



Cabinet report

Date **10 NOVEMBER 2022**

Title **WIGHTCARE OPTIONS REVIEW**

Report of **CABINET MEMBER FOR ADULT SOCIAL CARE AND PUBLIC HEALTH**

EXECUTIVE SUMMARY

1. This paper sets out options for the future delivery of the Wightcare service. Wightcare is a discretionary service which provides a high quality, 24-hour, 365-day emergency support service to approximately 2,100 vulnerable island residents. The service enables clients to maintain their independence in their own home by enabling them to receive support, from qualified and experienced staff, in an emergency. In addition, it also operates several other functions including the Isle of Wight Councils out-of-hours service.
2. It was agreed at Cabinet on 12 May 2022, that a paper would be brought to Cabinet to review the business model options of Wightcare following a review of the service with a formal options analysis and to provide a recommended way forward for the service that is financially viable.
3. Wightcare is unique on the island in that it is the only island-based service that installs and maintains equipment, monitors calls 24/7 and provides a mobile response team that will visit the person when an emergency call is received. The Wightcare service provides a range of chargeable services for Island residents as well as completing a number of corporate functions, including the provision of the out of hours service and the lone worker system.
4. Further details are available in Appendix 1.

RECOMMENDATION

- | |
|---|
| <ol style="list-style-type: none">5. That Cabinet agree:<ul style="list-style-type: none">- To retain the Wightcare service in-house and develop two-year cost recovery model from April 2023 to achieve financial breakeven, reducing dependency on public funds and stabilising the service for the future under statutory charging guidance. This recommendation is supported by an independent review of the service by the industry body, the TSA. |
|---|

BACKGROUND

6. Wightcare supports people to live independently at home. Wightcare is unique on the island in that it is the only service operating on the Island that install, maintains equipment, monitors calls 24/7 and provides a mobile response team. Other organisations provide remote monitoring (e.g., to contact a relative or carer by phone) but do not have a team who can respond immediately in an emergency should an urgent response be required.
7. The Wightcare service was launched more than 35 years ago and is an important service that prevents deployment of ambulances, hospital admission and admission to residential care in urgent and emergency situations, in addition to reducing social care packages.
8. Wightcare provides several statutory functions for the Council such as providing an out of hours call handling service for critical services, including adult social care, and administers and maintains the Councils' lone working system. In addition, the service supports the wider Health & Social Care system by providing a free Carers Alert Scheme and a Home from Hospital service whereby the Wightcare service is available free of charge to individuals leaving hospital to expediate their discharge. These additional services are not currently funded, the cost of which is met by Adult Social Care and its clients.
9. Although Cabinet considered and agreed a fee increase on the 12th May 2022, the first since 2018, officers had also initiated an independent review of the Wightcare service and commissioned the Telecare Services Authority (TSA) to support the council in reviewing the current service provision and to explore opportunities for future delivery and growth based around their knowledge of the industry and other services nationally.
10. TSA is the recognised industry standards body driving standards and provide accreditation to services who meet those standards. The independent review supported part of the broader deep dive review of the service to explore both opportunities for growth and market penetration, and to inform an appraisal of the service business model.
11. Wightcare has been accredited by the TSA against its quality standards framework since 2018.
12. Wightcare supports over 2,100 vulnerable Island residents, most of these individuals fund the service themselves with 6.75% of clients funded directly by Adult Social Care. In addition, Wightcare is contracted by 6 housing providers to provide equipment and/or a mobile response service to their residents across the Island.

CORPORATE PRIORITIES AND STRATEGIC CONTEXT

Responding to climate change and enhancing the biosphere

13. The recommendation itself will have no impact on the Councils' climate change agenda, however, consideration will need to be made when crafting the two-year development plan as this may have an impact on emissions should additional

vehicles be needed etc, although a move to electric vehicles would be the preferred option.

14. The deployment of Technology Enabled Care can reduce the number of visits needed for individuals as part of their assessed care need, this will reduce carbon emissions from visiting care staff.
15. The Wightcare service continues to recycle equipment to reduce costs and carbon footprint.
16. With regard to supporting the biosphere, the Wightcare service supports one of the sustainable development global goals of the United Nations to “ensure healthy lives and promote well-being for all at all ages”.

