

Report to Communities Select Committee

Date of meeting: 21 November 2016

Portfolio: Housing – Councillor Syd Stavrou

Subject: Review of Epping Forest Careline Alarm Monitoring Service



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Recommendations/Decisions Required:

- (1) That the Communities Select Committee reports to a future meeting of the Cabinet recommending that under Option Three in the report the Council's Careline Monitoring Service be outsourced to an external provider through a competitive tendering exercise; and**
- (2) That if Recommendation (1) above is agreed by the Cabinet, further reports are submitted on**
 - (a) A restructure of Housing Older Peoples Services following the Careline Service being outsourced; and**
 - (b) Future charges to users based on the cost of the outsourced service.**

Report:

Background

1. The Council's Careline Monitoring Centre is based at Parsonage Court, Loughton. The service was introduced in June 1984 and offers a twenty-four hour, 365 days per year, emergency alarm monitoring service to older and disabled people living within the District. The Service is also offered to other vulnerable groups including victims of domestic violence and younger people with disabilities. The Council's own sheltered housing schemes and other designated dwellings for older people on housing estates have a hard-wired system installed in their properties with a speech module mounted on the wall and a pull cord in each of the rooms. There are currently 2,572 properties (representing around 3,500 people) in the District linked to the centre in this way.

2. In addition to emergency alarms, Careline provides many other important services which include the following:

- Monitoring a range of associated sensors including smoke, carbon monoxide and flood detectors, bogus call buttons and inactivity mats
- CCTV systems at sheltered housing schemes
- Lone worker systems for Council staff
- Monitoring and supporting Scheme Managers who are on/off site

- Private sector dispersed alarms (see Paragraph 4 below)
- Monitoring of alarm systems of other housing providers
- Initiating call-outs for rest centre staff in the event of a civil emergency, in accordance with the Housing Emergency Plan

3. The Careline Monitoring Centre also gives valuable support to Scheme Managers. In the Scheme Manager's absence, Careline contacts residents over the alarm system at varying frequencies, based on their level of risk. Scheme Managers pass information about their schemes to Careline staff when going off duty, and are updated on any incidents when they return.

Private Sector Installations

4. Around 1,380 of the connections are private sector dwellings, which are connected via a dispersed alarm, which has an associated neck worn radio trigger. A range of various sensors are offered for example, on line smoke alarms fall and flood detectors etc. The user pays an annual rental to the Council for the service; in 2015/2016 the Council received a total income of around £185,000, inclusive of associated sensors. This includes income for monitoring alarms for a small number of Housing Association Schemes. The Council works in partnership with Essex County Council which funds the first 12 weeks rental for the user.

5. The charges made by all Essex authorities are set out at Appendix One. As can be seen, the charges currently made by the Council are very competitive compared to other authorities in Essex.

Careline Initiatives

6. The Council has introduced many Careline initiatives which include the following:

- A Disaster Recovery Plan which is an essential back up system. In the event of a major incident at the Careline Monitoring Centre, all calls can be diverted and handled at the equipment manufacturer's own control centre in Yorkshire where clients' information is securely stored and is regularly updated should this alternative system be needed
- Careline has an ongoing test programme ensuring all systems are working. This includes testing for any faults with the equipment itself, or the telephone line, which provides the link for the scheme
- Following the installation of a dispersed alarm system, the client's next of kin is notified in writing
- Client records are updated regularly, backed up on disc and stored away from the Careline Monitoring Centre with hard copies being filed at the Centre
- The Housing Manager (Older Peoples Services) gives presentations to local groups, and other agencies, promoting the service. In addition, leaflets and posters are placed at the Council's Information Points, Libraries, and Citizens Advice Bureaus, etc. The service is advertised in the local press, and the Council's tenants' magazine "Housing News". When an enquiry is received about the service, an application pack is sent out
- The Council pledges to install a basic dispersed alarm for any new private client when requested on an urgent basis within 2 working days of receiving the application. This timescale is regularly achieved

- Careline works in partnership with other agencies like the Police who promote Telecare when assisting victims of domestic violence or bogus callers and the Fire Service when undertaking home safety checks
- All conversations which take place over the alarm service are recorded and retained for a 12 month period. This is an important safeguard and enables the Council to investigate any complaints made about the service
- Careline monitors fire alarms within the sheltered housing schemes when the Scheme Manager is off duty
- All those residents who are nominated as “high risk” are called and accounted for every day
- The Council is the founder member of the Essex Emergency Communications User Group, which was set up in 1984. This is an important means of liaising with other alarm service providers throughout Essex
- Careline alarms are installed at the Council’s homeless persons hostel Norway House, North Weald. Various passenger lifts are also monitored by Careline including those at sheltered housing schemes and on the Limes Farm housing estate, Chigwell

Reason for the Review

Expansion of the Careline Monitoring Service and Covering Arrangements

7. As the Careline Monitoring Centre has expanded in terms of the number of private sector connections and the advances in technology enabling service users to benefit from a range of associated sensors, the management and operational aspects of the service have become more complex. In addition, there have been difficulties in recruiting staff due to the nature of the work and the salary level. This has led to additional pressures on existing staff that have had to cover, not only vacant posts, but also annual leave and sickness absences. It should be noted that all new staff complete an 8 week training programme prior to commencing full duties, which adds to the burden of covering shifts.

