

 Executive 13th January 2016		Agenda Item No. 5
Title	Fees and Charges – Lifeline Services (non HRA Customers)	
For further information about this report please contact	Jacky Oughton and Zoe Court Sustaining Tenancies Team Housing and Property Services	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Fees and Charges 2016-17, Executive 30 th September 2015	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	22/12/15	Chris Elliott/Bill Hunt
Head of Service	22/12/15	Andy Thompson
CMT	22/12/15	Bill Hunt
Section 151 Officer	22/12/15	Mike Snow
Monitoring Officer	22/12/15	Andy Jones
Finance	22/12/15	Andy Crump
Portfolio Holder(s)	22/12/15	Councillor Peter Phillips
Consultation & Community Engagement		
We have consulted with the charities that we currently work with: Mid and South Warwickshire Lifeline Trust and Leamington Lifeline Appeal.		
Final Decision?		Yes

1. Summary

- 1.1 This report sets out changes being made to improve the viability of the Council's Lifeline Services and details the proposals for the introduction of new Fees and Charges for non HRA customers in respect of the Council's Lifeline Service, from 1st April 2016.

2. Recommendations

- 2.1 That Executive approves the ending of the current relationships between the Council and the Mid and South Warwickshire Lifeline Trust and Leamington Lifeline Appeal charity.
- 2.2 That Executive recommends to Council the Fees and Charges set out in Appendices One and Two, effective from 1st April 2016.
- 2.3 That Executive recommends to Council the revisions to the monitoring charges, as set out in the Fees and Charges 2016-17 report to Executive on 30 September 2015, effective from 1 April 2016. This recommendation was included in the Fees and Charges 2016-17 but the figures used for the calculation at this time were upon further examination found to be erroneous.

	2015 (current)	2016 (proposed)
Monitoring	£1.51 week (19.63 quarter)	£1.80 week (£23.40)
Rental + monitoring	£3.03 week (39.39 quarter)	£3.60 week (£46.80)

- 2.4 That Executive notes that from 2016 onwards, proposals for revised fees and charges for Lifeline Services will be included in the Council's annual Fees and Charges Report.
- 2.5 That Executive notes that the proposals for revised fees and charges from 2017 onwards will be informed by the outcome of the Council's review of services for older people and the lifeline services (detailed in the Housing Related Support report elsewhere on this agenda).

3. Reason for the Recommendations

- 3.1 During 2015 the Lifeline Services Business Manager carried out a full review of Lifeline Services. As a result, improvements have been made to the way the service is operated which have improved efficiency and started to reduce costs. Examples include more efficient use of vehicles and better use of staff resources so there is less reliance on overtime and bank staff. The review also revealed a number of other changes that could be made to improve the viability of Lifeline Services.
- 3.2 Currently private clients of the Council's Lifeline Service are expected to make a one-off donation to one of two charities, the Mid and South Warwickshire Lifeline Trust or the Leamington Lifeline Appeal, who then provide the clients with a monitoring unit. This donation is in excess of the retail price of the monitoring unit, and consequently does not offer the best value for money for

the client. This process also involves the need for considerable administrative support to be provided by the Lifeline Service collecting the donations and then distributing them to the relevant recipients. These charities were set-up over twenty years ago to make the equipment more affordable for people, when the cost of purchasing such equipment was relatively expensive. This is no longer the case because equipment costs have followed the trend for information based technology and fallen in price. To allow the Council's clients to benefit from this change in the market, and to help Lifeline Service be more competitive in winning new business, consultation has taken place with the relevant charities and their agreement has been secured to bring this arrangement to an end.

