

**Bolsover District Council (BDC)
Chesterfield Borough Council (CBC)
Derbyshire County Council (DCC)
South Derbyshire District Council (SDDC)**

Draft Joint Business Case

Project: Alarm Monitoring Services



Version: final



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1 Document Information

Version	Author	Date	Comments
0.1	Ram Paul	15/01/14	Draft – pre publication
0.2	Alice Sanghera	04/09/14	Draft following feedback from D/BC's and DCC Legal Services
Final	Alice Sanghera	18/09/14	Final following sign off by all four Councils

2 Background

Historically, prior to the introduction of the Supporting People regime, most of the District and Boroughs across the County provided a range of services including warden services and community alarms to older people. In most cases these services were provided by the Housing Department of the Districts or Boroughs, or by their successor landlords; however some chose to outsource the provision of some services to third parties.

Since April 2003, Derbyshire County Council has been contracting for community alarm services with these organisations; this is currently financed through the Housing Related Support programme within Adult Care. The District and Borough Councils who retained the service delivery function in-house also have a number of their own 'self-funding' customers with whom they have a direct personalised agreement to provide service.

In this era of austerity and public sector cuts, there is mounting pressure on local government to deliver services more efficiently and cost effectively. It was envisaged that a joint public sector partnership with appropriate partners with the expertise and investment to deliver alarms monitoring centre services should be developed.

Derbyshire County Council , South Derbyshire District Council, Chesterfield Borough Council and Bolsover District Council are working together to develop a solution to provide countywide, 24/7 assistive technology monitoring services to the respective Councils to support existing publically funded clients as well as to their own private clients. The primary aim is to retain services at a relatively local level but achieve significant economies of scale in line with nationally based monitoring systems. Keeping the services local means that they more readily lend themselves to better integration with local care and health services, there is more flexibility in service provision and the link to the community is much stronger.

The new provision will replace the existing alarm monitoring contracts with one unified service to cover the whole of the County.

On 22nd November 2011, Cabinet gave approval to develop an agreement with Bolsover District Council, Chesterfield Borough Council and South Derbyshire District Council for a County-wide Alarm Monitoring Service. On 30th July 2013 Cabinet considered a proposal to establish two companies to deliver this service, and approved the further development of this project. Negotiations have been taking place throughout this time to establish the terms for this service.

3 Business Need

The Care Act 2014 requires prevention delivery in terms of the need for care and support.

Councils must ensure all services funded are value for money and where possible that any return on investment is received.

Government guidance explains that 'some people need extra care or support, practical or emotional, to lead an active life and do the everyday things that many of us take for granted. The Government is working to provide a social care system that provides care for those who need it, and which enables people to retain their independence and dignity'.

4 Vision and Objectives

Vision

To provide an alarm and telecare monitoring service to maximise and maintain the independence of vulnerable residents, so that they can remain in their own home for as long as practicable. The service will strive to continuously improve and offer a high quality, affordable and local response to community alarm and telecare equipment triggers.

Objectives

The project aims to provide a solution which supports this vision by focusing on a series of identifiable and measurable objectives. The project has identified the following objectives:

- To provide a high quality alarm monitoring service to customers.
- To develop a local 'brand' that is valued by the residents of Derbyshire.

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- To make best use of new and emerging technology where this is appropriate for the client group.
- The establishment of a collaborative public sector owned alarm monitoring partnership comprising of a Teckal Company and Trading company by April 2016.
- Support and protect vulnerable people.
- Ensure people are supported to live independently in their own homes.
- To provide reassurance to customers, family and other agencies that the older person has access to a monitoring service that has access to other services as needed.
- Provide the service with a local base to enable better integration with other local care and health services.
- To provide for a flexible service delivery model that can readily adapt and develop to reflect changing technology and customer expectations.

Links to Corporate Objectives and Priorities of the four Partners

The project contributes to a number of priorities identified in **Chesterfield Borough Council's** - Corporate Plan and Vision Statement – Putting Our Communities First

Key priorities –

- To make Chesterfield a thriving Borough
- To improve the quality of life for local people
- To provide value for money services

Key aims –

- To reduce inequality and improve standards of living
- To deliver the best quality services with reduced funding
- To provide effective services that put customers first
- To find new ways of delivering services that improve efficiency, save money and generate income

In **Bolsover District Council**, this project contributes to a number of corporate plan targets:

Community Safety

- Assist everyone in feeling safe and secure in their homes and outdoors

Customer Focussed Services

- Design Services to meet the needs of customers.
- Continue to improve the quality of and consistency of services received by customers.