Telecare Services Association (TSA)

8. In 2011 the Careline Monitoring Service became Telecare Services Association (TSA) accredited. TSA is a nationally recognised standards body for the delivery of technology enabled care and support services in the UK. Accreditation involves the service being inspected against a rigorous regime on an annual basis to ensure it meets with the TSA Code of Practice ensuring the highest possible quality service. The Council’s Careline Service has to date met all of the Audit requirements.

British Standard

9. Importantly, the TSA have recently brought to the attention of the Council and authorities nationally the British Standard (BS8591), extracts of which currently states:

“There should be a minimum of two operators in an ARC [control centre] at all times, capable of carrying out all operational procedures, at least one of whom should be at their workstation at all times”.

10. Officers have had discussions with the TSA who confirm that the above Standard is under review. Although they say this is work in progress, it is likely that it will be brought in line with the European Standard. Although 2 Operators on duty at all times is expected to be desired, this will result in Centres who do not have 2 Operators on duty at all times being required to put contingency measures in place should more than one emergency call be received at any one time. Such measures would be likely to include working with another centre or other 24 hour services so that such calls can be diverted, or having a duty worker at another site. There is no technical solution to such contingencies.

11. Authorities who do not comply with the Standard will not pass any TSA annual Audits when the Standard has been reviewed.

Other alarm monitoring centres in Essex

12. The table at Appendix Two sets out all the Control Monitoring Centres in Essex, their staffing arrangements, number of connections, and those who have outsourced the service.

13. As can be seen, 5 authorities have retained the service and all 5 have two Operators on duty at all times, whereas 5 authorities have outsourced alarm monitoring.

Review of the Careline Monitoring Service

14. Although the service currently provides an excellent and reliable service to residents, due to the reasons above it is considered important that this review is undertaken to ensure the future resilience of the service. There appears to be the following three options for the future delivery of the Careline service:

Option One – The Careline Monitoring Service continues to be provided by the Council under the current arrangements

15. The table at Appendix Three shows that the Council is making a surplus on the service by around £13,122 per annum, it should be noted that in real terms when taking into account both the increase in charges made to service users in the current financial year and the slight increase in staffing costs, there would always be a small tolerance in the calculations. Furthermore, the number of dispersed alarms (and number of Council properties with alarms that may be empty for any period) that are monitored at any one time cannot be predicted.

16. The disadvantages of continuing to provide the service under the current arrangements are considered to be as follows:

- The Council would not be meeting with the British Standard set out at Paragraph 10 of the report and would therefore be at high risk should any call not be dealt with correctly by any Careline Operator where a user's well-being is put at risk and a challenge is brought against the Council
- The cost of upgrading the existing call answering equipment to PNC 7 is required at a one-off cost of £46,000
- The difficulties of recruiting and retaining Careline staff and maintaining cover for staff absences, referred to earlier
- The inability to expand the service

17. Due to the disadvantages set out above (apart from the surplus referred to at Paragraph 15) it is felt that the Council can no longer continue to provide the service under the current arrangements. Therefore, it is suggested that Option One is not recommended to the Cabinet by the Committee.

Option Two - The Council provides an enhanced Careline Monitoring Service

18. Under this Option an enhanced service would include employing 5 (FTE) additional staff in order to meet with the British Standard referred to earlier in the report. Also, the existing call answering equipment would need to be upgraded.

19. The advantages of continuing to provide an enhanced Careline service under the current arrangements are considered to be as follows:

- Scheme Managers will continue to have a local service which supports them in their work
- Ability to expand the service without the need to employ further Operators
- The Service can continue to initiate the call-out of rest centre staff in the event of a civil emergency, in accordance with the Housing Emergency Plan
- Careline could provide the homelessness out of hours telephone response service
- All of the procurement costs under Option Three & Four would be avoided
- If the existing call answering equipment, (which is coming to the end of its life expectancy) is replaced by the latest PNC 7 technology this will enable enhanced functionality including; offering GPs and other care professionals lone worker solutions, linking to other agencies systems, enabling staff to update user information in their homes, better accessibility to vulnerable users, translation service and much more

20. The disadvantages of continuing to provide the service under the current arrangements are considered to be as follows:

21. Apart from the busiest time being 9:30 am to 12:30pm weekdays, the service is currently covered by just one Careline Operator. As can be seen from the table at Appendix Four, additional staffing costs have been added in order to meet with the British Standard (BS8591), that there should be a minimum of two operators on duty at all times, capable of carrying out all operational procedures, at least one of whom should be at their workstation.

22. Although this would comply with the British Standard, there would be insufficient work to ensure that both Operators would be fully utilised.

23. Importantly, if the service was retained in order to meet with the British Standard the Council would need to increase the establishment by 5.0 (FTE), which would increase staffing costs by around £166,300 per annum which would either need to be absorbed by the Housing Revenue Account (HRA) or passed on to the customer, which could make the service uncompetitive and push service users towards other more cheaper suppliers.

24. The table at Appendix Four sets out the cost to the Housing Revenue Account (HRA) of continuing to provide an enhanced Careline service based upon the level of expenditure expected in 2016/2017. As can be seen, if the Council were to continue with an enhanced service it would result in an increased cost to the Council of around £148,178. Therefore, under this Option in order for the service to break even, based on the calculations in the following table it would be necessary to increase charges to users by around 58%.