Economic Recovery and Reducing Poverty

17. The recommendation of this report will have no direct impact on this area of activity.

Impact on Young People and Future Generations

18. This review of Wightcare services and options contained within this report has aimed to ensure the viability of Wightcare for both the here and now but also future generations. This will seek to avoid a negative impact on our community for both young and other carers by making sure the service is maintained to aid and support their loved ones needs and continue to provide peace of mind. The options do not include a disbanding of the service as this review recognises the positive support that Wightcare Services can and does provide to residents today but also to those in the future

Corporate Aims

19. The Alliance Administration intends to proactively seek new streams of income that it can reinvest in services for the community by acting in a more commercial focused manner. It has set out the need for the council to be financially balanced and sustainable and this review has sought to understand the opportunities available to approaching a service redesign and reducing costs for the Wightcare service, while maximising the value and provisions offered to its residents.
20. The council’s commercial strategy is underpinned by a framework that seeks to embed principles of commercial and entrepreneurial thinking based on four themes:
 - (1) Community Focused – generating outcomes that benefit our communities for generations to come
 - (2) Learning organisation – to be more entrepreneurial and promoting developing new ideas which are robustly informed through analysis and lessons learned
 - (3) Team effort – championing the ability to think innovatively to benefit the organisation and our wider communities
 - (4) Financial stability – underpin and give confidence in our ability to take measured risk to maintain our financial stability.

Commercial focus is more than making a profit, it includes continually improving efficiency of service delivery by reducing costs and capitalising on new technologies

to do things in different ways; and considering the whole life cost of policy decisions and benefits realisation.

21. The Adult Social Care and Housing Need Care Close to Home Strategy 2022 – 2025 states its vision is for “People to live independent, safe and healthy lives in a place they call home where they feel safe and part of their community providing the right care for people in the right environment”. Keys 1a and 2b specifically relate to providing support in the individuals home, Wightcare directly supports these two strategic aims by providing equipment, technology and a Responder service enabling individuals to live at home safely.
22. The Health and Wellbeing Board at its July 2022 meeting received and approved both the Island’s Health and Wellbeing Strategy 2022 to 2027 and the Health& Care Plan 2022 to 2025. Both are closely aligned, which ties together the quest to improve health inequalities and health and care outcomes on the Island.
23. The Cabinet paper of the 12th May 2022 identified a need to undertake a review of Wightcare to ensure a sustainable service operating with zero subsidy may be achieved.
24. This broader options review has sought to analyse and test the Wightcare service budget costs and income to make the service more financially sustainable and remove subsidy going forward.

CONSULTATION

25. Subject to approval of the recommendation and the progress of the two-year development plan, further consultation will take place with staff, customers, and stakeholders, before embarking on any changed activities and will follow due process.

SCRUTINY COMMITTEE

26. This paper will be presented to the Scrutiny Committee on 8 November 2022.

FINANCIAL / BUDGET IMPLICATIONS

27. Following a deep dive review of all costs associated with the delivery of the Wightcare service, it has been identified that the service costs £1.572m per year. For the 2022/2023 financial year the Adult Social Care revenue budget is expected to subsidise Wightcare by £549,603.
28. Refer to appendix 4 for further breakdown on finances
29. It is important to note that the Wightcare service carries out several additional functions for the Council (see point 8 above), which are not fully recharged or reflected in the budget position outlined in appendix 4. These include the management of the Council’s Lone Working system, the Out of Hours telephony support and the Carers Alert Scheme. Services such as Carers Alert Scheme and Home from Hospital are functions undertaken by Wightcare and as such form part of their overall costs which are not passed back to Adult Social Care

30. The use of Wightcare in the community has reduced the reliance on the limited home care and residential resources available on the Island, the cost of those service users needing increased support hasn't been calculated, however is a factor which should be taken into consideration should the service model change.
31. Should Wightcare no longer provide the out of hours service on behalf of the Council, there would be a minimum staffing cost to IWC of £85,000 per annum, plus additional costs to cover annual leave, sickness as well as the shift and night-time working allowances would need to be factored in.
32. In order to 'break even', a 53.8% increase in either client numbers or client charges would need to be achieved to close the subsidy gap of £549,603. There is a risk that this level of additional clients would incur additional staffing costs to maintain a safe service, and an increase in client charges would impact on the competitiveness of the service and we could see people leave the service.

