Item 6

JOINT REPORT OF CHIEF EXECUTIVE OFFICER AND DIRECTOR OF NEIGHBOURHOOD SERVICES

COMMUNITY SAFETY PORTFOLIO

NEIGHBOURHOOD SERVICES: CCTV AND COMMUNITY ALARM CONTROL ROOM.

1.   SUMMARY

1.1   The Carelink community alarm and the CCTV functions were brought together in 1999 under a common management structure within a joint control room facility. The facility itself is arguably the best within local authority community alarm / CCTV control rooms in County Durham, operational staff are trained in both disciplines and the quality of service has been recognised by further expansion and accreditation such as ASAP Part 1. (Association of Community Alarm Providers)

1.2   Over this period, funding for the community alarms service has changed radically with the introduction of the Supporting People regime. Both services have continued to expand and are positively looking to further expansion, improved efficiency and increased capacity.

1.3   Commissioning arrangements regarding the community alarm service are such that the Carelink Service and in a sense the Council is a service provider. Community Alarm Services are commissioned by the County Durham Supporting People Partnership. Although existing contracts for community alarms are with local authority providers a current review of community alarm services by the Partnership is likely to result in radical changes to commissioning arrangements and the financial structure of those contracts. It is therefore timely that the Council considers its position in relation to being a provider of community alarm services. Previous investment in infrastructure and service standards has placed the Carelink service well, however, the future of this service area is not without risk and any further expansion in this area will need to be underpinned by financial arrangements which would mitigate against significant costs falling on the General Fund in the event of a situation arising, such as the loss of the Supporting People Contract for community alarms which could render the service financial unviable.

1.4   Additionally, although integration of the community alarms and CCTV services has proved successful it is questionable whether such an arrangement is the best and most sustainable option in the longer term, given the step changes explained in this report which are facing each of these service areas to meet changing and developing markets.

1.5   This report concludes that the Council maintains its commitment to the provision of community alarm services and proposes a process by which both services may be expanded and depending upon the scale of increased capacity may ultimately be separated and suggests staffing changes to facilitate this course of action.

2.   RECOMMENDATIONS

2.1   That the Council adopt Option 1 and enter into a 3 year agreement with Tunstall to operate a Hosted Services Technology Management System at a gross annual cost of £45,000 with a net cost, after savings, of £18,000 in year 1.

2.2   That the principles set out in the report regarding funding, expansion, development and management of the community alarm and CCTV service be agreed.

2.3   That in accordance with authority delegated to the Chief Executive Officer, the post of Neighbourhood Service Manager (POH) be re-designated Business Manager and the posts of Community Safety Manager and Carelink Services Manager be regraded from POC to POF.

3.   INTRODUCTION

Carelink Community Alarm Service.

3.1   The Council aims to promote both a Healthy Borough and a Borough with Strong and Safe Neighbourhoods. Carelink Services provide support to vulnerable people in their homes and can as part of a package of measures prevent admission to hospital or residential care or facilitate early discharge from hospital back into the community. The service is made up of Community Alarms and Warden Services. For the most part these services are funded via Supporting People Grant.

3.2   The Sedgefield Borough Community Alarm Service which is currently the largest community alarm provider in the county with some 7,500 connections is commissioned by the Supporting People Partnership for County Durham. In addition to income from SP for clients within the Borough, the service has been expanded to take on SP services on behalf of another local authority area as well as securing business from the private sector. Prior to the introduction of the Supporting People regime the Council invested in the Community Alarm infrastructure to upgrade computer hardware and move to a substantially dispersed system of alarm devices. This investment has provided the service with a sound base from which to develop and expand service provision.

3.3   The Supporting People Partnership faces further significant cuts in SP Grant in 2005/06. Following a national 2.5% cut in 2004/05, a further 4.5% national cut has been notified for 2005/06 together with a 20% cut in SP Administration Grant. Additionally, given that SP allocations make no provision for growth or inflation, funding for new SP initiatives must be found from savings within the county SP pot. Consequently, a review process has commenced focusing initially on SP services which currently have the highest call on the budget,

one of which is the community alarm service. The Partnership has commissioned an independent review of community alarm provision in the County. The review is currently underway, however, initial findings suggest radical changes in the way community alarm services are commissioned and provided.

3.4   In order to meet these challenges, the Carelink Community Alarm Service continues to seek to increase capacity, which reduces costs, improve service standards, by achieving compliance for example with ASAP Part 1 accreditation and by developing opportunities within new markets, both private sector and other public sectors such as social care and health.

