



CABINET – 5 FEBRUARY 2021

TECHNOLOGY ENABLED CARE

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES

PART A

Purpose of the Report

- 1 The purpose of this report is to set out the Business Case for transforming the Council's approach to the use of Technology Enabled Care (TEC) across adult social care services, and to seek approval for the procurement of a strategic technology partner to work with the Council.

Recommendations

- 2 It is recommended that:
 - a) The outcome of the diagnostic work undertaken by Hampshire County Council, detailed in Appendix A, be noted;
 - b) The Business Case, including options for commissioning a technology partner to deliver a transformed county-wide service for Technology Enabled Care, appended to this report as Appendix B, be noted;
 - c) That Option 2 for the procurement of a Technology Enabled Service, namely to commission this through a strategic partnership with Hampshire County Council as detailed in paragraphs 42 to 44 of this report be agreed;
 - d) The Director of Adults and Communities, following consultation with the Cabinet Lead Member for Adult Social Care, be authorised to make the appropriate arrangements to enter into a partnership with Hampshire County Council.

Reasons for Recommendation

- 3 The diagnostic analysis and subsequent Business Case indicates that financial benefits of between £2-5m are possible by the end of the 2025/26 financial year by increasing the numbers of service users being offered appropriate Technology Enabled Service (TEC) solutions to meet their outcomes and avoiding other commissioned care package costs with those service users. A saving at the lower end of the diagnostic findings has been assumed in the interests of prudence for the Business Case.

- 4 Hampshire County Council has a proven track record of maximising TEC across its services working with its partner PA/Argenti and offers a TEC partnership as part of its sold services offer.

Timetable for Decisions (including Scrutiny)

- 5 The Adults and Communities Overview and Scrutiny Committee received a report on 2 November 2020 regarding the results of diagnostic work exploring opportunities to use TEC across the adult social care pathway and to set out the proposed way forward. Its comments are set out in Part B of this report.
- 6 A report setting out the results of diagnostic work set out the proposed way forward is being presented to the Health and Wellbeing Board on 28 January 2021.

Policy Framework and Previous Decisions

- 7 In September 2020, the Cabinet approved the Adults and Communities 2020-24 “Delivering Wellbeing and Opportunity in Leicestershire” Strategy. The Strategy places a strong focus on the development of digital solutions in service provision.
- 8 The County Council Strategic Plan, “Working Together For The Benefit of Everyone”, aims to improve the opportunities and wellbeing of everyone through enabling people to be enabled take control of their health and wellbeing throughout their lives and to be as independent as possible but receive the right support, in the right place, at the right time when they need it.

Resource Implications

- 9 Additional contractual costs of approximately £393,000 per annum (rising to £473,000 in year five) are required alongside initial project costs of £100,000 and a £250,000 one-off mobilisation fee in year one. However, based on the diagnostic findings, benefits are expected to pay back the initial investment costs within the first year of implementation.
- 10 The Department will need to review the HR implications of implementing the Business Case and will consider all options associated with the current staffing levels.
- 11 Existing Improved Better Care Fund funding (IBCF) of £750,000 per annum will be utilised as part of the required investment.
- 12 The total investment requirement for the Council is expected to be £4.1m over five years, which includes anticipated contractual costs of £2.3m for the provision of a managed service, and internal staffing and other service costs of £1.8m to support the new service model.
- 13 The Business Case indicates that net financial benefits of a minimum of £2 million are possible by the end of the 2025/26 financial year period by

increasing the numbers of service users being offered appropriate TEC solutions to meet their outcomes and avoiding other commissioned care package costs with those service users.

- 14 The Director of Corporate Resources and the Director of Law and Governance have been consulted on the contents of this report.

Circulation under the Local Issues Alert Procedure

- 15 None.

