



AGENDA ITEM 8

OVERVIEW AND SCRUTINY BOARD

8 FEBRUARY 2011

**SUMMARY OF THE SOCIAL CARE AND ADULT SERVICES
SCRUTINY PANEL'S FINAL REPORT:**

TELECARE

THE REVIEW

The overall aim of the Scrutiny investigation was to examine the current level of take up of telecare in Middlesbrough, to examine the reasons as to why take up may not be as high as desired and to explore what action can be taken to address this issue.

CONCLUSIONS

Based on the evidence given throughout the investigation the Panel concluded that:

- a) No one can doubt that putting in a system which allows an older or vulnerable person to access professional help and support 24/7 at a touch of a button cannot be of benefit to the individual, their family and the wider community. The question that needs to be answered is how the cost of providing such a service can be best financed to enable significantly more people within Middlesbrough to benefit from both Carelink and Telecare.
- b) From the evidence the Panel has received it appears that at present the Carelink and Telecare service is in need of new vision. Clear parameters need to be developed detailing what the Council wants to achieve through the provision of the Carelink and Telecare service, where it sits within the Care model and how those people who could benefit from the service, particularly as part of a preventative approach, can be reached.
- c) With regard to the current pricing structure it is evident that the charges for Telecare at present are resulting in people refusing the service. This is even apparent in cases where individuals have undergone a Telecare assessment and have met the relevant FACS criteria (i.e. their care needs have been assessed as critical or substantial) but they then don't qualify for financial assistance. In such cases individuals have opted to receive the Carelink service only, owing to the additional cost of receiving Telecare.

- d) The Panel acknowledges that the proposed new charge for Telecare does represent a significant reduction when compared with the current charge. However, Members are concerned that the new pricing structure will serve only to sustain the service at its current level or lead to a relatively small increase in the number of people in receipt of Telecare.
- e) As a business model Carelink and Telecare operate on a similar premise to a vehicle breakdown company. People who choose to subscribe to the service privately do so in the hope that they don't need to actually use the service but they're prepared to pay for the peace of mind that assistance is available to them 24 hours a day 7 days a week should they require it.
- f) One of the key factors in determining whether an individual subscribes to such a service is inevitably the cost. This needs to be attractive, affordable and seen to represent value for money. It is the Panel's view that the proposed new charges are still relatively expensive when considered on an annual basis (level 1 = £140.40 + call out charge, level 2 = £239.20 and level 3 = £296.40 (for Telecare)). It is also the Panel's view that when subscribing to a service where one of the key benefits is that assistance is available 24/7 providing a monitoring only option (level 1) but then introducing a £20 call out charge, if the individual requires assistance (as a family member/friend cannot be contacted) is effectively a penalty charge. As the Officers at Sunderland City Council alluded to the introduction of such a charge may also inhibit someone from calling for help when in genuine need. The Panel has reservations about such a charge being introduced.
- g) From the Council's point of view maximising membership numbers and enabling people who would benefit from both the Carelink service and Telecare to be able to access the service at an affordable cost is key to the success and sustainability of the service. Overheads in terms of providing a contact centre and the appropriate number of response teams comes at a minimum cost. Through increasing membership numbers and the income generated from private subscribers that cost is effectively driven down, particularly if the service can attract a higher proportion of subscribers with low / medium level needs who place less demands on the service.
- h) At present Telecare in Middlesbrough and to some degree the Carelink service is not viewed as affordable or representative of value for money so as to attract a wide range of people (those with low and medium level needs, as well as those with critical and substantial needs) to subscribe to the service privately. At present only those assessed as having critical or substantial needs are in receipt of Telecare, other than one individual who pays privately. This will need to change if the Carelink and Telecare service is to attract 5000-6000 users and operate as a sustainable business model in the long term.
- i) It is clear that the Department of Social Care is keen to increase the number of people benefiting from Carelink and Telecare but in order to do so the way in which the service is financed through income generation, grant subsidy and external funding needs to be finely balanced to achieve a break even position. It is imperative that the optimum charge for the provision of the Carelink service and Telecare be established, in consultation with both strategic finance and service users, in order to secure the future of the service.
- j) It is the Panel's view that the feasibility of introducing a one tier charging structure for either the Carelink service or Telecare irrespective of the equipment that the individual

needs and the level of response required should be explored, against the merits of introducing a three tier charging structure. The Panel believes that if a single affordable charge was introduced that is easily understood and clearly communicated by everyone working within Social Care and the NHS within Middlesbrough, as well as by the Voluntary and Community Sector, there would no doubt be a significant increase in the level of take up of both services. Particularly if an effective advertising campaign promoting the benefits of Carelink and Telecare was also developed. Proportionally the majority of people in receipt of Telecare nationally are weighted heavily in favour of the basic package (lifeline and pendant) and this would remain the case in Middlesbrough even if the numbers were increased substantially.