Regeneration

- Contribute towards improving the health of the District.
- Maximise employment opportunities

Social Inclusion

- Ensure that Housing across the District meets the needs of all residents.

Strategic Organisational Development

- Demonstrate value for money through a culture of innovation
- Make best use of our people and other assets.

For **South Derbyshire District Council** this project contributes to a number of corporate plan priorities:

Safe and Secure (Theme)

- Delivering a range of housing provision and services that address community requirements.
- Enabling vulnerable people to remain in their own home for longer.

Value for Money (Theme)

- Financial resilience - a 'sustainable' financial base maintained and an improved customer experience.
- Continue to communicate and engage with our communities to ensure that the Council is delivering services appropriately

In **Derbyshire County Council's – Council Plan**, the projects helps deliver:

- 'A Healthy Derbyshire', a key priority is to better integrate health, housing and social care to secure improved support to Derbyshire's ageing population.
- 'A Derbyshire that cares' aims to develop our approach to whole person care across Derbyshire, reshape the services we provide to older people and improve services through joint working with the local NHS.
- 'A Local Derbyshire' describes working with our public, private and voluntary and community sector partners through our three key partnerships – the Derbyshire Partnership Forum, the Health and Wellbeing Board and Local Enterprise Partnerships to find

opportunities for joint working, shared services, integration and growth.

5 Scope

5.1 Inclusions

This partnership is set up to initially provide alarm call and telecare monitoring services to the people of Derbyshire. This may be expanded to include people from outside the county only if this benefits (either by reducing costs and/or increasing quality) the people of Derbyshire.

The partnership will provide an assistive technology monitoring service of high quality and low cost to the residents of Derbyshire. The intention is deliberately to keep a local link between service users and the monitoring service.

There are a number of inter-dependent services funded by Adult Care including all existing alarms monitoring contracts, the Handy Van Network, floating housing related support services (including the falls recovery element) and the Home Improvement Agency.

The partnership will initially offer the service across the whole County on a housing tenure neutral basis. The aim is to market the service extensively within the County for the benefit of the local community. In the medium term the possibility exists to widen the breadth of services offered and to offer services to users outside of the County. Additional users will bring income into the partnership without significantly driving up infrastructure or staffing costs. The first call on any additional income will be to drive down the unit cost for all users.

The Monitoring Centres will develop common standards and procedures and the partnership will be accredited to the Telecare Services Association (TSA) within the first three years of operation.

5.2 Exclusions

- The Monitoring centres – which will provide other services to their respective Council and areas (The charging and financing of these services will be transparent and open to scrutiny by the other partners and will not fall on the alarm monitoring partnership or its companies. Further work will be undertaken to finalise these services).
- The purchase of monitoring centre equipment.

6 Benefits

- A high quality local government provided monitoring service within Derbyshire.
- Shared services that allow the council to retain more control over the shared service than an outsourced service. If an outsourced service fails the council has to find a different way of providing the service – either by taking the service back in house – if this is possible – or finding a different provider. Either option is likely to be expensive. Through the level of control and influence a council has over a shared service it can be argued this option provides a level of resilience an outsourced service does not.
- Retention of skills and intellectual knowledge in the public sector.
- Promote and enhance public service principles and values.

7 Project Options

The Councils have discretion to design the most locally appropriate delivery mode. Two possible long term organisational structures (delivery vehicles) for the service were identified and an options appraisal was conducted on delivery vehicles that could deliver a joint public sector Alarms Monitoring Service. The options and evaluations are summarised as:

Option 1 - Status Quo

- Existing contracts are subject to extensions approved by the waiver of standing orders, which cannot extend beyond current approval dates (up to April 2016).
- The services would all be subject to a strategic review and re-procurement as a result, and the option of procuring on the same basis as current investment is delivered will not deliver substantial cost reductions or allow a return on investment.
- Delivery of one off savings which will only be known on completion of the re-procurement.
- Risk through the tendering process could result in loss of Derbyshire based public sector jobs and services.
- Procurement of a single contract across county might deliver higher savings but with a greater risk of non-achievement and could deter smaller providers. A single contract for each area provides more certainty of outcomes but at the risk of no market interest in smaller packages.

- The option might identify potential savings, and these savings would be available from the commencement of the contract. Procurement would incur costs and would take 12 months to complete.
- Added costs to migrate data from the existing contacts to any new provision of service if not retained locally.

Option 2 - To establish a new joint public sector Alarms Monitoring Service via Teckal and Trading Companies.

