
LIFELINE AND ON-SITE SUPPORT REVIEW

**Responsible Cabinet Member - Councillor Veronica Copeland,
Adult Social Care and Housing Portfolio**

Responsible Director - Murray Rose, Director of Commissioning

SUMMARY REPORT

Purpose of the Report

1. The report describes the outcomes of actions taken to remove inefficiencies in the costs associated with the running of the Lifeline Service. It also recommends applying the existing Fairer Contributions Policy to service users receiving the Lifeline Services as a result of an assessed need. Finally, the report recommends removing the subsidies from the service which are currently provided for some service users, but not all. These actions, taken together, will remove the inequities which have resulted from not applying the existing policies in full and will also contribute to the savings strategy identified in the Medium Term Financial Plan.

Summary

2. A thorough review of the Lifeline Service has already achieved cashable savings of £145,424 along with £65,000 of non-cashable savings due to reduced staff costs. These non-cashable savings were passed on to fee paying service users. This review has looked at each aspect of the service and identified where processes could be improved or where service quality could be maintained at a reduced cost.
3. Officers, in carrying out the review, have identified that Lifeline Service charges have not been considered in the light of the Fairer Contributions Policy approved by Cabinet previously and that, therefore, service users have been subsidised outside of the scope of the policy. The proposed changes in this report will bring the charges in line with Council policy.
4. Furthermore, because the charging policy was not amended in light the introduction of the Fairer Charging Policy and all service users were treated equitably, a number of service users each year have received a subsidised service to which they were not entitled. In total, there is the potential to achieve savings of up to £191,495 annually by applying the policy consistently. The exact saving may vary as the number and needs of service users changes but the stated figure is a reasonable estimate based on usage over the review period.

5. Minor amendments to the charging for installation and set up costs are also recommended as a way of reducing bad debt and are included in the revised charging policy.

Recommendation

6. It is recommended that:-
 - (a) Cabinet approve the application of the Fairer Charging Policy to eligible service users of Lifeline Services
 - (b) Cabinet approve the new charging policy for the Lifeline Service.

Reasons

7. The recommendations are supported by the following reasons:-
 - (a) The new charging policy will help to reduce debt and ensure fairer costs to all service users.
 - (b) Application of the Fairer Charging Policy and the removal of the subsidy can be supported as sufficient mitigating actions are in place to support the service users who report that they may be adversely affected.

Murray Rose
Director of Commissioning

Background Papers

No background papers were used in the preparation of this report.

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S17 Crime and Disorder	None
Health and Well Being	This service will help vulnerable service users to maintain their independence..
Carbon Impact	There are no carbon impact implications in this report
Diversity	Removal of the subsidy will affect a range of vulnerable and older residents
Wards Affected	All wards with Lifeline Service users.
Groups Affected	All Lifeline service users currently in receipt of the subsidy, in particular the over 65's.
Budget and Policy Framework	The service will become self-funding and achieve the savings outlined in the MTFP.
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 service's aim is to deliver financial efficient by removing a subsidy which is no longer a legislative requirement.

MAIN REPORT

Information and Analysis

8. The Lifeline Service review was proposed as part of the Council's budget process for 2014/15 and approved by Cabinet as part of this process on 13 November 2013.
9. In total the review is proposing to save the council £336,919 per annum as a result of removing inefficiencies, removing inequities in funding and applying existing policies in full. Savings are likely to be phased over a three year period, with the first efficiency savings achieved in from 2013/14.
10. The purpose of the review was to try to ensure that appropriate support was in place for service users whilst trying to make the service sustainable financially. This would be achieved by introducing a number of measures to mitigate the potential removal of the subsidy being paid to service users who were not eligible for it, including steps that would reduce the costs of the service to the service user and maximise the service users benefit claims in preparation for the proposed removal of the subsidy.
11. Savings were to be achieved by removing inefficiencies in the processes; by reducing some staff costs, by applying the fairer Contributions policy to the service and, finally, by removing the subsidy that historically was paid to some service

users, but not to all.