Category of User	Current Annual Income (£)	Increased Annual Income (58% £)	Current Annual charges (£)	Increased Annual charges (58%) (£)
Council Tenants – Self Funders (270 x £3.60 pw)	50,500	79,790	187.20 (£3.60 pw)	295.77 (£5.68 pw)
Council Tenants in receipt of housing benefit (777 x 0.55p pw contribution)	22,222	35,110	28.60 (£0.55p pw)	45.18 (0.87p pw)
Private Users (1,380) basic alarm charge including sensors and include income from Housing Association Schemes	185,000	292,300	112.00	176.96
Total	257,722	407,200		

25. As can be seen, in order to break even there is the disadvantage that the increase in costs to private sector dispersed alarm users would make the service less competitive. The Council's charge would become the 6th highest in Essex. This could result in such users switching to another provider which could reduce income, resulting in higher charges having to be made for remaining users. However, in order to make charges more affordable, they could be reduced by an agreed percentage with any balance being subsidised by the HRA.

26. Further disadvantages are considered to be as follows:

- The cost of upgrading the PNC 5 call answering equipment to PNC 7 at a one-off cost of around £46,000.
- Charges to service users increasing and being uncompetitive in order to meet the additional costs of the enhanced service unless the deficit is funded from the HRA
- Difficulties with recruitment and retention and covering staff absences will increase due to the additional 5.0 (FTE) Posts
- Inability to free up office accommodation
- Missed opportunity to make savings on; staffing through a future staffing restructure of Housing Older Peoples Services; reduced service contract costs and disaster recovery arrangements

Option Three - Monitor the Service through another Provider 24/7

27. Under this Option, the Careline alarm monitoring service would be outsourced to an external provider. However, the Council would still need to provide the associated services set out in Paragraph 36 of the report.

28. Following informal market testing, in order to offer a basic monitoring service to the Council's 2,572 properties currently linked into Careline on a 24-hour basis, it is expected that a third party alarm monitoring service provider would charge approximately £80,000 per annum. However, if the service was to be out-sourced this would be subject to the outcome of any competitive tendering exercise. It is important to note that any potential redundancy costs (set out at Paragraph 35) could be added to any tender obtained.

29. The advantages of monitoring the Careline service through another provider are considered to be as follows:

30. The table at Appendix Five sets out a cost analysis of providing the Careline service externally, based upon 2015/2016 actual out-turn costs and an indicative external provider's monitoring cost. As can be seen, this Option would result in a surplus of around £215,822. Due to the surplus the Council could consider either reducing charges to all service users, providing the service at a much lower cost to sheltered housing tenants, the savings being added to HRA balances or a combination.

31. The following further advantages of outsourcing the monitoring service are considered to be as follows:

- Resolving the difficulties with staff recruitment and retention and covering for staff absences
- Removing the need for an in-house service to meet with the British Standard
- Avoiding costs of upgrading the PNC 5 call answering equipment to PNC 7 at a one-off cost of around £46,000
- Reduction in service contract costs of £14,000 due to the removal of the need for the PNC 5 call answering equipment
- There would be no need to have a disaster recovery plan which would result in an annual saving of £5,750 and the cost of telephone lines reducing.
- Ability to expand the service without the need to employ further Operators
- Ability to free up office accommodation

32. The disadvantages of outsourcing the service are considered to be as follows:

- Although this option would result in savings, there is no guarantee that these would remain at this level in future years and there is the risk that the Council could close the Careline Centre and then have to pay higher charges in future, however, this risk can be mitigated through the application of competition
- If it was decided to out-source the service under this option, it could prove difficult running the Careline centre leading up to the closure/transfer, as staff would be demotivated by the process, knowing they could become redundant, Members attention is however drawn to the Risk Management Section later in the report
- Officers time involved in procuring the new provider including writing the specification and undertaking the client function
- Re-programming all existing alarm equipment and running dual centres until the hand over is complete will result in some additional one-off costs which is estimated to be around £10,000, however, this cost can be off-set against the cost of £46,000 for upgrading the call answering equipment if the service was retained

- The selected provider could provide a less effective and quality service than the Council
- The need to cover other Council services provided by the Careline Centre set out in the table at Paragraph 36

33. Human Resources advise that if the service was outsourced, existing staff (who spend more than 50% of their time on Careline duties) would transfer to the monitoring provider under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations. Should their new employer not require their services, then (based on a termination date of 31 March 2018) a total of around £50,000 in redundancy costs would almost certainly be added to the successful tenderer's the first year's monitoring charge. This could be reduced, should it be possible to re-deploy staff. This figure is based on 5.5 FTE's transferring.

