

	
Decision Session - Cabinet Member for Health, Housing & Adult Social Care	22 March 2013
Report of the Director of Adults, Children and Education	

Proposal to Consult on the Introduction of new Two Tiered Charging Arrangements for Warden Call

Summary

1. This report seeks approval to consult with Warden Call customers and stakeholders on proposals to introduce choice by offering two levels of service and to increase the level of charge for the service that is closer to the actual cost of providing it.
2. It also seeks to consult on the introduction of a charge for lost equipment and for couples who both benefit from the service but currently only pay one charge.

Background

3. CYC Warden Call provides a 24 hour monitoring and response service to approximately 3,150 customers in York. The telecare service has over 1,650 customers who have at least one piece of telecare equipment installed.
4. Warden Call services are available to vulnerable adults of any age who would like to feel safer, more protected and independent in their own home. CYC currently charge a flat rate of £4.25 per week irrespective of the likely response needed or the complexity of the customer's needs. Customers on Housing benefit do not pay for the service as this is funded from the old Supporting People (SP) budget.
5. The table below highlights how the charge has increased by only 35p in the last 7 years and not increased at all in the last 3 years.

Budget year	Charge Per Week	Charge Per Year	Charge Per Month
2006/07	£3.90	£176.80	£16.89
2007/08	£4.00	£208.00	£17.32
2008/09	£4.10	£213.20	£17.77
2009/10	£4.20	£218.40	£18.20
2010/11	£4.25	£221.00	£18.42
2011/12	£4.25	£221.00	£18.42
2012/13	£4.25	£221.00	£18.42

Consultation

6. Letters with an explanation of the proposals will be sent to all Warden Call customers with an opportunity to respond using a variety of methods. In our communications with customers we shall seek their views on all the proposals and if they were introduced, how these may affect their use of the service.
7. Opportunities for consultation with potential future users of the service or relatives of users will also be arranged with relevant organisations (eg YOPA, AGE UK York etc) and via a variety of communication methods.
8. These views and feedback will be collated for a subsequent report together with recommendations to the Cabinet Member in June 2013.

Options

9. The proposal is to move from the current single rate charge to a two tiered model. The tiered model allows some choice in the level of service a customer receives and reflects the different levels of costs incurred in their delivery:
 - Proposal 1- to charge £5 for a tier 1 service and £7 for a tier 2 service.
 - Proposal 2- to charge the full unit cost which would be £7 for Tier 1 and £10 from Tier 2.

10. Compared to similar services in neighbouring local authority areas the proposals would appear to be competitively priced for the level of service we provide.

Local Authority	Type of authority	Lifeline monitoring charge	Charge inclusive of	Equipment charged or loaned free	Comments
Darlington	Unitary	£5.06 - £3.31/wk	monitoring charge and maintenance	Charged	Lifeline £5.06 weekly. Any additional Telecare devices are charged at £1.50 per device in addition to the standard Lifeline Charge.
East Riding of Yorkshire	Unitary	£14- £22/month		Charged	Gold - £22/month rental Silverday/night £18/mth Rental Bronze £14/mth rental. Telecare sensors are rented at an additional cost - smoke detector £1.00, Temperature Extreme sensor £1.00, Flood detector £1.00, Bogus caller £1.00, Movement detector (PIR) £1.50, Enuresis sensor £3.50, Medication dispenser £4.50, Bed sensor £8.00, Epilepsy sensor £8.00

North Yorkshire	Two tier	6.20-£12.30/wk	installation, maintenance, monitoring and response	free	Level 1 £6.20, Level 2 £12.30. Lifelines supplied in conjunction with district council housing partners for which there is a service level agreement (currently under review)
Sheffield	Metropolitan	4.67/wk		Charged	Charge £4.67 + VAT per week for the basic button and box including installation, maintenance, monitoring and response by our staff if required. Additional sensors are charged at anything from 50p + VAT per week to £1.50 per week extra depending on the unit.

The tiers would be differentiated as follows:

Tier 1 – Warden Call

11. This provides a telephone response when you activate your pendant or pull your cord. If you require assistance then one of our wardens will visit you. This service can also offer additional provision including smoke detector; carbon monoxide detector and bogus call detector.

Tier 2 –Telecare

12. This provides a telephone response when you activate your pendant or pull your cord or when any one of the other sensors alerts the control centre. If you require assistance then one or two of our wardens will visit you. Any number of required telecare sensors can be provided free of charge to meet any assessed need.
13. With an increasing number of telecare packages and a greater range of equipment being provided at no cost for the equipment there is a case for charging a higher rate for those customers who have multiple pieces of equipment.
14. It is safe to assume that the greater the number of devices provided, the more likely the customer is to require a response and the more complex the care will be once the service has responded.

Proposed charge for each individual within a couple living at the same address.

15. Presently any customer whose partner/spouse is already in receipt of a service is accepted onto the service at no additional charge. Therefore some customers are in receipt of a full service at no cost to them.
16. We would propose to charge an additional £3/£5 to the second person within the same household (eg extra £3 for tier 1 and £5 for tier 2).

Proposal to introduce a charge for lost pendants.

17. Lost pendants cost £70 to replace and currently we do not charge for replacements. We propose a charge of 50% of the cost of a replacement pendant.