12. A subsidy is currently given to any Lifeline Service user who is in rented accommodation and is eligible for housing benefit and to owner occupiers who qualify for council tax benefit. The removal of the subsidy will mean that all service users will have to pay for the service. The amount to be paid will depend on the amount of subsidy removed. For service users who receive the service as part of an assessed need the charge will be included in the Fairer Charging Assessment undertaken by Adult Social Care.
13. The Lifeline Service user group is constantly changing which means that the amount of subsidy constantly changes; at the start of the project there were 3293 Lifeline connections, 1864 of these (57%) were in receipt of a subsidy. As at 1 October 2014, there were 3095 Lifeline connections, 1789 of those are receiving a subsidy (69%). Further information on the financial impact on each of the service user groups can be found in **Appendix 1**.
14. An equality impact assessment has been undertaken in order that Cabinet, as the decision makers, are in possession of the impact the proposed changes would have.
15. The review was split into a number of parts. With the identification of the subsidy for some service users being identified as an issue which may lead to a Cabinet decision, and to its removal, the purpose of each part of the review was to mitigate the effects of the potential subsidy removal to ensure that the cost of the service was affordable to the service user.
16. The review covered a number of areas:-
 - (a) Lifeline Staffing Review
 - (b) Housing Benefit Contribution
 - (c) Contract Review
 - (d) Impact on Adult Social Care Income
 - (e) Benefits Maximisation for service users
 - (f) Review of the subsidy paid to private providers
 - (g) EIA
 - (h) SLA Review
 - (i) Charging Policy
 - (j) External Funding

Lifeline Review & Housing Benefit Contribution

17. A staffing review was undertaken, resulting in a number of vacant posts being removed from the structure, leading to savings, some of which were attributable back to service users and which helped to reduce any increases in charges. Review of the Lifeline Service Officer duties was undertaken and as a result there was an opportunity to introduce changes which both created income and allowed the amount of eligible subsidised duties to reduce. Managers considered these proposals carefully and believe that the changes have not reduced the service to

service users.

18. Positive impacts for service users:-

- (a) Enhanced service for residents;
- (b) Single point of contact and continuity in dealing with queries, eg housing management;
- (c) No impact on emergency arrangements giving residents peace of mind;
- (d) Ability to impact on the amount of housing benefit that can be claimed.

19. The potential for some negative impacts have been identified:-

- (a) Capacity of managers to cover other sites;
- (b) Reduced capacity for community work and activities;
- (c) Involvement of the wider community in the schemes.

Contract Review

20. As a part of the review and to identify further efficiencies, the suppliers on the framework arrangement have been reviewed to ensure that these prices are still of market value.

21. The largest spend area was with Goldshield and this contract was retendered during this project

22. There were no recommended changes to the contracting arrangements.

Impact on Adult Social Care Income

23. The proposed removal of the subsidy given to service users had the potential to pass costs on to Adult Social Care for those who had a financial assessment so an assessment of the potential financial impact has been undertaken.

24. There could be a maximum impact of £16,000 to Adult Social Care.

Benefits Maximisation for Service Users

25. Of the 1864 service users receiving a subsidy at the start of the project, a check on one service user group was undertaken to assess the number of service users that were already in receipt of Attendance Allowance. Of the 177 private Lifeline service users, 113 were already in receipt of this benefit (64%).

26. Lifeline Services undertakes a rolling annual review of each service user and as a part of this have checked whether the person is in receipt of Attendance Allowance, encouraging those who are not to allow a referral to be made to enable them to have support to make the application.

27. 688 service users have had an update so far. 126 of these are in receipt of the subsidy. Many of the service users are reluctant to engage in the process of

making applications for assistance, which is not uncommon for this service user group. However, Lifeline and Housing will continue to promote the Welfare Benefit take ups and will reinforce this as part of their marketing and publicity campaign and via their web pages.

Review of the subsidy paid to private providers, service users & EIA

28. The recommendations made in this report with regard to removing the subsidy will affect 1829 service users , who will be affected by between £1.03 - £9.03 per week. A summary breakdown of the amount they are affected is listed below but a full breakdown can be found in Appendix 1:-
- (a) 1376 DBC tenants would be affected by £1.03 per week.
 - (b) 231 service users in private provider housing with Lifeline Services would be affected by between £4.06 - £5.06 per week.
 - (c) 219 service users in private provider housing properties with 'on site' support would be affected by between £2.15 - £9.03 per week.
29. On top of this removal of subsidy, the current charges are likely to have an inflationary/cost uplift for 2015/2016. At the moment, those increases are likely to be minimal, a 1p per week increase from £5.21 to £5.22 for Lifeline Service users and a 2p per week increase £14.98 to £15.00 for sheltered housing service users.

SLA Review

30. The call handling service for Lifeline is managed by CCTV under a Service Level Agreement (SLA). A light touch review of the SLA was undertaken to see if the service offered value for money in comparison to other providers. Following this review, further work will take place to look to reduce the value of the SLA.

Charging Policy

31. At present, the Lifeline Charging Policy is that users pay a weekly charge whilst they have the installation in place. The review has highlighted that there are a small but significant number of users where the service is removed within a short timescale from installation which means that the service does not recover the cost of the installation. It is recommended that a minimum sign up period of three months be adopted with an upfront payment.
32. It is proposed to align the Adult Social Care financial assessment and the recovery of Lifeline charges. This will ensure that the service user is clear at the commencement of the service whether the costs are being met by them or by Adult Social Care.