34. If Option Three was agreed it would be necessary to cover a number of other services provided at the Careline Centre by other means. These services and the suggested alternative ways of providing the services are set out in the following table:

Service	Alternative arrangements
Monitoring CCTV systems at sheltered housing schemes	Monitored by the Corporate CCTV officer through digital recordings as with other Council systems
Lone worker systems for Council staff	Monitored through Mears or the new monitoring service provider
Initiating call-outs of rest centre staff in the event of a civil emergency, in accordance with the Housing Emergency Plan	To be initiated by office staff during office hours and the Homelessness Officer on call out of hours
Monitoring and supporting Scheme Managers who are on/off site including calling "risk" residents at Schemes	Monitoring Service to be provided by the new monitoring service provider supporting EFDC management and retained staff

35. If the service was outsourced, although an external provider would be monitoring the service, the Council would still need to employ a number of staff to carry out the following functions:

- Undertaking the client role in managing the new service provider
- Continuation of TSA accreditation for assessing and installing Telecare equipment
- Continuing to manage the rest of Older Peoples Services
- Performance monitoring
- Partnership working with Social Care, Police etc.
- Visiting users to update information
- Providing cover at sheltered schemes in the Scheme Manager's absence
- Installing and removing dispersed alarms
- Undertaking Telecare assessments and installing sensors
- Undertaking battery changes and testing equipment
- Presentations to local groups and promoting the service generally
- Undertaking general administration

Indicative Timescales

36. If Option three is agreed by the Cabinet early in the New Year, officers will commence work on the tendering process following the call-in period. Bearing in mind that the procurement process could be managed by the procurement arm of the Northern Housing Consortium, of which the Council is a member, the process would take around 12 months. As it would then be necessary undertake the transition including re-programming alarms to the new provider's centre, the handover should be completed around the summer of 2018.

Option Four - Monitoring the Service through another Provider overnight

37. One of the outcomes of the consultation with Careline Operators was that they felt a much more detailed analysis of the Option of monitoring the Careline Service through another provider overnight should be included.

38. Under this Option, the Careline alarm monitoring service would be outsourced to an external provider but only at night between the hours of 8:00 pm to 8:00 am. Existing Careline Operators (5.5 FTE) would monitor the service during the day with 2 on duty. This would meet with the British Standard without the need to employ further staff.

39. Following informal market testing, in order to offer a basic monitoring service of the Council's 2,572 properties currently linked into Careline on an overnight 12-hourly basis, it is expected that a third party alarm monitoring service provider would charge approximately £70,000 per annum. If the service was to be out-sourced overnight this would be subject to the outcome of any competitive tendering exercise.

40. The advantages of monitoring the Careline service through another provider at night are considered to be as follows:

- This would comply with the British Standard as existing staffing levels would enable 2 Operators to be on duty during daytime hours with the external provider monitoring at night.
- Removing the need to upgrade the PNC 5 call answering equipment to PNC 7 at a one-off cost of around £46,000 as calls during the daytime will be managed by the provider's Hosting system
- Scheme Managers will continue to have a local service which supports them in their work
- Ability to expand the service without the need to employ further Operators

41. The disadvantages of monitoring the Careline Service through another provider at night are considered to be as follows:

42. The table at Appendix 6 sets out the cost to the Housing Revenue Account (HRA) of monitoring the service through another provider at night based upon the level of expenditure expected in 2016/2017. As can be seen, if the Council were to outsource the service overnight it would result in an increased cost to the Council of around £50,778.

43. Therefore, under this Option in order for the service to break even, based on the calculations in the following table it would be necessary to increase charges to users by around 20%.

Category of User	Current Annual Income (£)	Increased Annual Income (20% £)	Current Annual charges (£)	Increased Annual charges (20%) (£)
Council Tenants – Self Funders (270 x £3.60 pw)	50,500	60,600	187.20 (£3.60 pw)	224.64 (£4.32 pw)
Council Tenants in receipt of housing benefit (777 x 0.55p pw contribution)	22,222	26,666	28.60 (£0.55 pw)	34.32 (£0.66 pw)
Private Users (1,380) basic alarm charge including sensors and income from Housing Association Schemes	185,000	222,000	112.00	134.40
Total	257,722	309,266		

44. As can be seen, in order to break even there is the disadvantage that the increase in costs to private sector dispersed alarm users would make the service less competitive. The Council's charge would become the 6th highest in Essex. This could result in such users switching to another provider which could reduce income, resulting in higher charges having to be made for remaining users. However, in order to make charges more affordable, they could be reduced by an agreed percentage with any balance being subsidised by the HRA.

45. Further disadvantages are considered to be as follows:

- Difficulties with recruitment and retention and covering staff absences will remain
- The cost of monitoring the service overnight is only slightly lower, this is due to the inclusion of the new call handling technology required in order for two centres to monitor the same systems
- There are risks associated with having two centres taking calls at different times of day including, delays in systems attempting to contact one centre before being re-diverted to the second centre and the reliance on technology to carry out additional functionality
- There is no guarantee that costs for monitoring the service overnight would remain at this level in future years, however, this risk can be mitigated through the application of competition

- Officers time involved in procuring the new provider including writing the specification and undertaking the client function
- Re-programming all existing alarm equipment will result in some additional one-off costs which is estimated to be around £10,000, however, this cost can be off-set against saving the one-off cost of £46,000 for upgrading the call answering equipment as different technology will be required via the Hosting System which is included in the monitoring cost
- The selected provider could provide a less effective and quality service than the Council overnight
- Inability to free up office accommodation
- Missed opportunity to make savings on staffing through a future staffing restructure of Housing Older Peoples Services
- Service contract costs and disaster recovery arrangements remaining the same
- There may be insufficient work to ensure that both Operators would be fully utilised during daytime hours
- Having to make alternative arrangements to provide associated services including monitoring CCTV systems at sheltered housing schemes, initiating call-outs of rest centre staff in the event of a civil emergency and monitoring the lone worker system overnight