Officers to Contact

Jon Wilson, Director of Adults and Communities
Adults and Communities Department
Telephone: 0116 305 7454
Email: jon.wilson@leics.gov.uk

Nigel Thomas, Assistant Director (Strategic Services)
Adults and Communities Department
Telephone: 0116 305 7379
Email: nigel.thomas@leics.gov.uk

PART B

Background

- 16 The Adults and Communities Strategy “Delivering Wellbeing and Opportunity“, recognises that technology enabled care is at the heart of improving individual outcomes, promoting people’s independence and meeting population health needs. Digital and technological solutions will increasingly be required to deliver more responsive, anticipatory and preventative services.
- 17 Personalised care services which truly place people at the centre of their care can be enabled through a digital approach to care and support, bringing together health care, social care and housing to give people more control of their lives and improve satisfaction with services.
- 18 Technology enabled care can transform the way people receive their care and support, but the technology itself is only a tool to meet the outcomes that people want to achieve. Technology should not be seen as a replacement for care, but rather as a means of care delivery set alongside other forms of care and support to provide a holistic response to meeting individual outcomes and population level needs.
- 19 Notwithstanding the development of personalisation, choice and control, the current delivery models of social care have not changed substantially in the last 30 years. By improving the digital and technological infrastructure in social care, some of the structural fragilities can begin to be addressed in care delivery such as sustainable funding, workforce shortages, information and advice and interoperability between health and care.
- 20 TEC is customer facing technology that can assist service users in achieving their outcomes, helping them to live independently for longer.
- 21 TEC may range from the use of off-the-shelf products like Amazon Echo-dots to remind people to complete daily tasks, to more sophisticated monitoring systems that can alert relatives and carers of specific service user activity in their homes, for example to enable them to respond to an incident.
- 22 The past five years has seen a rapid increase in the availability and sophistication of TEC in relation to health and social care. However, many local authorities maintain traditional methods of using TEC, often based around lifeline monitoring systems and do not offer holistic solutions at the heart of their care offer.

Leicestershire’s Offer

- 23 The Department’s Assistive Technology Team currently provides service users with stand-alone care adaptations (such as grab rails and bed raisers) and technology equipment (for example, calendar clocks, door and bed alarms). The Team also refer people to other agencies that can supply products such as GPS locators and other daily living aids.

- 24 A number of local district councils offer a lifeline pendant monitoring service, typically a wearable pendant or wristband with an emergency response available 24/7. However, the level of service varies across districts and two districts do not provide a service but signpost enquiries to the Housing Care information service.

Gaining Insight

- 25 To better understand the opportunities that care technology offers service users, the Department collected information on practice across a number of local authority services. Some authorities for example contracted with a specific supplier who supplied their own range of products, whilst others adopt more of a brokerage approach less aligned to one provider.
- 26 As part of this work, specific consideration was given to the approach of Hampshire County Council (HCC) which has a strong track record in pathfinding the use of TEC and placing it at the centre of its social care offer. Over several years its TEC approach has enabled it to reduce cost, deliver cashable savings, and improve outcomes for people.
- 27 The Department undertook a diagnostic exercise in partnership with HCC to assess and evaluate the current offer, identify whether there were opportunities to transform practices, and ascertain if there is a strong financial case for transformation.
- 28 As part of the diagnostic exercise, HCC, together with its TEC partner (PA/Argenti), undertook analysis of the findings from each of the following areas:
- Data associated with the care pathway and TEC offer;
 - Interviews with key Departmental staff and stakeholders;
 - A survey to better understand staff knowledge and awareness of TEC in their work, which received a total of 141 responses.

Diagnostic Report Summary

- 29 The diagnostic report is attached as Appendix A. In summary the findings are that:
- a) The current approach to care technology in Leicestershire is fragmented across an Assistive Technology Team and a diverse district offer which can lead to confusion for practitioners, service users, referrers and service users.
 - b) The assistive technology and local district council offer is limited when compared to a full end-to-end care technology service model.
 - c) There is appetite amongst practitioners within the Department for change, but there are some barriers in terms of knowledge and training.
 - d) The application of TEC solutions must be based around service user outcomes and not “TEC for TECs sake”.

