
LIFELINE PROJECT UPDATE

SUMMARY REPORT

Purpose of the Report

1. To update Scrutiny on the progress of the Lifeline project, following on from update on 22 April 2014.

Summary

2. Project is almost complete and final output will be reported to Cabinet in December 2014.

Recommendation

3. It is recommended that :-

(a) Scrutiny acknowledge the content of this report

Murray Rose
Director of Commissioning

Background Papers

None

Elaine Taylor : Extension 6082

S17 Crime and Disorder	None
Health and Well Being	This service will help vulnerable service users to maintain their tenancy and this will include those who are making the transition from various support services.
Carbon Impact	None
Diversity	Removal of the subsidy will affect arrange of frail, vulnerable elderly tenants.
Wards Affected	All wards with a Lifeline service.
Groups Affected	All clients currently in receipt of the subsidy.
Budget and Policy Framework	Should the subsidy be withdrawn the service will become self-funding, small subsidies are still received from Adults social care and health.
Key Decision	Yes
Urgent Decision	No
One Darlington: Perfectly Placed	Ensuring that every pound is spent wisely and that the councils scarce financial resources are used to provide service to the most vulnerable when needed
Efficiency	The project aim is to deliver financial efficiencies by removing a subsidy for Lifeline clients, that is no longer a legislative requirement.

MAIN REPORT

Information and Analysis

4. The first Lifeline project update to scrutiny was on 14th January, following the project being put forward as part of the budget proposals.
5. The lifeline project is anticipated to save the council £336,919 per annum, phased over a three year period, from 2013/14 to 2015/2016, by removing the General Fund contribution to the service (previously the Supporting People Subsidy).
6. The purpose of the review was to try to make the service cost neutral. This would be achieved by introducing a number of measures to mitigate the potential removal of the subsidy, including steps that would reduce the costs of the service to the client and maximise the clients benefit claims in preparation for the proposed removal of the subsidy.
7. At the start of the project there were 1900 clients receiving the subsidy which was around 57% of all service users. An up to date summary of the service users receiving subsidy and the amounts can be found in Appendix 1.

Outcome of Service user Consultation

8. The consultation and EIA were initially planned to be run concurrently from 28th July to 18th August. This was extended by a further two weeks until Monday 1st September, following a request from Councillors in the North Road area in order to give them time to properly engage with their constituents.
9. The consultation and EIA is now complete and the resulting comments are being compiled in preparation for December Cabinet, where the final output of the review will be presented.
10. Early indications are that nearly 70% of clients would be able to absorb the loss of the subsidy but further analysis is required on those affected. A brief summary of the consultation and EIA work can be found in Appendix 2.

Outstanding work

11. The SLA with CCTV has been revised but some work is still needed to reach agreement on costs, comparison with alternative provider costs is underway.
12. Progress has been made on the charging policy with regard to those clients with an assessed need for adult social care clients but further work is still required to implement and apportion charges appropriately.
13. It can be seen from the wide variation of subsidies set out at Appendix 1 for roughly comparable services that there is potential scope for providers to review their charges thereby reducing the impact of the removal of the subsidy. For example, the Council's subsidy for sheltered housing is £1.03 per week compared to £9.03 per week for Worsley Park (however £3.99 of this is being charged by the Council for the Lifeline

service, over which they have no control). The average subsidy is around £2 to £3 per week. The Council's subsidy for a Community Alarm only is £3 per week compared to an average of around £5 per week.

Risks

14. The review has identified that the removal of the subsidy is a business risk for the Lifeline Service, this risk has two elements.
15. There is a risk that the Lifeline Service loses a number of clients by removing the subsidy but this is limited to those clients for whom it is not a term of their tenancy. Looking at the responses to the consultation, there are a very small number who have indicated that they will find the loss of subsidy a financial burden. The majority of these are in fact people who receive the service as part of their tenancy agreement, so they cannot withdraw from the service. Those clients who can withdraw may decide that the price differential is so small that they will pay the amount or family may convince them to remain with the service.
16. Landlords who have commissioned the service from DBC could decide to terminate that agreement, creating a risk to Lifeline income.
17. The impact on the service at this point is felt to be manageable; the chart below shows the likely maximum financial impact to the service but in reality it could experience no financial impact, the full impact or a range in between.
18. Should the full financial risks be realised, the Lifeline Service have a contingency plan in place:-
 - (a) For the first six months from April 15 the management team we will review the impact and if necessary use the Housing working balances to give time to undertaken a further review of the service.
 - (b) This review will look at how they can further reduce costs/restructure; develop a lower level of response service or develop a two tier service. Initial costs and options of alternative service provision have already been gathered in preparation.
 - (c) Should cost/service level be unable to be reduced and the full cost of the Lifeline risk be realised, £56,474 would need to be passed on to the clients. The current client base is 2572, reducing this number by 236 would equate to an additional increase of 47p per week per client, £24.18 per year.
 - (d) The Income Management Team will monitor the impact on rent collection and it is anticipated that the other landlords will do the same.
 - (e) A range of Mitigating Actions have been developed to try and reduce the impacts on clients and the service, these include:-
 - (i) All service users that struggle financially can access CAB /Age UK and Housing Services for a Welfare Benefit /Money Management review.