- 3.3 The Council is required to update its Fees and Charges so that the impact of any changes can inform the setting of its budgets. Discretionary Fees and Charges for the forthcoming calendar year have to be approved by Members. Other than the proposed revisions to monitoring charges, set out in paragraph 2.3 of this report, the main Fees and Charge proposals for Lifeline Services were not included in the Annual Fees and Charges 2016/17 Report to Executive on 30th September 2015 due to the prolonged absence from work of the officer who has responsibility for this area of work.
- 3.4 The proposed discretionary fees and charges for Lifeline services are set out in Appendices One and Two of this report.
- 3.5 To allow the Council to maintain and develop services it needs to make sure its charges are affordable to its primary client groups, competitive with alternative suppliers and contribute towards the financial viability of its services. The implementation of the proposed Fees and Charges that apply to Lifeline Services have been calculated with these criteria in mind.
- 3.6 Clients request many services that the team currently carry out for no charge (See Appendix A). In line with other service providers it is proposed that a service charge be applied to cover the officer time and travelling costs incurred in delivering these services. These charges would not apply to WDC tenants living in designated or sheltered schemes, the charges only apply to private non HRA customers.
- 3.7 These charges will only apply to new customers. Current customers will receive the services at the charges as described in the agreement that the Council has with them. The Council has IT software that will allow it to differentiate between the new and existing customers to make sure that each is charged correctly

4. Policy Framework

4.1 Fit for the Future

- 4.1.1 One of the core elements of Fit for the Future is to make sure that the Council is able to set a balanced budget whilst maintaining service provision. The changes proposed in this report to the Fees and Charges for Lifeline Services will make a positive contribution to that outcome.

4.2 Impact Assessment

- 4.2.1 With regard to Equalities and Fairness, the impacts of the changes will be limited. Services will continue to be offered to those who most need them regardless of race, gender, faith, sexuality and abilities. Although services

currently provided without charge may in future require a payment from clients, the charges proposed are sufficiently low to avoid discriminating unduly against those with low incomes.

5. Budgetary Framework

- 5.1 The income generated from the Lifeline Services Fees and Charges are credited to the Housing Revenue Account (HRA). These proposals will therefore not benefit the General Fund. However, the HRA faces financial challenges arising from changes to national housing policy so the additional income and profit that will arise from the recommendations made in this report will be helpful in managing the impact of those changes.
- 5.2 Taking the charging schedule set out in Appendix A and based on current demand could provide an income of around £50k per annum. This income will go towards off-setting the loss of Supporting People Grant funding which WCC will cease to pay in July 2016. The amount of grant funding we receive is £463,700 per annum

6. Risks

- 6.1 Part of the cost of providing the Lifeline Services is funded by the Housing Related Support (Supporting People) grant that the Council receives from Warwickshire County Council (WCC). This grant also funds Housing Related Support services that we deliver to our tenants in our Sheltered Schemes and properties designated for older people. WCC will stop funding these services from July 2016. Therefore to reduce the financial risks to Lifeline services, the Council needs to implement these new fees and charges to generate income and to reduce the cost of running the service. The charges have been compared against the wider market to make sure they are both realistic and competitive and so guard against the risk of Lifeline Services being priced out of the market.
- 6.2 Introducing fees and charges could deter usage where the client has discretion over whether or not to link in to Lifeline Services. Clients may choose to use an alternative supplier. This risk has been mitigated by competitive fees and charges and promoting the uniqueness in the area of the Council's local base which allows it to be able to offer to its clients the benefits of detailed local knowledge of and relationships within the area and of the services available to local people.

7. Alternative option considered

- 7.1 The Council could continue to work with the charities, not charge for the Lifeline services that it currently delivers and not move into new areas of work. However this would mean that it would not be able to generate any additional income to off-set the loss of the Supporting Grant funding that will jeopardise the future of Lifeline Services.

8. Background

8.1 Lifeline Services

- 8.1.1 Lifeline Services provides a 24/7hour, 365 day a year, personal alarm monitoring service that provides a monitoring service to Warwick District Council (WDC) tenants who live in the Council's sheltered accommodation and

in properties designated for older persons (around 1100 tenancies). These clients receive this service as part of the Housing Related Support (Supporting People) charge that is a condition of their tenancy. They are not required to pay the fees and charges described in this report.