Financial Implications

33. The profile savings if the recommendations are approved are shown below:-

2013/2014 (achieved)	2014/2015	2015/2016
£24,000	£126,500	£336,919

34. These financial savings are offset against a maximum potential rise in costs to Adult Social Care of £16,000.

Legal Implications

35. Any legal implications arising are as contained in the body of this report. Specifically, details of Equalities Considerations and the consultation process which took place appear below.

HR Implications

36. There are no HR implications for the removal of the former Supporting People subsidy. The earlier changes that were made to the Lifeline Officers were made with the appropriate consultation processes.

Corporate Landlord Advice

37. The proposals do not affect any corporate property.

Procurement Advice

38. Procurement advice was sought for this project as part of the contract review; however, there were no procurement issues for this aspect of the project.

39. Should Cabinet decide to outsource the call handling service, a procurement exercise would need to be undertaken due to the value of the contracts.

Equalities Considerations

40. When making its decision, Members will be aware of the requirement to have 'due regard' to the Public Sector Equality Duty under section 149 Equality Act 2010. This duty requires the Council, when exercising its functions to have 'due regard' to the need to:-

- (a) Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited under the Act;
- (b) Advance quality of opportunity between those who share a 'protected characteristic' and those who do not share that protected characteristic, and
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it (this involves having due regard,

in particular, to the need to (a) tackle prejudice, and (b) promote understanding).

41. Section 149(3) of the Act states in general terms that having 'due regard' to advancing equality of opportunity involves having due regard to:-
 - (a) The need to remove or minimise disadvantages;
 - (b) Taking steps to meet the needs of people from protected groups;
 - (c) Encouraging people from protected groups to participate in public life or other activities where their participation is disproportionately low.
42. A multi-strand impact analysis has been carried out which highlighted that the proposal would impact on several protected characteristics including older people, disabled people and staff employed in the service. The consultation has had a focus on ascertaining how these groups would be impacted upon by the proposal. The consideration of impacts on staff was addressed by a separate impact assessment undertaken during the development of the new job descriptions for Scheme Managers. The full Equalities Impact Assessment is attached as **Appendix 2** to this report. It should be noted that members are required to read the EIA attached before making any decision.
43. The Equality Impact Assessment (EIA) process has been carried out using the process set out in **Appendix 2 Annex 3** of Darlington's Equality Scheme 2012-16. A three phase process was agreed to ensure that the EIA gathered all the information necessary to inform Members and enable them to exercise '*due regard*' in reaching their decision on the proposal.

Consultation

44. The consultation and EIA process began in September 2013 with initial identification of the population in receipt of Lifeline Services and so potentially affected by the proposals and setting out a clear timetable to undertake the required consultation with residents and providers. This was completed in October 2014.
45. The consultation and EIA were undertaken in a number of phases:-
 - (a) Consultation with providers;
 - (b) Consultation with representative groups;
 - (c) Consultation with wider public via the councils web site;
 - (d) Consultation and EIA with service users.
46. The consultation with the wider public and consultation /EIA with service users were initially planned to be run concurrently from 28 July to 18 August. This was extended by a further two weeks until Monday 1 September, following a request from Councillors in the North Road area in order to give them time to properly engage with their constituents.

47. To gather the maximum amount of feedback a series of questions were developed for providers, interest groups and residents. These questions were used to gauge the opinions to the proposal and to gather the impacts on organisations and individuals if the proposal was implemented.

(a) The questions used for providers:-

- (i) Is the unit cost to be passed directly to the service user at its current rate?
- (ii) Is the provider looking at the current split between Housing Related Support and Housing Management? Is there a possibility this split could be re-aligned, to increase the Housing Benefit received?
- (iii) Is the provider considering the role of Estate Manager in their schemes?
- (iv) Is the provider considering reviewing their tenancy and letting conditions? If so, for new tenants or new and existing?
- (v) Where Alarm services are delivered by DBC Lifeline on their behalf- is this arrangement being reviewed?
- (vi) If the above applies, will this impact on the technology installed and any integrated systems with door entry / fire protection?
- (vii) Are there any other planned changes which might have a cumulative impact for individuals?
- (viii) Has the organisation got plans/procedures in place to carry out negotiations with affected individuals?
- (ix) In this region have they had other subsidy contracts withdrawn?

(b) The questions used for interest groups:-

- (i) Is the unit cost to be passed directly to the service user at its current rate?
- (ii) Is the provider looking at the current split between Housing Related Support and Housing Management? Is there a possibility this split could be re-aligned, to increase the Housing Benefit received?
- (iii) Is the provider considering the role of Estate Manager in their schemes?
- (iv) Is the provider considering reviewing their tenancy and letting conditions? If so, for new tenants or new and existing?
- (v) Are there any other planned changes which might have a cumulative impact for individuals?
- (vi) Has the organisation got plans/procedures in place to carry out negotiations with affected individuals?
- (vii) In this region have they had other subsidy contracts withdrawn?