- (ii) Lifeline Team Leaders will need to proactively and positively reinforce the benefits and assurance the Lifeline connection gives via the annual updates to the non DBC tenants.
- (iii) Develop a positive newsletter to go out with the Lifeline Bills in February /March 15.

Risks - Chart showing the maximum financial risk to the Lifeline Service due to loss of clients/contracts as a result of the removal of subsidy

Lifeline Review Financial Risks - updated 12.9.14					
		Weekly Subsidy	Number of subsidised connections	Loss of Annual Income	
5 individuals have said they will withdraw from the service		5.06	5	£1,316	
Other risks are that where the service is not a term of tenancy clients may withdraw					
Four Housing Group/3 Rivers connections are not a term of tenancy and will not subsidise tenants		5.06	24	£6,315	
Railway Housing - Tempest Anderson House and Dispersed properties		4.06	45	£9,500	In addition, Railway Housing also have a block contract for £6,000 per annum to deliver a limited sheme manager service 5 days per week. It is proposed that this subsidy would end also.
Tees Valley Housing/Thirteen		5.06	3	£789	
Connections are a term of tenancy , risk is RSL may go to another provider					
Places for People		5.06	20	£5,262	
Tees Valley Housing/Thirteen		5.06	32	£8,420	
Homegroup		5.06	48	£12,630	
Endeavour Worsley Park and dispersed		3.99	59	£12,241	Total subsidy is £9.03 but some of this is for warden costs. The risk to the lifeline Service is £3.99, which is funding given to the Lifeline service.
			236	£56,474	

Conclusion

19. The final output of the review will be presented to Cabinet for decision in December 2015.
20. Should Cabinet decide to remove the subsidy for this service, the project is on target to achieve the predicted financial savings.