- k) Throughout the course of the review everyone the Panel has contacted has been extremely positive about the benefits that can be achieved through the provision of both basic and enhanced Telecare packages. Despite this it would appear that it takes a certain degree of what Sunderland have deemed 'a leap of faith' to invest in the provision of a lifeline / pendant service and Telecare, and that to reap the benefits the Council would need to be 'bold and brave' to increase investment. The department would also need to ensure that Telecare is not considered as a separate service. Based on the evidence received it is apparent that in Middlesbrough Telecare has yet to be mainstreamed.
- l) The Panel is acutely aware of the financial challenges facing the local authority both as a direct result of the announcements made within the Comprehensive Spending Review, as well as the ever-increasing costs associated with rising demographic pressures. The Panel is mindful that putting forward the case for increasing investment in Carelink and Telecare at this time may well be regarded as aspirational. The Panel is unable to present a case that demonstrates that increased investment in Carelink and Telecare will generate guaranteed savings of 1.5 per cent of the Council's annual spend on residential and home care, which in 2009/10 would have equated to £300,000. What is clear, however, is that authorities that have invested mainstream funding in the delivery of a Carelink and Telecare service, as part of a preventative Telecare model are reporting financial savings, as well as high levels of satisfaction from both service users and their families.
- m) Nationally the Whole Systems Demonstrator Programme is collating evidence on the financial savings that can be achieved through investment in Telecare and Telehealth and their report is due later this year. Sunderland City Council has advised, however, that if you're looking for that last iota of evidence you'll be looking for something that doesn't exist. Owing to Sunderland City Council's significant investment in a preventative Telecare model the PCT in Sunderland has recognised the benefits and are exploring ways in which they can work with the local authority to help provide the necessary resources. Middlesbrough would also need to attract further investment from health to help develop the service.
- n) Another key issue, which has been highlighted in a number of documents and raised by the Care Quality Commission, is the lack of extra care provision within the town. Given the current economic climate and significant levels of capital investment that is needed to develop an extra care scheme it is unlikely that Middlesbrough will be in a position to develop further provision in the short to medium term period. Given the potential of the Carelink service and Telecare to help support people to live independently, when coupled with other packages of support, investment in the service could help contribute to what the officers from Sunderland City Council referred to as a "virtual care village" within the town.

- o) Telehealth is still in its infancy in terms of development but the Panel shares the view expressed by the Assistant Director of Service Reform for the PCT that a single vision for the Tees Valley for the development of the Tees telehealth projects would be beneficial.
- p) Finally, the Panel acknowledges that as indicated by a research fellow at the Kings Fund it is likely that sustaining innovation in home based telehealth and telecare services may prove problematic in the face of financial realities. In an article entitled, 'Will telecare and telehealth thrive or perish in a cold financial climate' the research fellow states, "of course, this represents a curious paradox as it will be through schemes such as telehealth and telecare that the necessary strategic objective of developing care support strategies within the home environment has the most potential."¹ The Panel is of the view that having reviewed the evidence Telecare should be supported to thrive in Middlesbrough, rather than perish, even in this cold financial climate.

RECOMMENDATIONS

- 8. That the Social Care and Adult Services Scrutiny Panel recommends to the Executive:
 - a) The Panel recommends that an updated vision for the service be developed, which contains a clear trajectory detailing the scale and scope of what the Council is aiming to achieve through the provision of Carelink and Telecare in Middlesbrough. The strategy should also detail how the Council can ensure that those people who could benefit from Telecare, particularly as part of a preventative approach, can access the service and pay for it privately and how the service will be financed over the next 3 year period.
 - b) It has been stated that despite the importance of developing an evidence base to inform decision-making, the future reality is that the development and survival of local telehealth and Telecare innovations will rely as much on local 'champions' (such as medical directors and councillors who have the power to earmark commissioning resources). The Panel recommends that the Executive Member for Social Care and Executive Member for Public Health and Sport champion and promote the development of Telecare in Middlesbrough within both the local authority and the health sector, with a view to increasing the current level of financial investment in Telecare by both bodies.
 - c) To enable more people to benefit from Carelink and Telecare the cost of the service must be affordable. The Panel recommends that a joint piece of work be undertaken between the Department of Social Care and Strategic Finance to establish the optimum pricing strategy for increasing take up of the Carelink service and Telecare by an additional 1500-2000 service users over the next 2/3 year period, whilst ensuring the service is delivered cost effectively. The merits of introducing a single tier pricing structure versus a stepped pricing structure to also be explored.
 - d) Following agreement on the new pricing structure the Panel recommends that a marketing campaign be developed and promoted within the town. Investment will need to be made in the campaign to generate an income return and marketing expertise within the Council will need to be maximised to develop the campaign. A targeted

¹ Will telehealth and telecare thrive or perish in a cold financial climate, Journal of Care Services Management, January 2009

campaign that promotes the benefits of Carelink/Telecare to those with low and medium level needs will be an important aspect and the Love Middlesbrough branding could be used to promote a 'Love Life', 'Love Independence', 'Love Carelink/Telecare' campaign. Within the marketing and promotion campaign renewed efforts to also be undertaken to increase the public's general awareness of the facilities on offer at the Independent Living Centre.

- e) The Panel recommends that the Social Care department seek to secure continuing investment from the PCT and that the PCT supports the Council in developing a preventative model of Telecare. The Panel is mindful of the joint work undertaken in Sunderland between the Council and the PCT to develop a bespoke training programme for Health and Social Care Assistants, who are trained to NVQ Level 3 standard, and provide the response service for Telecare. The Panel recommends that the Council and PCT invest in developing a similar training programme in Middlesbrough.

**COUNCILLOR PETER PURVIS
CHAIR OF THE SOCIAL CARE AND ADULT SERVICES SCRUTINY PANEL**