- e) There are opportunities for avoiding cost through establishing an end-to-end TEC service model and cashable savings.
- 30 The report suggests that commitment and investment is required in a number of key areas to deliver the service model that will maximise the value of care technology across Leicestershire. The Council should:
- a) Develop a clear vision, strategy and Business Case for care technology in Leicestershire. This should make explicit the desired role of care technology across the health and care economy, service model design principles, benefits and the commitment to the required investment.
 - b) Develop clear commissioning intentions that set the direction for growth and achievement of desired outcomes.
 - c) Establish care technology as part of the first offer for adult social care, and in doing so, creating an equitable service designed around service user outcomes.
 - d) Develop a programme of cultural change and engagement that drives high quality referrals, better understanding of care technology amongst practitioners and better outcomes for service users.
 - e) Embed a quality assurance framework into the service model for care technology. This will ensure operational reporting feeds into continuous improvement, that service user feedback and equipment reviews are captured and acted upon.
 - f) Robustly measure the financial and non-financial benefits of care technology, using the benefits realisation approach, processes and systems put in place by the new service model.
 - g) Assign accountability for the management of the end-to-end care technology service to drive mainstreaming, integration, service development and improvement across value chain.
- 31 The changed approach would place TEC at the heart of an end-to-end service offer with a technology partner delivering strategic and technical expertise. The partner would broker appropriate TEC solutions based on service user outcomes, and horizon scan and advise on emerging TEC developments and their use in care such as robotics and artificial intelligence.
- 32 The new service would be a driver for cultural change and play a role in embedding care technology into the mainstream care offer.

Benefits

- 33 In analysing the potential benefits of the proposed approach, HCC set out a number of scenarios that show net benefits of between £2-5m. These are detailed in Appendix A and summarised below:
- Scenario 1: TEC supports 3,500 users at the end of year five and generates a cumulative net benefit of £5.4m, allowing for £2.8m of incremental care technology costs.

- Scenario 2: Reduced Growth - TEC supports 2,700 users at the end of year five and generates a cumulative net benefit of £4m (25% reduction in installs vs scenario 1).
- Scenario 3: Reduced Benefit - TEC supports 3,500 users at the end of year five and generates a cumulative net benefit of £3.3m (same number of installs as scenario 1, but 25% less TEC users generate benefits).
- Scenario 4: Reduced Growth AND Reduced Benefit - TEC supports 2,700 users at the end of year five and generates a cumulative net benefit of £2.5m (25% reduction in installs vs scenario 1 and 25% less TEC users generate benefits).

34 For the purposes of prudence, scenario 4 has been taken forward to inform options 2 and 3 of the Business Case.

Proposals and Options

- 35 The diagnostic report outlined three options for the Department to consider in delivering TEC in the future:
- a) Commission a county-wide transformation approach - establishing a county-wide service with the responsibility for driving TEC change.
 - b) Develop the existing Assistive Technology Service - commission support to develop the existing Assistive Technology Team in driving change.
 - c) Develop a hybrid model - commission the capability required to transform the new technology and have the responsibility for managing the Assistive Technology Team.
- 36 Based on the diagnostic report, the Department wishes to progress option a) which would establish a holistic end-to-end service. The Department has noted the importance and value of having specific expertise in this area to broker and deploy appropriate technology solutions in meeting service user outcomes and give the best opportunity to identify and deliver efficiencies and savings as set out in the diagnostic report.

Business Case

- 37 A detailed Business Case (Appendix B) has been developed using the outputs from the diagnostic, focussing on option a).
- 38 The Business Case considers the requirement for supporting organisational structures, likely incremental investment and staggering of TEC rollout to specific service user cohorts, and approaches to procurement of an external care TEC partner. The Business Case sets out three options for the procurement of the TEC service.

Option 1 Retain existing Assistive Technology offer

- 39 This proposes no changes to the current ways of working for the existing Assistive Technology Team or the Assistive Technology offer for adult social

care service users. It would retain existing arrangements and ownership of processes:

- Staffing structure to retain existing job roles;
- Referrals by Care Pathway staff to the Assistive Technology Service to follow existing process;
- Expectation of continued full funding of Assistive Technology Service and costs of staff through IBCF allocation (expected to be £755,000 for 2021/22).