Appendix 1 – Summary of Service Users and Financial Impact

On site support			As at 29.9.14			Client numbers where it is a Condition of Tenancy	
Provider:	Scheme	Service type	Subsidy (per week)	Total Subsidised Units	Total Subsidy	Yes	No
Anchor Housing	Greenbank Court	On site warden	2.59	23	£3,097.64	All	
	Greencroft Court	On site warden	2.15	20	£2,236.00	All	
	Pembroke Court	On site warden	2.66	19	£2,628.08	All	
	Phoenix Court	On site warden	2.77	16	£2,304.64	All	
Endeavour Housing	Worsley Park	On site warden and out of hours lifeline	9.03	23	£10,799.88	All	
Hanover Housing	Hanover Close	On site warden	2.83	22	£3,237.52	All	
	Mellor Court	On site warden	2.54	22	£2,905.76	All	
	Mayflower Court	On site warden- Extra Care	3.56	37	£6,849.44	All	
	Rosemary Court		2.92	14	£2,125.76	All	
Housing 21	Festing Court	On site warden	3.67	23	£4,389.32	All	
				219		219	0
External lifeline service							
Provider:	Scheme	Service Type	Subsidy (per week)	Total Subsidised Units		Yes	No
DBC	Endeavour Housing	Community Alarm	5.03	36	£9,416.16	All	
	Homegroup	Community Alarm	5.06	48	£12,629.76		All
	Places for People	Community Alarm	5.06	20	£5,262.40		All
	Railway Housing	Community Alarm	4.06	45	£9,500.40	All	
	Railway Housing	Tempest House Block Gross		23	£6,000.00		All
	Tees Valley Housing (was Housing 13/Fabrick)	Community Alarm	5.06	35	£9,209.20	32	3
	Three Rivers Housing	Community Alarm	5.06	24	£6,314.88		All
				231		113	118
Provider:	Scheme	Service Type	Subsidy (per week)	Total Subsidised Units		Yes	No
DBC - Sheltered Housing	Branksome Hall	On site warden and out of hours lifeline	1.03	50	£2,678.00	All	
	Windsor	On site warden and out of hours lifeline	1.03	29	£1,553.24	All	
	Mowden	On site warden and out of hours lifeline	1.03	16	£856.96	All	
	Tennyson	On site warden and out of hours lifeline	1.03	37	£1,981.72	All	
	Welsley	On site warden and out of hours lifeline	1.03	42	£2,249.52	All	
	Richard	On site warden and out of hours lifeline	1.03	33	£1,767.48	All	
	Rockwell	On site warden and out of hours lifeline	1.03	22	£1,178.32	All	
	Pilmoor	On site warden and out of hours lifeline	1.03	21	£1,124.76	All	
	Roxby	On site warden and out of hours lifeline	1.03	28	£1,499.68	All	
	Selby	On site warden and out of hours lifeline	1.03	22	£1,178.32	All	
	Linden	On site warden and out of hours lifeline	1.03	12	£642.72	All	
	King William	On site warden and out of hours lifeline	1.03	50	£2,678.00	All	
	Kempton	On site warden and out of hours lifeline	1.03	18	£964.08	All	
	Ted Fletcher	On site warden and out of hours lifeline	1.03	28	£1,499.68	All	
	Selset	On site warden and out of hours lifeline	1.03	27	£1,446.12	All	
	Hopelands	On site warden and out of hours lifeline	1.03	14	£749.84	All	
	Hargreave	On site warden and out of hours lifeline	1.03	69	£3,695.64	All	
	Havelock	On site warden and out of hours lifeline	1.03	48	£2,570.88	All	
	Dinsdale	On site warden and out of hours lifeline	1.03	17	£910.52	All	
		Total Sh Hsg/Good Neigh	On site warden and out of hours lifeline				
DBC - Extra Care	Dalkeith		1.03	22	£1,178.32	All	
	Oban		1.03	27	£1,446.12	All	
	Rosemary		1.03	23	£1,231.88	All	
	Total Extra Care						
DBC	Hardwire	Community Alarm	1.17	559	£34,009.56	All	
DBC	Owner Occupiers	Community Alarm	3.00	162	£25,272.00		All
				1376		1214	162
TOTALS				1826	£193,270.20	1546	280

Appendix 2 – Initial Consultation and EIA for Lifeline removal of subsidy

Lifeline Review – summary of consultation and impacts of proposals as at 29 Sept 2014.

A consultation process for the proposed changes to the charges for the Lifeline Service across the borough has been undertaken with DBC tenants, Housing providers and individuals. The questionnaire was issued to 2,800 residents.

	Number	%
Total questionnaires issued	2800	100%
Response Rate	675	24%
Respondents stating that they would be affected by the proposal	200	29.6%
Respondents stating they would NOT be affected by the proposal	460	68.2%
Respondents who were NOT SURE/DON'T KNOW	8	1.2%
Respondents who didn't answer	7	1.0%
Respondents indicating they would like to talk to someone face to face, of which	37	5.5%
Maybe	19	51.4%
Yes	11	29.8%
Dealt with by phone call	7	18.8%

All responses have been collated into a spreadsheet gathering the individual's details (where given) and the responses to the questionnaire in their own words. Copies of each response sheet has been scanned and securely stored together with the original hard copies.

A large number of respondents felt it was unfair for the Council to put up charges as this affects the most vulnerable in society who are affected by cumulative impacts of increases in the costs of living e.g. fuel bills, council tax, food etc.

Of the 200 respondents stating that they would be affected by the proposals the emerging themes from their feedback are:

- Insufficient money to pay for everything, therefore decisions would have to be made whether to pay for heating or food;
- Risk of isolation due to loneliness not being able to socialise with friends or travel to see family;
- Fear of not feeling safe anymore if Lifeline not affordable and removed;
- Deterioration in medical conditions especially mental health due to lack of money to enable activities and socialising which maintains good mental health;
- Residents with lower increases expressed concern that rises year on year would begin to impact on their ability to afford the costs of living;
- Several residents stated they would cancel their contracts for Lifeline services if costs increased further.

The vast majority of respondents 68.2% (460) stated they would not be affected by the proposals. Some made comments relating to the service and how it affected them.

- The service provides peace of mind.
- Good value for money.
- ‘Some people want everything for free! If they really need the excellent, efficient and courteous service provided by Lifeline they should have to pay the whole amount, unless, of course, they are really destitute!!’

Further analysis of the responses is required to identify and expand upon the themes to link to mitigating actions for the Council.