(c) The questions used for residents:-

- (i) Each letter included an example of the proposal for the individual's situation.
- (ii) Will the proposal affect you?
- (iii) If yes, how will this affect you?
- (iv) Any other comments?
- (v) Would you like to meet someone to discuss the proposal?

48. It was clear from the outset that the range of financial changes for different tenants was greatly varied from £1.03 per week for Council tenants to £9.03 per week for residents in some Housing Association properties. The large disparities in costs are directly related to the level of service provided from a basic alarm response to the on-site warden plus 24-hour alarm response.
49. **Phase 1** of the consultation process involved discussions with eight Housing Associations providing accommodation for residents in the borough. This resulted in a clear outline of how each provider would liaise with the tenants to ensure that they were fully informed about the changes and opportunities to minimise the increased costs were explored e.g. realigning the current split between housing related support and housing management.
50. **Phase 2** enabled officers to meet with interest groups to gather the organisations view of the potential impacts and how these could be mitigated. The views of these organisations was not to remove the subsidy; however if the decision was to carry through the proposal the organisations felt strongly that non-social care individuals are going to be most impacted and that having the service as a condition of tenancy was removing choice from the individual.
51. **Phase 3** involved direct communication with the 2,800 tenants affected by the proposal. 676 individuals (24%) provided their views over a three month period. All the feedback received has been collated using the individuals' own words and an anonymised version is attached at Appendix 2 Annex 2 to the Equality Impact Assessment.
52. Respondents identified both positive and negative impacts of the proposal:-
- (a) There were no specific impacts identified in terms of sex, sexual orientation, gender reassignment, religion or belief, race and marriage or civil partnership. The impacts for other protected characteristics identified are summarised below: -
 - (i) Age - Negative medium impacts reflect the varying nature of impacts across age groups with 274 (95%) of individuals aged 60 or over.
 - (ii) Disability - a sample of 289 residents identified 67.5% having one or more impairments. 117 individuals did not consider themselves disabled.
 - (b) In developing the proposal, officers have identified impacts for individuals and included them in this report, to inform decision makers. The impacts and effects on individuals have been given careful consideration and the proposal reviewed in terms of mitigation.
53. In reviewing the proposal, mitigation was considered. The main Equality Impact Assessment in Appendix 2, provides analysis of the impacts identified and options for mitigation. In Section 8 an action plan to mitigate the impacts is outlined

including support for residents to maximise income through benefit checks and assistance in submitting claims as well as utilising community support such as the Darlington Cares Befriender Scheme.

Outcome of Consultation

54. The Council has been rigorous in its endeavours to ensure the fullest consultation and involvement of those who would be affected by the proposal.
55. The process to assess the proposal against the nine protected characteristics enshrined in the Equality Act 2010 has provided a full and detailed picture of the impacts of the proposal.
56. The information about adverse impacts gathered during the consultation clearly demonstrates that people will be impacted upon by the proposal. However, respondents also identified positive impacts in terms of peace of mind, safety, and value for money.
57. 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 a Housing Association Sheltered Scheme. 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 to the Lifeline Service

58. There is still a risk that the Lifeline Service loses a number of service users by removing the subsidy but this is limited to those service users 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 service users 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.
59. There are a number of contracts in place with other housing providers which, should the provider withdraw from using DBC Lifeline Service, present a risk to current income.
60. 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.
61. Should the full financial risks be realised, the Lifeline Service have a contingency plan in place:-

- (a) For the first six months from April 2015 the management team 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;
- (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 service users. The currently service user base is 2572, reducing this number by 236 would equate to an additional increase of 47p per week per service user, £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.

Mitigating Actions

62. A range of Mitigating Actions have been developed to try and reduce the impacts on service users and the service, these include:-

- (a) All service users that struggle financially can access CAB /Age UK and their Landlord (if appropriate) for a Welfare Benefit /Money Management review.
- (b) Lifeline Team Leaders will proactively and positively reinforce the benefits and assurance the Lifeline connection gives via the annual updates to the non DBC tenants and talks to various statutory and voluntary groups to maximise referrals.
- (c) Develop a positive newsletter to go out with the Lifeline Bills in February/March 15.

63. Risks - Chart showing the maximum financial risk to the Lifeline Service due to loss of service users/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

64. To approve the proposed application of the Fairer Contributions Policy and the proposed changes to the charging policy.
65. Decision- makers may consider the following options in reaching their decision about the proposal:-
 - (a) To continue with the proposal acknowledging the adverse impacts, with mitigating proposals to be put in place.
 - (b) To not go ahead with the proposals to remove the subsidy and seek alternative efficiencies to meet the MTFP shortfall that this will bring.