- 40 The net service position for option 1 of zero cost (costs are balanced against IBCF allocation) has been used to measure potential Medium Term Financial Strategy (MTFS) savings or increased revenue costs for the other options under consideration. It has been assumed that IBCF funding will be available at the same level for any new service offer and will be used to fully or partially offset future service costs.
- 41 Option 1 is not considered to be sustainable because the way in which care technology is currently being delivered is not achieving the Council's objectives or ambition for the use of technology which are to improve people's wellbeing and to deliver the most efficient service.

Option 2 - Develop a TEC service, commissioned through strategic partnership with Hampshire County Council

- 42 This option proposes the development of a TEC service, which would be commissioned through a strategic partnership with HCC. HCC has an established procurement process with the County Council identified as a potential customer. The strategic partner would work alongside the Adult Social Care Pathway to establish care technology as part of the first offer for Adult Social Care, in doing so, creating an equitable service designed around service user outcomes. They would also help the Council to develop a programme of cultural change and engagement that drives high quality referrals, better understanding of care technology amongst practitioners and better outcomes for service users.
- 43 This option is recommended as it delivers the greatest net financial benefit to the Council of the options considered. Financial benefits of between £2-5m are possible by the end of the 2025/26 financial year, based on an increase in the number of service users offered TEC as part of care packages to 2,731 in 2025/26, and assuming a reduction in commissioned care package costs of two hours/week for 75% of those with TEC installed. For prudential reasons a figure of £2m is assumed for the MTFS. This will be reviewed at the end of year one.
- 44 This option is expected to deliver the lowest risk of all the options considered due to the additional support for implementation offered through HCC, which is a leader in the field and has the benefit of several years of experience in working with a strategic partner for the delivery of a care technology service.

Option 3 - Develop a TEC service, working with a strategic partner commissioned through an external market procurement exercise

- 45 This option proposes the development of a TEC service, which would be developed by externally commissioning a strategic partner to work alongside the Adult Social Care Pathway.
- 46 This is likely to be through an Open Tender procurement process and is expected to take at least six months. As in Option 2, the partner would work with the Council to establish care technology as part of the first offer for Adult Social Care, in doing so, creating an equitable service designed around service user outcomes. They would also help the Council to develop a programme of cultural change and engagement that drives high quality referrals, better understanding of care technology amongst practitioners and better outcomes for service users.
- 47 This Option is not recommended, as while it is expected to deliver net financial benefits to the Council, benefits are lower than option 2 because of the time taken to commission a strategic partner and expected slower implementation without the support of HCC. There is also likely to be a greater requirement for project and change management support for implementation. Significant additional legal work will need to be undertaken which may incur additional cost if, for capacity reasons, an external solicitor was appointed.

Finance and Investment

- 48 In order to deliver the recommended option, a project team costing £100,000 based on current effort estimates over the period to December 2021 will be required, which will be funded through existing salary budgets. This option would also include additional contractual costs of approximately £393,000 per annum (rising to £473,000 in year five) plus a £250,000 one-off mobilisation fee in year one, however based on the diagnostic findings, benefits are expected to pay back the initial investment costs within the first year of implementation.
- 49 The total investment requirement for the Council is expected to be £4.1m over five years, which includes anticipated contractual costs of £2.3m for the provision of a managed service, and internal staffing and other service costs of £1.8m to support the new service model.
- 50 The Business Case indicates that financial benefits of between £2-5m are possible largely through future cost avoidance by the end of the 2025/26 financial year period. For the purposes of prudence, a benefit of £2m is assumed. It is anticipated that the required investment will be sourced in part through IBCF funding of £750,000 per annum, and savings in the cost of care packages commissioned which will offset any additional investment costs.
- 51 Financial benefits achieved largely through cost avoidance are based on an increase in the number of service users offered TEC as part of care packages from 1,213 in 2019/20 to 2,731 in 2025/26, and assuming a reduction in commissioned care package costs of two hours per week for 75% of those with

TEC installed. This is based on the diagnostic findings using experience of similar TEC solutions being deployed in other local authority areas and is considered relatively conservative. However, there is a risk of reduced financial benefits should the number of service users or average benefit per user not be able to be achieved to the modelled trajectory included in the diagnostic, and regular monitoring and management of performance is expected to form a key part of the ongoing function of the internal team. For the Business Case a saving at the lower end of the diagnostic findings has been assumed in the interests of prudence.

