

Social Value is defined through the Public Services (Social Value) Act 2012 and requires all public sector organisations (and their suppliers) to look beyond the financial cost of a contract and consider how the services they commission and procure might improve the economic, social, and environmental well-being of an area.

This is not relevant to the proposed recommended Option 2, as the Council will not be commissioning or procuring services, the current Careline Service users would have the ability to choose directly from a number of alternative providers on the open market, who are experienced and competitive in delivering telecare services.

### **IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030**

N/A

### **OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS**

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

|  |   |
|--|---|
| <b>Crime and Disorder</b>  | N/A   |
| <b>Health Inequalities</b>   | The service enables residents to maintain independent lives and there are a number of other providers offering comparable services.   |
| <b>Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)</b> | Since the legislation came into force in January 2023, public authorities must assess whether they are providing subsidies within the definition of the Act, which equates to financial assistance conferring an economic advantage to one enterprise over another. An assessment of the contract price agreed by the Council when the contract was entered into demonstrates that the Council has been subsidising third-party contractors. Therefore, consideration should be given to terminating our existing agreements. |
| <b>Area or Ward affected</b>   | All.  |

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND AND CURRENT POSITION**

The Careline service has been established since 1987 and provides support to residents who wish to stay in their own homes for around 1,859 service users, including 259 sheltered housing tenants.

The service provides either call monitoring only, where a next of kin, friend, or neighbour is contacted to notify them that assistance is required or call monitoring and response. The responder service is an additional element where an officer attends their home to assess their needs and lift them if appropriate. This will all cease under Option 2.

There are also a number of smaller contracts with other providers that Careline services, some of which are call monitoring only; others offer a call monitoring and responder service. These will also cease under Option 2.

The Careline service also provides an Out-Of-Hours function during evenings, weekends, and bank holidays for services across the Council, such as Car Parks, Play Areas, Leisure, Environmental Services, Housing (*including Sheltered Schemes*), Emergency Planning and CCTV. This would continue under Option 2.

The last review of the service was reported to Cabinet in June 2022, where the future of the service was considered and the option that was agreed to support the future sustainability of the service was based on a mix of increased customers and fees. However, since this date the Service has faced a number of challenges that has resulted in it not being able to significantly increase its market share, along with the annual review of fees and charges being broadly set against alternative providers now operating in the market. The service has also faced significant resourcing issues with difficulties in recruiting and retaining staff, which may impact on the consistency and quality of the service.

Based on the above, it has therefore been timely to undertake a further review to address the issues that have emerged/developed since the report to Cabinet in June 2022.

The review has identified a number of options with a summary as follows:

**Option 1 – Maintain current position.**

This option is self-explanatory and is therefore based on maintaining the existing services to Careline customers along with commercial customers.

**Option 2 – Provide an Out-Of-Hours only service.**

This option is based on reducing the Careline service to Out-Of-Hours calls only, to support Council services, including Emergency Planning, Environmental Health, Housing and any other emergency situations for residents, between the hours of 5pm and 9am weekdays, and 24 hours a day over the weekend and bank holidays. ***In effect, this option is based on withdrawing from the provision of the current Careline Service, including third-party contracts.***

**Option 3 – Reduce shift pattern.**

This option is based on reducing the current shift pattern to 6 hourly shifts for call monitoring and responders, which will reduce the current staff running costs.

A review of the service's call monitoring has been conducted, which shows the level of calls received daily. This has provided information about the peak periods so that the service can plan staffing levels around peak times.

**Option 4 – Remove responder/lifting service.**

This option will remove the lifting option for customers. Telecare will still be provided but if a resident requires a response and/or lifting this will be referred to another organisation or the call will be referred to next of kin.

A review of the Careline responder service has been conducted and this has identified that 26% of responder/lifting shifts are not currently being staffed. This means that the service is unable to provide this level of assistance to the users on a 24/7 basis.

If the responder/lifting element were to be removed there are two other suppliers in Essex that provide a like for like service, which Careline service users could use if they require this support. A comparison of costings to run this element of the service is provided in Appendix B.