3.5   The role of the Council as a service provider for community alarms via the Carelink Service has changed since the introduction of Supporting People. We are now service providers as funding for our services is met in the most part by Supporting People Grant under contracts let by the County Durham Supporting People Partnership. Reference has already been made to cuts in grant planned for 2005/06 following cuts for 2004/05 and the radical change in commissioning arrangements which is likely to arise in the short to medium term following a review of community alarm services in County Durham. Being a provider of community alarm services is therefore not without risk. The challenge for community alarm providers is to rationalise the number of providers. This will mean some will leave the market whilst other must gear up to expand. The Sedgefield Borough Carelink Service has an excellent reputation locally, regionally and nationally; most importantly with our service users. However, the Council should consider the risk associated with the future of such services and given a commitment to continue with the service and strengthen our market position, put in place financial arrangements which would mitigate against significant costs falling on the General Fund in the event of a situation arising, such as the loss of the Supporting People Contract for community alarms which could render the service financial unviable. This will be particularly important should LSVT take place.

3.6   The challenge now facing the Borough as a community alarm service provider is to make a further significant step change in order to provide a platform for improved flexibility, competitiveness, service diversity and increased capacity by extending our partnership arrangements with Tunstall to include 'Hosted Services'. This would have benefits in terms of opportunities to reduce service costs, linked to increasing capacity, set a new service standard and offer new service opportunities within the region and certainly within County Durham ahead of any decision of the County Durham Supporting People Partnership to reduce the number of community alarm providers / control room facilities in the County.

3.7   Under a Hosted Services arrangement, based on a 3 year agreement, Tunstall would provide and manage the technology necessary to receive and process calls from individual Carelink alarm units and then deliver the call, together with the associated data on the nature of the call, client details etc to our own monitoring centre. Under this arrangement Sedgefield Carelink could determine periods within which monitoring on behalf of the Borough and its partners might be undertaken by Carelink or alternatively, by Tunstall on our behalf. Hosting would offer the Borough increased flexibility in the most cost effective ways of operating a 24 hour service and in offering the opportunity to

existing and new partner organisations, such as other local authorities, housing associations etc and would reduce costs as capacity increased. Under a hosting arrangement, partner providers could have calls monitored exclusively by Carelink for pre-determined periods. The new arrangement would also allow the Borough to re-route all calls to Tunstall Response if and when appropriate. This arrangement would offer the Council and its partners complete flexibility within a more secure technological environment.

3.8   Hosting would offer the Borough access to the latest technology, in a secure environment, without the need for the Borough to invest in purchasing and accommodating such technology and associated infrastructure and would also provide flexible options in terms of service continuity. Hosting would reduce the amount of computer hardware / software Carelink would require on site and consequently remove the requirement for an annual maintenance agreement for such equipment. As part of a hosting arrangement Tunstall would also provide database management and back-up.

3.9   Given the market changes facing community alarms, if Carelink is to exist it must expand. Remaining as we are will not give us the increased capacity to reduce costs, consequently we will lose business to competitors from both within and outside of County Durham.

3.10   Success of course brings its own challenges. If we can grow the service, then ultimately, the future of the community alarm service may be best served by it being established as a stand alone unit, separate from CCTV, in order that the service may focus on community alarms as its core business. Consequently, Hosting could provide the platform for building capacity within the service which could lead to that separation of community alarms and CCTV services in the medium term.

The CCTV Service

3.11   The Council aims to promote a Borough with Strong and Safe Neighbourhoods. The CCTV service makes a significant contribution to this aim within the context of both the Boroughwide Crime & Disorder Reduction Strategic Partnership and the Council's corporate approach to Community Safety with the emerging SBC Community Safety Strategy having a particular focus on issues such as fear of crime and anti social behaviour.

3.12   The Council has undertaken to complete a review of its CCTV service by December 2004. Additional cameras continue to be added to the network in response to demand. The Council has invested in digital technology to both improve the service and make data analysis/review more efficient. Additionally, new maintenance contracts for CCTV equipment have been agreed which will produce cost savings. Early indications within the context of a service review suggest that scope exists for further expansion of the service, both in terms of fixed cameras and mobile facilities and that any such expansion could be developed in accordance with a fully developed business plan which could clearly demonstrate support for the proposal. Given such support for further expansion of the service other factors would need to be considered, such as:-

- Meeting the expanding accommodation requirements of the CCTV service.

