

Subsidised Alarm Service Sheltered / Independent Living Schemes

Housing Provider Engagement

1.0 Summary

Nottingham City Council is undertaking a commissioning review of subsidised alarm provision in sheltered / independent living housing provision. This report details the engagement which has been undertaken with the housing providers to understand the level and need for current provision, as well as the potential impact of the options being considered – which have also been the subject of citizen (resident) consultation.

2.0 Background

Nottingham City Council currently commissions the provision of a subsidised alarm service in sheltered accommodation. This costs £256,000 annually and enables a subsidised alarm in approx. 2,800 properties across 8 providers. The current alarm contracts (set up in 2012) were due to end on 31/3/18 but were extended to 31/3/19 to enable a commissioning review of provision to be undertaken.

The current housing providers are:-

Provider	Annual contract value	Number of schemes	Number of properties	Weekly subsidy per user
Nottingham City Homes	£176,574	55	1965	£1.73
ExtraCare Charitable Trust	£34,500	1	327	£2.03
Metropolitan Housing Trust	£13,088	4	144	£1.75
Mansfield Road Baptist Housing Association	£6,424	4	110	£1.12
Tun Tum Housing Association	£4,908	2	57	£1.66
Stonewater	£3,038	1	34	£1.72
English Churches (Riverside)	£2,805	1	43	£1.25
Places for People	£2,337	1	38	£1.18
Total	£243,674	69	2708	£1.74

NB. This does not include 2 Metropolitan schemes (112 residents) which are currently within the Dispersed Alarms contract and are due to move across to the sheltered alarms contract from 1/4/19.

Prior to the commissioning review being initiated in December 2017 there has been little engagement with providers on the impact of the subsidised alarm funding beyond the quarterly performance monitoring. The three largest housing providers – Nottingham City Homes, ExtraCare Charitable Trust and Metropolitan Housing Trust – were informally liaised with during December 2017 and January 2018 to start to explore the impact the alarm subsidy was having. However 2 formal pieces of engagement have been undertaken with providers:-

- ➔ May 2018 – a Request for Information from all providers as to the impact of the alarm funding, including alarm usage and consultation;
- ➔ August to September 2018 – an Engagement on the options proposed for consideration and the subject of citizen (resident) consultation.

A decision was made in July 2018 that the scope of the commissioning review should be contained to the 7 non-NCH housing providers, so NCH and their residents were to be excluded from the current process. NCH were therefore not invited to complete an engagement questionnaire at 4.0.

In August 2018 Places for People stated that they would not be seeking an extension their alarm funding from 31/3/19 so were also to be excluded from the consultation stage of the review. Places for People were therefore not invited to complete an engagement questionnaire at 4.0.

3.0 Initial Engagement – Request for Information

The first formal engagement with providers was undertaken in May 2018 with a Request for Information form being sent to the 8 housing providers on 11/5/18 with a request for completion by 1/6/18. A completed form was provided by 4 of the 8 providers and a summary of their responses compiled.

Nearly all the providers said the current funding does not meet the cost of alarm provision and the difference was made up from internal funds, and 3/4 said they provided a self-funding offer if needed. Providers felt that the alarm systems they operated worked well and were greatly valued by residents. All the providers said that if funding from NCC were no longer available it would affect their finances with the need to recover costs from residents. On the question of the residents ability to pay any charges it was felt there would be an impact as the majority of residents were in receipt of Housing Benefit and therefore those least able to afford to pay. In terms of the potential to introduce an eligibility criteria for residents to receive the subsidised alarm service most providers felt unable to comment on this unless a criteria was proposed.

4.0 Commissioning Review - Options Engagement

With the launch of the formal citizen (residents) consultation on the proposed options for reviewing alarm funding (between 6/8/18 – 10/10/18) it was also appropriate to seek provider opinion on the proposals. A housing provider engagement questionnaire was circulated on 20/8/18 to the 6 providers now involved, giving providers the opportunity to provide comment by 28/9/18.

A questionnaire was sent out to the 6 housing providers with some clear questions about the options being considered and their impact. A response was received by 2 of the providers by the stated deadline, with a further one received after the deadline.

The questions were:-

➔ Which of the options were preferred?

One provider said Option 3 – Housing Benefit as eligibility, one said either social care or Housing Benefit, whilst the other provider said stop the subsidy.

➔ What would the impact of the proposals be on the organisation?

One provider said the potential loss of funding would impact finances and the quality of accommodation provided. Another provider commented on the huge administration which the proposals could bring. The third provider said they would need to consider the administrative burden and also passing costs onto residents.

➔ What would the impact be on the residents?

One provider said they would absorb any drop in funding to minimise impact on residents. Another provider said tenants would be upset / unsettled about potential additional cost. The third provider said they would need to balance “peace of mind” compared to cost of alarms, but feel that the amount of people not willing to pay would be minimal.

➔ If there were to be a charge for the alarm what would it be and would it be passed onto residents?

One provider said they would not pass a charge onto their residents. Another provider said they would and the charge would be approx. £1.85 per week. The third provider said they would pass on a charge to residents but would tender out the alarm service to ensure value for money.

5.0 Conclusion

Throughout this commissioning review there has been an attempt to liaise and engage with providers to ensure their views are taken account of. There has not been a great level of engagement from providers - with 50% responding to the Request for Information in May 2018 and a similar % responding to the Options Engagement in August / September 2018.

One key question in making a recommendation at the conclusion of the review is whether providers would pass on an alarm charge to residents, if there was a funding reduction, and how much they would charge. Albeit based on a low response it could be assumed that some providers may not pass on a charge, with one stating they would not. Providers in both sets of engagement raised concerns about the finances of their residents as well as stating that they internally subsidised the actual cost of provision. With the current level of internal subsidy paid by housing providers it is a fair assumption to make that housing providers that did need to pass an alarm

charge onto residents would not intend to use the opportunity to implement a greatly increased charge. The one provider stated they would charge £1.85 per week which is not inconsistent with the average weekly subsidy paid of £1.74 per user. Another provider said they would tender out the alarm service and pass on the cost from the alarm provider.

One unanswered question is whether the low level of response from providers to the formal requests for views indicates a level of importance the providers have on the need for continued alarm funding.

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