- This approach provides the most tailored solution to reflect local circumstances and priorities.
- There is a higher than average implementation risk which would be mitigated by the correct legal support and guidance.
- The benefits of a public sector partnership and joint vehicle include better designed solutions, integration of services for customers, access to established skills.

8 Timescales

The service is scheduled to go live between October 2015 and April 2016. This will require:

- Formal political approval across the Authorities of the formation of the new joint public sector alarms monitoring service via Teckal and Trading companies, by 31st October 2014.
- Procurement by the District and Borough Councils of a new ICT platform to commence November 2014.
- Finalise governance and programme structure by March 2015.
- Joint business plan and model including marketing strategy to be agreed by April 2015.
- Board Members and Management Team to be appointed 3 to 4 months prior to the go live project date.

9 Governance Arrangements and Costs

Governance of Teckal Company.

DCC appoints three directors to the Board (one as Chair) and each District and Borough appoints one director. The Chair has a casting vote if there is a deadlock

Governance of Trading Company.

The same as Teckal Company but Chair shall rotate. Deadlock provisions to be discussed and finalised.

A list of reserved items where the parent Councils need to agree are to be progressed.

The proposal is to produce a collaboration agreement which would act as the shareholders/members agreement for both companies which will include but is not exclusive to:

- the governance processes to be applied for each company, including appointment of directors and decision making;
- the terms upon which assets/people would be made available to the two companies;
- how the Members would deal with their receipts from Trading Company;
- any funding requirements ahead of income being generated by the companies;
- how new members could be admitted; and
- how, and on what terms, the companies may be closed down.

A joint financial model has been produced which demonstrates the service can support 12,500 Derbyshire County Council clients and 4,268 private clients in year one.

Legal set-up costs to be shared amongst partners, this will be quantified and agreed.

10 Risks & Issues
Risk Register:

No	Date	Description	Likelihood	Severity	Countermeasure
1		Breakdown in Trust and Commitment between Partner Councils.	Unlikely	High	Creation of contractual framework for long term commitment and understanding between partner Councils, and resolution of problems.
2		Breakdown in Democratic accountability and governance of Teckal and Trading companies accountable to partner councils	Unlikely	High	Clear, simple and transparent Governance arrangements created, together with detailed scheme of delegation identifying responsibilities to be held at different governance levels. As stated above.
3		Adoption of new ways of working within partners Councils.	Unlikely	High	Agreement between partner Councils will create contractual obligations for each Council to adopt the necessary internal changes.
4		Failure to deliver the efficiency saving	Unlikely	High	An agreed Business and Market plan based on growth/ transactional processes mechanism will also encourage adoption of new ways of working
5		Impact on service quality and performance	Unlikely	High	Project team will provide operational performance management. An effective communications plan will explain the changes to all stakeholders and training will be provided to alarms monitoring staff in use new system and new ways of working as one team.

	<ul style="list-style-type: none"> • Procurement of a Single integrated ICT platform • Single delivery structure • Single customer entry point ie one phone number • End to end standardised business processes across functions 			<p>Detailed procurement and implementation plan will include service applications/software, Hardware and technical infrastructure support to implement the new system as well as business process re-engineering will need to be agreed by all partners.</p>
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11 Interested Parties / Stakeholders

The partners are:

- Bolsover District Council
- Chesterfield Borough Council
- Derbyshire County Council
- South Derbyshire District Council

Interested Parties include:

- Clinical Commissioning Groups
- Local NHS
- Registered Social Landlords
- Housing providers
- District and Borough Councils

Project Sponsors

The Project Sponsors are responsible for:

- Development of the proposals and options for the delivery of the long term shared service as set out in the business case;
- Development of the detailed business case and implementation plan for the preferred option;
- Developing a change management programme to support the implementation process;
- Oversee the management and direction of the interim management arrangement, prior to the development of formal governance and reporting arrangements.

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Title	Name	Role in Project	Responsible For
Project Sponsors	Julie Vollar Assistant Director Strategy and Commissioning Julie McGrogan CBC Bob Ledger SDDC Peter Campbell BDC	Ensure project achieves projected benefits	Steering project and ensuring it remains in line with strategy

12 Equalities Impact Assessment

Officers are of the view that the proposed new joint alarms monitoring shared service will maintain a continuity of service for customers and there would be no negative impact on vulnerable groups at this stage and the purpose of this project is to protect vulnerable people and preventive services. Officers will continue to take appropriate action as the proposal is developed and implemented.