- the development of criteria to establish the circumstances under which fixed CCTV cameras are seen as the most appropriate solution.
- Review of monitoring costs.
- Extension of mobile facilities
- The development of a sustainable strategy which includes private sector market opportunities and future technological opportunities.

Ancillary Service Provision

3.13 In terms of setting out the future of the community alarm / CCTV control Room consideration must also be given to how arrangements will affect a range of other services currently supported from the control room, such as, out of hours emergency repairs, SHARP, out of hours homelessness, emergency planning etc.

Managing The Process

3.14 The proposals within this report will provide a platform for development of both the community alarms and CCTV services. This platform can be established within a short time period subject to the purchase of Hosted Technology from Tunstall.

3.15 Once the platform is established however, success will depend upon marketing, service development and service reengineering. This will be a process and cannot be achieved simply by purchasing the Hosting platform. Combining the former community alarm and CCTV control rooms took some 2 years to achieve against a background of fixed internal markets. The challenge now facing both services is to re-engineer against a background of changing external markets. It is therefore important that change is driven forward and this will involve the application of new skills and approaches at a senior level within the Neighbourhood Services Division.

3.16 Within the Division, the post of Neighbourhood Services Manager, responsible for both Carelink and Community Safety Services is vacant. It is proposed that this post be re-designated Neighbourhood Services Business Manager POH with a clear emphasis initially on driving forward the desired changes as set out in this report and thereafter ensuring the services continue to respond to new and changing business opportunities. Community Alarms and CCTV Services are already big business for the Council however their future depends upon increased capacity. The role of the Business Manager will be to ensure the existing business is on a firm financial footing and then look to existing and new markets for expansion and even diversification. This role will require skills and experience more akin to those of the private sector than local government. Over an initial three year period we would expect the post holder to work within the existing management structure to facilitate service re-engineering which will put both community alarms and CCTV on a firmer financial and service quality footing and to achieve business growth in excess of 100% for community alarms and 25% for CCTV.

3.17 It is accepted that the reconfiguration of this role will place additional operational management responsibilities upon both the Community Safety Manager and the Carelink Services Manager.

3.18   Implementing the operational outcomes of the review of CCTV including the extension of the existing mobile CCTV service and the development of the Neighbourhood Warden Service and the Streetsafe initiative will bring additional responsibilities to the post of Community Safety Manager.

3.19   In terms of the Carelink Services Manager, management responsibility for the community alarm aspect of the control room has reverted to him from the Community Safety Manager and additionally the post holder will be responsible for all shift and rostering issues pertaining to the control room.

3.20   It is suggested that both posts should be regraded from POC to POF to take account of the respective increased levels of responsibility.

4.   RESOURCE IMPLICATIONS

4.1   In terms of revenue costs, our target for both community alarms and the warden service is to operate within a combination of SP Grant and income from other private sector users, public sector partners and development of new markets.

4.2   The Council faces the challenge of a significant cut in Supporting People Grant either in straight percentage terms or in a reduction in unit charges Supporting People are prepared to pay for community alarm and warden services. Other Local Authority providers face the same challenges. The hosted services option gives us a basis upon which to generate the significant increases in capacity required to meet these challenges. It is possible that some Local Authority providers will not be able to function with further cuts in grant or SP Grant income at a reduced unit cost level. With hosted services we can target that business. Some Local Authority Providers may take the view that they are prepared to subsidise their community alarm service in order to retain it. If they have the financial wherewithal to do that then their service may be secure in the short term. They will however sooner or later face issues of equipment replacement costs and scrutiny via their CPA processes as to their approach to procurement and expectations on public services arising from the Gershon Review. The hosted services option will provide a platform for discussions with other providers around opportunities to increase capacity and thereby reduce costs within the Carelink Community Alarm Service to the mutual benefit of Carelink, the Supporting People Partnership and partner organisations. Costs can only be reduced significantly if capacity is increased significantly. We are currently in discussions with 3 local authority providers with a combined capacity of 11,500 connections. Establishing a partnership arrangement with any one of these potential partners will strengthen our position strategically and give us the capacity to generate significant levels of cost saving.

4.3   Currently, the combined community alarm / CCTV control room costs some £597,000 per annum, excluding income. A number of options have been considered in terms of moving forward.