46. Due to the disadvantages set out above, this Option is not being recommended.

Other options Considered

47. Two other options were considered and discounted. Firstly, continuing to provide the service locally but procuring a provider to monitor the service overnight. This option was originally discounted as it was considered this would be costly as it would be necessary to continue to employ all existing staff in order to have two Operators on duty during the day. Furthermore, the Careline call answering equipment would still need to be upgraded with no savings on service contract costs. However, following consultation with staff it was agreed that this would be explored in more detail and therefore has been included at Option Four in the report.

48. The second option discounted was that the Council no longer provided the service to its 1,380 dispersed alarm users who could link into an alternative service provider of their choice. However, under this option, the Council would still need an external provider to monitor its sheltered housing schemes and remaining designated properties for older people on housing estates.

Conclusion

49. It is recommended that the Communities Select Committee recommends to the Cabinet that the Careline Monitoring Service be outsourced to an external provider. It is further suggested that it be recommended to the Cabinet that a report is submitted at a later date on a restructure of Housing Older Peoples Services following the Careline Monitoring Service being outsourced and a review of charges to users, subject to the Cabinet agreeing the outcome of the proposed competitive tendering exercise.

Resource Implications:

As set out under each Option in the report

Legal and Governance Implications:

Housing Act 1985

Risk Management

1. If the Careline monitoring service is outsourced there is a risk that Careline Operators may find alternative employment due to their jobs becoming at risk. As the Council must continue to monitor alarms for older and vulnerable people in the District during any transition the following two steps will be taken to ensure that risk is mitigated.

2. Firstly, Management Board have agreed that if the Cabinet agree that the Careline alarm monitoring service is outsourced, to assist with ensuring continuity of the service during the transition period, Careline Operators will be made an ex-gratia retention payment subject to certain conditions. This payment will be around 20% of their annual salary being a figure recommended by UNISON and may ensure that existing staff remain until the service is handed over to the new provider.

3. Secondly, officers are seeking a quotation from Tunstall Telecom Limited for monitoring calls at night during the transition period. Should some of the Careline Operators leave as a result of any decision to outsource the service then the remaining staff can cover the daytime shifts until the service is handed over to the new provider.

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

Careline Operators

1. Careline Operators were consulted on the report, the consultation process started with a meeting on 24 August 2016 and they were given a deadline of 30 days to respond. Their initial comments at the meeting were as follows:

- Careline Operators felt that a much more detailed analysis of the Option of monitoring the Careline Service through another provider overnight (Paragraph 39 refers) should have been set out in the report. In order to meet with their request, this has been included at Option Four in the report.

2. Another meeting was held with them on 4 October 2016 prior to them submitting the rest of their comments which in their own words are as follows:

3. Careline staff was given a report on 24.8.16 which will be presented to the Communities Select Committee in November 2016 regarding the future of Careline. Careline staff are shocked and very disappointed that their Managers are recommending the service be outsourced which would result in the loss of 4 full time posts and 3 part time posts. Staff had 30 days consultation period to respond and comment on the report. All Careline staff submitted their comments and below is a summary of their response.

Option 1 – Careline staff accept that this cannot be considered as an option and that the service cannot continue under the current arrangements.

Option 2 – This would be the preferred option by the Careline Team as existing staff would remain in post with the recruitment of 5 additional staff to meet British Standards and the Tunstall call equipment being upgraded. However, staff are aware of the cost implications of this option.

Option 3 – Careline staff agree that this is not an option they hope would be considered because of the obvious implication of job losses for all staff and the adverse effect this change would have for all service users. In addition, alternative arrangements would need to be made for tasks currently undertaken by the Careline team. These tasks are referred to in paragraphs 36 and 46 (last bullet point) of the report. Other tasks to be included are:

- Monitoring Limes Farm lifts – as well as responding to an emergency call when somebody is trapped in a lift by calling the Fire Service, Careline follow-up the call by contacting the Housing Officers in the Limes Farm Office and/or Facilities.
- Monitoring calls for Lee Valley Parks out of hours.
- Monitoring the main fire bells at Norway House – as well as calling the Fire Service if the main bells are activated it is necessary to contact member of staff from Norway House to attend.

Option 4 – Careline staff were disappointed to read in the original report that very little time had been given to the viability of this option and Management had dismissed this as an option. It was requested that Option 4 be presented in the report in more detail and as a result Careline were given an amended copy of the report. Careline staff request that this option be given serious consideration as it would mean that jobs would not be under threat. It must be noted, however, that if the night shifts were outsourced staff would lose a night allowance payment of approximately £198 per month for full time staff (6 nights) and between £33 - £66 per month for part time staff (1 or 2 nights).

Please refer to point 46 of the report which lists the disadvantages of option 4. Comments raised by Careline staff were:

- Many of the points listed as disadvantages for outsourcing the night shifts are also relevant if the service was monitored 24/7 by another provider.
- Staff do not agree that there would be insufficient work to ensure 2 Operators use their time effectively. The role of the Careline Operator is not just call handling – a considerable amount of administrative work is necessary to ensure the service runs efficiently.