Statistics show that during the period January 2023 to January 2024:

- An average of 200 visits were conducted per month to service users' homes.

- An average of 91 service users were lifted each month.

### **Option 5 – Removal of the Telecare Services Association (TSA) accreditation and termination of third-party contracts that Careline services.**

This will include terminating third-party contracts, which the review has identified, in some instances, cost the Council to service. This will include bringing the TSA accreditation to an end, which includes staffing costs associated with data collation and the actual TSA audit costs.

The Telecare Services Association is the accredited body that provides the guidelines for Careline Industry standards. There is a fee for membership in the Association, as well as fees for auditing and monitoring this accreditation. This amounts to £4,200.

Details of the advantages and disadvantages of each of the Options are outlined above. It should be noted that all options, apart from Option 2, bring a cost pressure and require additional budget provision; while for customers there are alternative, more cost-effective providers within the market, offering a comparable service.

Whilst customers tell us they appreciate the service, the response service may be intermittent, due to staffing levels, and recruitment has been challenging for a number of years. Furthermore, the majority of the Council's current response, including telecare (69% of calls) supports our third-party contracts.

On this basis, it is recommended that the core Out-Of-Hours Council services are prioritised going forward as indicated in Option 2.

If Option 2 is agreed as the preferred option, as per the recommendations outlined in this report, the Council's Best Value Duty requires consultation to commence with customers and key partner organisations. Following consultation, a further report would be submitted to Cabinet for final approval. Appendix C provides the timescales for Communications and Staffing Plan.

As stated earlier in this report, if Option 2 remains the preferred option (*subject to the recommendation above*), an additional £300k will be set aside (*subject to Cabinet agreeing recommendation f*) for transitional costs; this will also include developing a detailed transition plan.

A transition plan for Option 2 would be a critical part of the decision-making process, and will therefore, be presented to the Cabinet as part of the next stage of the decision-making process, including the outcome of the consultation and final option agreed.

### **PREVIOUS RELEVANT DECISIONS**

Cabinet Report – June 2022 – Minute No. 23:

RESOLVED that Cabinet –

- a) agrees to the continuation of a Tendring Careline Service for residents;
- b) adopts Options 4 as the basis for the longer-term approach to deliver a viable and sustainable Careline Service in the long term;
- c) requests Officers to take steps to maximise marketing opportunities to increase the customer base in an orderly way through 2022/23 and 2023/24 in working towards the figures highlighted in Option 4 within Appendix A to the Portfolio Holder's report;

Cabinet 17 June 2022;

- d) approves the utilisation of the existing Careline Reserve of £221k to underwrite the financial risks associated with a), b) and c) above; and
- e) requires that detailed updates be presented to Cabinet as part of future financial performance and budget setting reports later in the year in order to provide an ongoing review.

Audit Committee – 31 March 2022

To inform the Audit Committee of the actions taken by Tendring Careline after an improvement notice was issued by the TEC Services Association (TSA).

Resolved that the Committee notes the content of the report and asks officers to create a recovery plan.

Audit Committee – 29 September 2022

Careline Board Update – responses from the Careline Board to questions raised by the Audit Committee were considered.

#### **BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL**

Cabinet Report – June 2022

Audit Committee – 29 September 2022

EIAQs – Appendix D

#### **APPENDICES**

- Appendix A – Alternative Service Providers
- Appendix B - Careline Financial Analysis
- Appendix C - Communications and Staffing Plan
- Appendix D – EIA Summary Information

#### **REPORT CONTACT OFFICER(S)**

|                        |  |
|------------------------|--|
| <b>Name</b>            | <b>Anastasia Simpson<br/>Clare Lewis</b>   |
| <b>Job Title</b>       | <b>Assistant Director for Partnerships<br/>Careline and Community Manager</b>  |
| <b>Email/Telephone</b> | <b>01255 686544 / 01255 686324<br/><a href="mailto:asimpson@tendringdc.gov.uk">asimpson@tendringdc.gov.uk</a><br/><a href="mailto:clewis@tendringdc.gov.uk">clewis@tendringdc.gov.uk</a></b> |