Timescales

52 Below is a proposed timeline subject to the Cabinet's agreement to the recommended option:

Activity	Proposed Timeline (to be developed in conjunction with strategic partner)
Develop service specification	February to March 2021
Project Initiation – planning for transition from existing to new service	March to June 2021 in conjunction with strategic partner
Benefits realisation plans	To be developed as part of Project Initiation using diagnostic findings as a basis
Delivery – transition to and commencement of new service	July 2021 to March 2022

Comments of the Adults and Communities Overview and Scrutiny Committee

- 53 On 2 November 2020, the Adults and Communities Overview and Scrutiny Committee considered a report on the proposals. The Committee emphasised the need to ensure service users were capable in using the technology provided. Assurance was provided that the intended approach would be outcome focussed rather than equipment led.
- 54 Members recognised that committing to certain types of technology would be a risk due to continuous advancements being made in this area. It was expected that the option to commission a delivery partner would help keep pace with those advancements and also provide better flexibility with any future offers that might become available.
- 55 The Committee welcomed and supported the proposed way forward and asked that its views be reported to the Cabinet.

Conclusion

- 56 This approach presents a significant opportunity to expand the use of TEC to support people to continue to live independently, particularly by the development of a technology partner to ensure that TEC is deployed in meeting the outcomes of service users, their families and carers.

Equality and Human Rights Implications

- 57 An Equality and Human Rights Impact screening assessment was undertaken to assess the impact of this approach on the protected groups.
- 58 The screening document indicates that the proposals will not reduce care and will be based on individual assessments based on outcomes. If TEC appeared likely to have a negative impact on a protected group, it would not be installed, and an alternative package of care would be commissioned. It was not therefore considered necessary to undertake a full Equalities and Human Rights Impact Assessment.

Environmental Implications

- 59 The Environmental Implications tool has been used to consider the potential environmental implications of implementing the proposed approach to TEC. There are no negative environmental impacts anticipated as part of the implementation of this project.
- 60 It is possible that as a result of TEC installation, there may be a reduction in the number of calls required to a service user, which would in turn reduce the mileage from commissioned services (i.e. home care) and subsequent polluting emissions from the Local Transport Network. It is not, however, possible to quantify this impact as it is very dependent on individual service user needs and care commissioned. This project has assumed a saving of two hours of commissioned care for 75% of those service users receiving TEC as part of their package, but this may not directly correlate with the same reduction in the number of visits.

Partnership Working and Associated Issues

- 61 It is anticipated that the service will need to engage with a number of stakeholders including the NHS, the Health and Wellbeing Board, Public Health and local district councils to ensure that the approach aligns with related activity across their sectors.

Risk Assessment

- 62 A risk assessment has been carried out, which is included within the TEC Business Case. The key risks identified were:
- Current financial situation of the County Council does not allow an invest to save approach to be implemented straight away.
 - Inability to deliver MTFS savings target of £2m by 2024/25.
- 63 In order to address these risks, it is intended to reallocate IBCF funding for assistive technology which will offset part of the new service costs. The Business Case also sets out an invest to save approach with payback expected in year one, so savings are expected to offset costs within the 2021/22 financial

year. The current savings profile suggests that MTFS savings are likely to be met by following the recommended option.

Background Papers

Report to the Cabinet: 18 September 2020: Adults and Communities Department Strategy 2020-24 – Delivering Wellbeing and Opportunity in Leicestershire
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5997&Ver=4>

Report to the Adults and Communities Overview and Scrutiny Committee: 2 November 2020 – Technology Enabled Care (TEC) and minutes of that meeting
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=6171&Ver=4>

Appendices

Appendix A - Care Technology Diagnostic – 7 October 2020

Appendix B - Business Case