The report refers to difficulties regarding recruiting new staff and the cost necessary to upgrade the Tunstall call equipment. The Careline team believes that:

- There could be a more positive response to job vacancies if applicants had the option of applying for a specific shift pattern i.e. applicant would work only early shifts, only late shifts or only night shifts.
- Financial provision should have been made to upgrade the Tunstall call equipment following the last upgrade to PNC5 – no equipment lasts forever.

4. The Careline team is proud of the service they provide and believe it is a credit to EFDC. They firmly believe that if the service is outsourced to another provider it would have a detrimental effect on how the service is delivered to users in terms of quality and response times.

Officers' response to the comments of Careline Operators

5. It is understandable that Careline Operators are very upset about the prospect of outsourcing the Careline Service and their hard work, commitment and dedication to the service is acknowledged and very much appreciated. They are discounting Option One and accept that the service cannot continue in the long term under the current arrangements. They also discount Option three monitoring the service through and external provider for the reasons stated in Paragraph 3 above.

Response to comments made by Careline Operators under Option Two - The Council provides an enhanced Careline Monitoring Service

6. Under Careline Operators preferred Option being Option Two the following disadvantages would remain:

- Having to recruit and retain 5.0 (FTE) additional Posts at an annual additional cost of £166,300
- Unless the additional expenditure for enhancing the service is funded from the HRA charges to service users would increase by around 58% making the service uncompetitive
- Although financial provision for the cost of upgrading the PNC 5 call answering equipment to PNC 7 at a one-off cost of around £46,000 can be made, if the service was outsourced under Option Three, this expenditure would be avoided
- Problems with covering staff absences will increase two-fold
- There would be a missed opportunity to make savings on staffing through a future staffing restructure of Housing Older Peoples Services
- No savings will be made on service contract costs and disaster recovery arrangements
- There would be insufficient work to ensure that both Operators would be fully utilised
- Although not essential, there would be a missed opportunity to free up office accommodation

Response to comments made by Careline Operators under Option Three - Monitor the Service through another Provider 24/7

7. All of the monitoring required under the bullet points listed will be included in the specification and covered by the external provider if the service was outsourced, apart from Lee Valley Park which could be dealt with by the Council's out-of-hours service provider Mears.

Response to comments made by Careline Operators under Option Four - Monitoring the Service through another Provider overnight

8. Careline Operators would lose their night allowance under this Option. It is also accepted that if there were two Operators on duty, the lack of work for two staff would not be such a problem compared to there being two Operators on duty 24/7. However, Members attention is drawn again to the difficulties of managing the service in this way which in particular are as follows:

- Difficulties with recruitment and retention and covering staff absences will remain
- The cost of monitoring the service overnight is only slightly lower, this is due to the inclusion of the new call handling technology required in order for two centres to monitor the same systems

- There are risks associated with having two centres taking calls at different times of day including, delays in systems attempting to contact one centre before being re-diverted to the second centre and the reliance on technology to carry out additional functionality
- There is no guarantee that costs for monitoring the service overnight would remain at this level in future years, however, this risk can be mitigated through the application of competition
- Officers time involved in procuring the new provider including writing the specification and undertaking the client function
- Unless the additional expenditure for enhancing the service is funded from the HRA charges to service users would increase by around 20% making the service uncompetitive

UNISON

9. UNISON was consulted on the report, the consultation process started on 24 August 2016 they were given a deadline of 30 days to respond. Their comments are as follows:

10. Having fully considered the Options 1-4 of the report and discarding Option 1, which is clearly untenable and Option 2, which is clearly too expensive, the EFDC Branch of Unison offers the following comments on Options 3 & 4:

Option Three - Monitor the Service through another Provider 24/7

- The Council will save the costs involved in upgrading the call answering equipment whether they choose Option 3 or 4
- There are no costings for the removal of the current equipment and “making good” the vacated office space
- The report makes no mention of the need to “free up” office accommodation; the Council already has a number of empty offices
- The Council loses a degree of autonomy over the service
- The Scheme Managers will lose the support of the staff and the service
- It is unlikely that external providers will be able to offer the urgent 48hrs installation service
- There are no costs attributed to the time that Council officers will spend dealing with staff being TUPE'd to the new provider
- Redundancy costs will need to be built into the tenders
- The Council will need to deal with the problems associated with keeping the service running through to the start of the transfer to an external provider
- The Council will need to fund the costs of providing the alternative methods of cover for the additional services being provided, detailed in item 36 of the report

Option Four - Monitoring the Service through another Provider overnight

It appears that it would be in the best interests of both the Council and employees to further explore Option 4. The reasons for this are:

- The Council retains a high degree autonomy over the service and the cost of providing it
- The Council retains the in-house support and expertise for Scheme Managers
- The Council will save both time and money as a result of staff not being TUPE'd to another service provider
- The Council will save a considerable sum, in terms of potential redundancy costs
- The Council is currently in the lower quartile across Essex, in terms of the costs for dispersed alarms and a 20% increase will keep EFDC in the lower half

- The Council will save the costs involved in upgrading the call answering equipment
- The Council will already be having the service covered at night
- This retains the ability to install alarms within 48hrs
- The Council will almost certainly eliminate recruitment and retention problems by removing the need for a night-shift
- The Council avoids the problems of keeping staff whilst the new contract is put in place
- Careline will continue to cover for the additional services being provided, detailed in item 36 of the report

Officers' response to the comments of UNISON

11. Option One is discounted as UNISON considers this is untenable. Furthermore, Careline Operators preferred Option being Option Two has also been discounted by UNISON as they consider it is too expensive.