- 8.1.2 Lifeline Services have contracts to provide monitoring services for the tenants of the following Housing Associations and organisations : Stonewater (previously Jephson Housing), Riverside Housing, Sanctuary Housing, English Churches, Municipal Housing, Alms Houses and Way-Ahead.
- 8.1.2 Lifeline Services provide the Out of Hour Service for the Emergency Duty Team (social care) at Warwickshire County Council, along with the Out Of Hours Homeless Service for Warwick District Council. It will also from April 2016 be providing the high-demand back up service for the Council's Responsive Repairs and Voids team. Lifeline Services also provides the lone worker monitoring system used by Warwick District Council staff
- 8.1.3 Lifeline Services are also available to fee paying clients who are aged 50 years or who are vulnerable and who live in either the Warwick District or the Stratford up Avon District areas across all tenures.
- 8.1.4 Lifeline Services faces a number of challenges and opportunities in the next few years. These include:
 - The ending of the Supporting People Grant funding that the Council receives from Warwickshire County Council to deliver Housing Related Support and an alarm monitoring service to tenants in its sheltered schemes and dwellings designated for older people will end in July 2016. The Council needs to look at ways to increase its income to make up for the loss of this funding and this is covered in the Housing Related Support report elsewhere on the agenda
 - Continued competition from private sector service providers (although none currently operating in the area have a local base).
 - Changes in technology that open up opportunities for new services and/or reduced operating costs
- 8.1.5 Lifeline Services is accredited by the Telecare Services Association which is the industry body for both telecare and telehealth, and the largest industry specific network in Europe. Lifeline Services has consistently gained the highest accreditation – Platinum Status.
- 8.1.6 Information on the Lifeline Services products is provided in Appendix B
- 8.2 Additional Business Income for Lifeline Services
 - 8.2.1 Lifeline Services is developing additional services, using its core expertise and equipment, to expand into new markets. These include:
 - Offering epileptic and other tele-care sensors, smoke detectors (we already provide this service in several housing associations), burglar alarms
 - Offering a Lone Worker monitoring service to private businesses
 - Increase geographical area for monitoring service (with the introduction of mail order this is possible). We will continue to market and promote the Lifeline service which has been rebranded. We have also introduced new products which are more attractive to wear.
 - 8.2.2 Lifeline Services has expanded its product range (see Appendix C) to expand its ability to meet market demands and so generate additional net income for the

service. Clients will have the ability to order via the website, over the telephone, direct from members of the Lifeline Services team, by e-mail or in writing. Offering a mail order option will allow those clients who are able to install their equipment themselves to be connected more quickly. This will allow the Council to prioritise installation visits to those vulnerable clients who cannot install equipment on their own, so improving the service to all clients.

- 8.2.3 To make a success of this expansion of the scope of Lifeline Service, it will need stock a small supply of lifeline monitoring equipment so that it can promptly supply its customers and clients. The value of the stock to be held to meet client demands is estimated to be circa £5,000. The stock will be replenished with the income from the sold units, reducing the financial risks to the Council. It also means that equipment will always be available on demand to cover emergency situations such as lost pendants and emergency discharges from hospital. We will however hold the minimum of stock required to meet service demands because the warranty periods on equipment such as pendants and call-and-response units starts as soon as it is delivered to the Council.
- 8.2.4 No additional budget is required as the equipment will be classed as stock items and the income will cover the cost of goods sold, hence there should be no net budget requirement. As this is new service both Housing and Property Services and Finance will monitor the situation and report back to Executive should this situation change.

Appendix A: Discretionary Services Charges

Supply and Install Lifeline	Cost + £50
Supply and install Keysafe	Cost + £35
Moving lifeline (I.e. to a different room)	£35
Service call out (faults)*	£35ph
Replacement batteries*	Cost + £35
Replace lost cables*	Cost + £35
Replace pendant*	Cost + £22 program/post Cost + £35 program/deliver
Replace Lifeline*	Cost + £35

*Charge will be made once the product's warranty expires

Appendix B

Lifeline Booklet

Appendix C: Price List for Lifeline Services Equipment and Products

Product	Suggested Resale Price
Lifeline Vi & My Amie pendant*	£125 posted £150 installed
My Ami	£60 posted £75 installed
Neck cord	£3.00 posted
Thin wrist strap	£3.00 posted
Thick wrist strap	£3.00 posted
Easy press adapter	£15 posted
Belt clip	£3.00 posted
Key ring	£3.00 posted
Minuet watch	£95 posted £125 Installed
Ivi Intelligent Pendant Fall detector	£95 posted £130 installed
Cair pendant	£50 posted £70 installed
Cair brooch adapter	£3.00 posted
Cair clip adapter	£3.00 posted
Cair wrist strap	£12 posted
Cair neck chain	£12 posted
Oysta 'Just in case'	<i>£150 configured and posted</i>
Oysta Lone worker	<i>£50 configured and posted</i>