Proposals

18. The four proposals are outlined for consideration:

Proposal 1 for a two tiered charging regime at £5wk for Tier 1 customers and £7wk for Tier 2 customers.

Proposal 2 for a two tiered charging regime at £7wk for Tier 1 customers and £10wk for Tier 2 customers.

Proposal 3 – to charge cohabitants of existing customers where they are also registered as a customer.

Proposal 4 – to charge customers 50% of the cost of providing a replacement for lost pendants.

Analysis

Proposals 1 and 2 – a 2 tiered charging regime at £5 and £7 per week or £7 and £10 per week

19. Tier 1 – Call monitoring and response. The Control centre would take a call and direct mobile wardens to respond to that call. The charge would be £5 or £7 per week.
20. Tier 2 – Call monitoring and response for Telecare customers. The control centre would take the call and wardens would respond to the more complex needs of Telecare customers with more complex equipment (i.e bed sensors, fall sensors etc). The charge would be £7 or £10 per week.
21. There will be no change for those 1200 customers who currently do not pay for the service as long as they remain in receipt of Council Tax assistance and/or Housing benefit.
22. Our welfare advice on the implications of the new Universal Credit implementation has advised that at this stage that its implementation is likely to be slow (12-24 months) and our customers who are over 65yrs old will be exempt from these changes.
23. We do have a proportion of working age customers (approx 7% or 237 people) and will therefore need to provide support and advice with regard to the impact these proposals to increase charges may have.
24. **Proposal 1 to introduce a charge of £5 and £7 per week** is estimated to have the following impact on customers:

1050 customers would see an increase in their weekly cost of £0.75 per week.

350 customers would see an increase of £2.75 per week

1200 customers would not be affected by the increase

25. **Proposal 2 to introduce a charge of £7 and £10 per week** is estimated to have the following impact on customers;

1050 customers would see an increase of £2.75 per week

350 customers would see an increase of £5.75 per week

1200 customers would not be affected by the increase.

26. Warden Call currently provides a service to approx 2600 paying customers in the community (1200 of which are paid for by the old Supporting People funding as they claim Housing benefit), approx 370 Sheltered Housing customers and to 9 external residential landlord schemes. The service receives £16k for handling out of hours calls for the Housing Repairs service.
27. The cost of the service was apportioned based on the number of hours the service is covered per week.
For example, the sheltered housing schemes have housing co-ordinators on site for 24 hours per week so the costs apportioned to these sites was reduced accordingly.
28. Current regulations state that an authority cannot charge more than it costs to provide a service. The higher tiered charging rates of £7 and £10 conform to these regulations. The £5 and £7 rates were modelled as an alternative option for consultation.

Proposal 3 – Charge cohabitants of existing customers

29. Current practice is to charge only one customer living at an address, even if two customers living at the address require the response service.
30. It may not be appropriate to charge customers twice for the control centre element of the charge but we propose that it is appropriate to charge each person for the response element. It is estimated to cost approx £2 per week for running the control centre and maintain/testing the equipment. It is proposed therefore to reduce any increased charge by this amount.

31. For example if a tier 1 charge of £5 is introduced the extra cost for an additional customer in the household would be £3 and if a tier 2 customer it would be £5.
32. There are approximately 400 such customers who could be affected by this proposal but some of these customers would be on Housing Benefit and therefore would not be required to pay.

Proposal 4 – to charge for lost equipment

33. Lost pendants are quite a common occurrence and they cost £70 to replace and currently we do not charge for replacements.

We propose to charge customers 50% of the cost of replacement.

Council Plan

34. The Warden Call service provides support and reassurance to many of our most vulnerable citizens. It helps to deliver two of the objectives in our Council Plan, namely, Protecting Vulnerable People and Building Stronger Communities.

Implications

35. Financial

Our actual unit cost for the Warden Call service has been calculated to be £6.97 for a tier 1 service and £10.09 for a tier 2 service.

If a charge of £5 and £7 per week were introduced it is estimated to generate additional income for the Council of £142K.

If a charge of £7 and £10 per week was introduced to more closely mirror the actual unit cost of the service, it is estimated to generate additional income for the Council of £228K.

The additional income would contribute to the savings targets for Adult Social Care.

- **Human Resources (HR)**
There are no HR implications in this report
- **Equalities**
The consultation will contribute to the completion of a full Community Impact Assessment that will be considered in the subsequent report in June.
- **Legal**
There are no legal implications in this report
- **Crime and Disorder**
There are no implications in this report
- **Information Technology (IT)**
There would be some changes required to the Frameworking system in ACE to facilitate the tiered charging being proposed.
- **Property**
There are no implications in this report
- **Other**
There are no other known implications.

Risk Management

36. There are no risks associated with the recommendation to consult with the customers and stakeholders of the Warden Call Service.

Recommendations

37. The Cabinet Member is asked to consider;
- (i) The proposals in the report.
 - (ii) To agree to conduct a consultation with Warden Call customers and stakeholders on the proposals contained in this report and receive a further report on the outcome of the consultation with recommendations in June 2013.

Reason: To conduct a consultation with customers of the service and stakeholders prior to finalising recommendations that can recover closer to the actual cost of providing the service.

Contact Details

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Specialist Implications Officer(s) If there are none- just say N/A				
Wards Affected:			All	✓
For further information please contact the author of the report				

Background Papers: None