Response to comments made by UNISON under Option Three - Monitor the Service through another Provider 24/7

12. The cost of removing the current equipment and "making good" the office space would be minimal and freeing up the additional office space was by far not an important point. The Council would retain its autonomy through ensuring the specification is comprehensive and sets out what the Council as the client requires for the external provide including support for Scheme Managers.

13. The 48 hour urgent installation service will continue as this service will be provided by existing Careline Assistants who will not be affected should the service be outsourced. It is accepted that outsourcing the service will result in additional staff time to write the specification and deal with a range of other matters. Although some external assistance may be needed to complete the contract documentation the cost will be minimal particularly when taking into account the savings over future years should the service be outsourced. UNISON is correct in saying that any redundancy costs may be added to any Tender.

14. The problems associated with keeping the service running during the transitional period have been considered and are set out in the Risk Management Section of the report. Finally, the additional services referred to with are covered as set out at Paragraph 36 of the report.

Response to comments made by UNISON under Option Four - Monitoring the Service through another Provider overnight

15. It is accepted that the Council would retain more autonomy over the service during the day, would provide the in-house support and expertise for Scheme Managers and it would avoid TUPE issues. Furthermore, although charges to users would increase it would be by a lesser amount that if the service was enhanced under Option Three and the cost of upgrading the call answering equipment would be avoided. Regardless of which Option is agreed, the ability to install alarms within 48hrs will not be affected.

16. However, officers do not agree that the recruitment and retention problems (and covering shifts) would be resolved by removing the need for a night-shift.

17. Although it is accepted that the transitional arrangements may be easier, Members attention is drawn again to the difficulties of managing the service in this way which in particular are as follows:

18. Member's attention is drawn again to the difficulties of managing the service in the way which in particular are as follows:

- Difficulties with recruitment and retention and covering staff absences will remain
- The cost of monitoring the service overnight is only slightly lower, this is due to the inclusion of the new call handling technology required in order for two centres to monitor the same systems
- There are risks associated with having two centres taking calls at different times of day including, delays in systems attempting to contact one centre before being re-diverted to the second centre and the reliance on technology to carry out additional functionality
- There is no guarantee that costs for monitoring the service overnight would remain at this level in future years, however, this risk can be mitigated through the application of competition
- Officers time involved in procuring the new provider including writing the specification and undertaking the client function
- Unless the additional expenditure for enhancing the service is funded from the HRA charges to service users would increase by around 20% making the service uncompetitive

The Tenants and Leaseholders Federation

The Tenants and Leaseholders Federation were advised of the Review at their meeting on 15 June 2016. They were updated again at their meeting on 31 August 2016. A copy of the report was submitted to their meeting on 2 November 2016 and their comments are as follows:

Having considered the options in detail we agree with the Recommendation that the Communities Select Committee reports to a future meeting of the Cabinet recommending that under Option Three in the report the Council's Careline Monitoring Service be outsourced to an external provider through a competitive tendering exercise.

The Chairman of the Tenants and Leaseholders' Federation will be present at the meeting and will have the opportunity to put forward any further detailed comments that he considers appropriate.

Sheltered Forum

The Sheltered Forum will be informed of the recommendations being made to the Cabinet by the Communities Select Committee at their next meeting on 8 December 2016. Any comments they have will be incorporated in the report to Cabinet.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

If the Communities Select Committee reports to a future meeting of the Cabinet and recommends that the Council's Careline Monitoring Service be outsourced to an external provider through a competitive tendering exercise, it will mean that all calls received from Careline users will be monitored in the same way but by an external provider.

Such a change will not affect the service or any particular group of people, or result in any discrimination. Furthermore, all customers will continue to have access to the alarm monitoring service.

APPENDIX ONE

Charges made for Dispersed Alarms (basic alarm and pendant) in the private sector by other Essex authorities in 2015/2016

Authority	Charges for Dispersed Alarms (£ Per annum)
Epping Forest District Council	109.32
Basildon District Council	206.96
Southend Borough Council	125.84
Braintree District Council	104.00
Colchester Borough Council	197.08
Tendring District Council	230.88
Harlow District Council	202.28
Uttlesford District Council	216.32
Chelmsford City Council	N/A
Castle Point District Council	60.00
Brentwood Borough Council	130.00

APPENDIX TWO

Control Centres in Essex, their staffing arrangements, number of connections and those who have outsourced the monitoring service