<u>Option 1</u>

4.4   To retain a combined control room, maintain 24 hour services for community alarms and CCTV from our own centre and commission the hosted services platform would cost an additional £18,000 in year 1 and £8,000 in subsequent years. This is made up of £45,000 pa for hosted technology plus £10,000 to meet additional ancillary IT requirements, less £37,000 pa saving on the Tunstall Maintenance Agreement given that we would no longer require our own PNC4 unit. Although from a capital perspective PNC4 will have no significant residual value in terms of Tunstall taking the unit back, they have agreed to waive a £10,000 set up cost associated with Hosted services. This option would give us the hosted technology as a basis for further developing the business with potential for Sedgefield being a regional hub for community alarm services, in partnership with and supported by the Tunstall hosted service.

4.5   As the number of connections managed by Carelink increases, so the technology management charge from Tunstall per unit decreases. For example, the current capacity is 7,500 connections hence the Tunstall technology management charge will be £45,000 or £6.00 per connection, per annum. 12,000 connections reduces the unit cost to £5.28, 16,000 connections to £4.22 etc. In addition to the reduction in charges for technology management the increased connections attract additional income from partner organisations for monitoring full time or during selected periods such as evenings or week-ends. In this way, generating additional connections further enhances our efficiency and competitiveness.

4.6   No increased accommodation costs would be associated with option 1, however, as service expansion is required this could be accommodated in the medium term by extending the control room into what is currently office accommodation. Provision is made for such an eventuality within the Medium Term Financial Plan.

4.7   In terms of CCTV, there are no immediate additional revenue costs. The review of CCTV services will establish a framework for the further development of the service, provision for which is included within the Medium Term Financial Plan.

4.8   Under this option ancillary out of hours services provided from the control room would be unaffected.

<u>Option 2</u>

4.9   To retain a combined control room, commission the hosted services platform from Tunstall and transfer out of hours and week-end call traffic to Tunstall Response would cost an additional £53,000 per annum (£123,000 for Tunstall costs less £70,000 SBC staff savings)

4.10   No increased accommodation costs would be associated with option 2, however, as service expansion is required this can be accommodated in the medium term by extending both sides of the control room into existing office accommodation. Provision is made for such an eventuality within the Medium Term Financial Plan.

4.11 In terms of CCTV, there are no immediate additional revenue costs. The review of CCTV services will establish a framework for the further development of the service, provision for which is included within the Medium Term Financial Plan.

4.12 Under this option ancillary out of hours services provided from the control room would be unaffected.

Option 3

4.13 To establish the two services as separate entities in separate accommodation, commission the hosted services platform from Tunstall and transfer out of hours and week-end call traffic to Tunstall would cost an additional £245,000 per annum plus accommodation and ancillary costs.

4.14 Under this option ancillary out of hours services currently provided by the control room would be affected and alternative arrangements which could reduce income from these services would need to be put in place.

4.15 Whilst all three options provide the flexability to enable us to generate income the costs associated with options 2 and 3 are prohibitive. Option 1 gives us the potential to trade competitively and to recover the associated marginal cost increase.

4.16 All of the 3 options would require the focus on business expansion and development outlined above. The proposal to introduce a post of Business Manager will assist with the process of change however there will also be increased responsibility for the Community Safety Manager and the Carelink Services Manager which have previously been referred to. It is therefore proposed to re-grade the posts of Community Safety Manager and Carelink Services Manager to POF. This would cost an additional £2,500 in 2005/06.

5. CONSULTATION

5.1 Extensive consultation has been undertaken on both a Borough-wide and Countywide basis regarding community alarm services. Consultation was undertaken as part of the independent investigation of the Council Community Safety Service which recommended a review of the CCTV Service. Workforce planning options regarding the future shape of community alarm and CCTV services will be subject consultation with staff.

6. OTHER MATERIAL CONSIDERATIONS

6.1 Hosted services technology is unique to Tunstall. Consequently, commissioning this service directly from Tunstall is in accordance with Procedure Rule 6 of Part 4 – Rules of Procedure (G) of the Councils Constitution.

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Ward(s)   All

Background Papers

1. **Strategic Review of Community Alarm Services – interim Report 2004**
2. **Supporting People Strategy.**

Examination by Statutory Officers

		Yes	Not Applicable
1.	The report has been examined by the Councils Head of the Paid Service or his representative	☑	☐
2.	The content has been examined by the Councils S.151 Officer or his representative	☑	☐
3.	The content has been examined by the Council's Monitoring Officer or his representative	☑	☐
4.	The report has been approved by Management Team	☑	☐

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