LEGAL IMPLICATIONS

33. The council has the power to charge for discretionary services under section 93 of the Local Government Act 2003 (LGA 2003). Discretionary services are limited only to the services authorised by statute that council provides voluntarily (section 93(1)(a), LGA 2003).
34. The power to charge exists only where the recipient of the service has agreed to its provision (section 93(1), LGA 2003) (the Local Government Act Power to Charge).
35. Local authorities are under a general duty, pursuant to section 93(3), LGA 2003, to secure that, from one financial year to the next, the income from charges for services does not exceed the costs of provision.
36. A local authority should offset any surplus or deficit in income because of any over or under recovery of charges when setting future charges for the discretionary service. This ensures that over time the income generated by the discretionary service equates to the cost of providing the service (paragraphs 15-17, ODPM Guidance).
37. The council can set the level of charge for each discretionary service if the income from charges for each kind of service does not exceed the costs of its provision (section 93(5), LGA 2003).
38. The completion of a data protection impact assessment (DPIA) will assist officers in clarifying what information is needed to facilitate any changes in process and consider the legal basis and security arrangements at the outset. The process will also help the Council to identify, assess and mitigate or minimise privacy risks with data processing activities. They are particularly relevant when a new data processing process, system or technology is being introduced.
39. A DPIA will be considered and completed alongside the detailed development plan and forwarded to the Councils Corporate Information Unit for review.
40. The recommendation of this paper meets the above legal advice providing the recharges for the Wightcare service do not exceed its operating costs.

EQUALITY AND DIVERSITY

41. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
42. A full equality impact assessment will be carried out as part of the wider consultation exercise once the two-year development plan has been finalised. This will identify how the service promotes equality and diversity to ensure legal compliance and how the services we provide and the decisions that we make meet the needs of our local community.

PROPERTY IMPLICATIONS

43. Wightcare is currently located within the Seaclose offices, occupying the building 24/7. The service contributes to the running cost of the building through corporate overheads. The recommendation of this paper does not affect the current or future property needs of the service.

OPTIONS

44. Option 1 - Retain the Wightcare service in-house and develop two-year cost recovery model to achieve financial breakeven, reducing dependency on public funds and stabilising the service for the future under statutory charging guidance.
45. Option 2 – Outsource service to private sector, there are various models this could form, and further work will need to be completed to understand any implications and costs.
46. Option 3 – Create a Local Authority Trading Company under which Wightcare would trade commercially, further work will need to be completed to understand the costs and implications of this option.
47. The TSA report in Appendix 3, covers the benefits and disbenefits of each of the above options.

RISK MANAGEMENT

48. All options carry risk and an element of uncertainty, which may be influenced by several factors including:
 - (a) Limit to what a customer is prepared to pay for procuring a discretionary service
 - (b) Cost of Living and economic uncertainty influencing what services and support people can or are willing to pay for
 - (c) Financial stability of any service provision and whether can be a profitable service versus generating outcomes that continue to benefit our communities for generations to come by avoiding additional financial risk to statutory services

- (d) Reputational risk to the council and risk to wider health and care system on Island if new service/provider fails and returning service provision to the council
 - (e) Quality and accreditation standards not met
 - (f) Additional governance and contractual management needs
49. The recommendation of this paper to retain the Wightcare service in-house (option 1) involves the least risk as shown in appendix 5.
50. This seeks to limit risk exposure to the council by recognising both the need to explore recovery of costs of service provision, without undermining the outcomes that the Wightcare service provides in the broader context of being customer focused around our health and social care prevention agenda to ensure “people are able to live independent, safe and healthy lives in a place they call home where they feel safe and part of their community providing the right care for people in the right environment”, as set out in the Care Closer to Home strategy.

EVALUATION

51. It is the recommendation of this paper that the Wightcare service should remain in house, alongside the development of a robust development plan spanning two years, to enable the service to financially breakeven at the end of this period. This will ensure that the service can continue to support the Islands most vulnerable residents whilst minimising risk to the local authority.
52. The independent review commissioned by the Council and conducted by the TSA, supports the recommendation that the Wightcare service should remain in-house and build on the existing and well-established brand.
53. The retention of the Wightcare service within the Council, allows for greater control and response to meet emerging and current demands within the health & social care system on the Island. An in-house service will be able to respond quicker and more flexibly to changing dynamics and support wider outcomes within the Care Close to Home Strategy and Corporate Plan.

APPENDICES ATTACHED

Appendix 1 – Executive summary supplemental information

Appendix 2 – TSA report

Appendix 3 – Evaluation of delivery model options of Wightcare

Appendix 4 – Financial breakdown

Appendix 5 – Risk Management Analysis

Appendix 6 – Outline of two-year development plan

BACKGROUND PAPERS

- [Review of Wightcare fee model Cabinet Paper 12 May 2022](#)
- [Isle of Wight Council Commercial Strategy Cabinet Paper 12 May 2022](#)

Contact Point: Ian Lloyd, Service Manager, Adult Social Care and Housing Needs
☎ 821000 ext 8964 e-mail ian.lloyd@iow.gov.uk

LAURA GAUDION
*Director of Adult Social Care & Housing
Needs*

CLLR KARL LOVE
*Cabinet Members for Adult Social Care
and Public Health*