Authority	Staffing arrangements	Approximate Number of Connections
Epping Forest District Council	One member of staff on duty at all times, two on duty 9:30am to 12:30pm	2,572
Basildon District Council	Two staff on duty at all times	6,500 (inclusive of Castle Point DC)
Southend Borough Council	Two staff on duty at all times	3,000
Braintree District Council	Two staff on duty at all times, service monitored by Tendring District Council control centre overnight	4,000 (Plus 1,200 connections monitored for Uttlesford DC during the day)
Colchester Borough Council	Two staff on duty at all times	3,100
Tendring District Council	Two staff on duty at all times	2,900 (Plus 1,200 connections monitored for Uttlesford DC & 4,000 connections monitored for Braintree DC both overnight)
Harlow District Council	Monitoring service outsourced to Tunstall Telecom Limited's control Centre	2,000
Uttlesford District Council	Monitoring Service outsourced to Tendring District Council overnight and Braintree during the day	1,200
Chelmsford City Council	Monitoring service outsourced to Tunstall Telecom Limited's control Centre	N/A
Castle Point District Council	Monitoring Service outsourced to Basildon District Council	N/A
Brentwood Borough Council	Monitoring Service outsourced to North Herts Council	N/A

APPENDIX THREE

Current costs of the Careline Monitoring Service to the HRA based upon the 2015/2016 actual out-turn

Item of expenditure	Cost per annum (£)
Management of the service including proportion of Housing Manager (25% of FTE) & Assistant Housing Manager (Older Peoples Services) (45% of FTE)	30,100
Existing cost of Careline staff monitoring the centre including overtime costs, enhanced payments for bank holiday and night working and having 2 staff on duty for the 3 hour busiest period of the day (5.5 FTE)	183,800
Careline equipment budget	18,000
Service contract costs	56,000
Disaster recovery plan not including hourly rate of £125.00	5,700
Telephone lines etc.	32,000
Sub Total	325,600
Less income for monitoring dispersed alarms, associated sensors and Housing Association Schemes	185,000
Less income from sheltered housing tenants and tenants living in designated properties for older people who are self-funders not in receipt of housing benefit	50,500
Council Tenants in receipt of housing benefit (777 x 0.55p pw contribution)	22,222
Less Housing Related Support Grant	81,000
Total surplus	13,122

APPENDIX FOUR

Costs to the HRA of providing an enhanced Careline monitoring service

Item of expenditure	Cost per annum (£)
Management of the service including proportion of Housing Manager (25% of FTE) & Assistant Housing Manager (Older Peoples Services) (45% of FTE)	30,100
Existing cost of Careline staff monitoring the centre including overtime costs, night allowances and having 2 staff on duty for the 3 hour busiest period of the day (5.5 FTE)	183,800
Additional cost of 5.0 (FTE) further staff in order to meet with the British standard and have Operators on duty at all times	166,300
Careline equipment budget	18,000
Service contract costs	56,000
Disaster recovery plan not including hourly rate of £125.00	5,700
Telephone lines etc.	32,000
Sub Total	491,900
Less income for monitoring dispersed alarms, associated sensors and Housing Association Schemes	185,000
Saving of homelessness staff standby payments	5,000
Less income from sheltered housing tenants and tenants living in designated properties for older people who are self-funders not in receipt of housing benefit	50,500
Council Tenants in receipt of housing benefit (777 x 0.55p pw contribution)	22,222
Less Housing Related Support Grant	81,000
Total cost to the Council	148,178

APPENDIX FIVE

Cost to the HRA of providing an outsourced Careline monitoring service, based upon 2015/2016 actual out-turn costs and the indicative monitoring cost

Item of expenditure	Cost (£) per annum
Estimated cost of monitoring through another service provider	80,000
Cost of Housing Manager (Older Peoples Services) undertaking the client function (25% of FTE)	12,900
Service contract costs, not including Careline control equipment and disaster recovery	42,000
Careline equipment budget	18,000
Sub Total	152,900
Less income for monitoring dispersed alarms, associated sensors and Housing Association Schemes	185,000
Less income from sheltered housing tenants and tenants living in designated properties for older people who are self-funders not in receipt of housing benefit	50,500
Council Tenants in receipt of housing benefit (777 x 0.55p pw contribution)	22,222
Less Housing Related Support Grant	81,000
Less estimated saving in staffing costs associated with the Careline Service following a restructure of the Older Peoples Services Section	30,000
Total <u>surplus</u>	215,822

APPENDIX 6

Cost to the HRA of outsourcing the Careline Monitoring Service overnight

Item of expenditure	Cost per annum (£)
Estimated cost of monitoring through another service provider including hosting equipment	70,000
Management of the service, including 35% FTE of Housing Manager time to manage the service during the day including undertaking the client role for outsourcing overnight and Assistant Housing Manager (Older Peoples Services) (45% of FTE)	35,300
Existing cost of Careline staff monitoring the centre including estimated overtime costs, having 2 staff on duty 8am to 8pm (existing 5.5 FTE), but excluding night allowances	172,500
Careline equipment budget	18,000
Service contract costs	56,000
Disaster recovery plan not including hourly rate of £125.00	5,700
Telephone lines etc.	32,000
Sub Total	389,500
Less income for monitoring dispersed alarms, associated sensors and Housing Association Schemes	185,000
Less income from sheltered housing tenants and tenants living in designated properties for older people who are self-funders not in receipt of housing benefit	50,500
Council Tenants in receipt of housing benefit (777 x 0.55p pw contribution)	22,222
Less Housing Related Support Grant	81,000
Total cost to the Council	50,778