

Item No.	Classification: Open	Date: 30 March 2020	Meeting Name: Strategic Director of Housing and Modernisation
Report title:		Provision Of Lambeth Community Alarm And Technology Enabled Care Services By Southwark Council	
Ward(s) or groups affected:		All	

RECOMMENDATION

1. That the Strategic Director of Housing and Modernisation approves a contract whereby Southwark Council provides community alarm and technology enabled care services to Lambeth Council for a period of five years from 1 April 2020 until 31 March 2025 with an option to extend for a further two years.

BACKGROUND INFORMATION

3. Southwark Council's Monitoring and Alarm Response Team (SMART) uses Telecare (pendant alarms, bed sensors etc. and a responsive service) to enable vulnerable people to live more independently in their own homes. This can help prevent the need for more intensive care and support services as well as reducing hospital admissions, especially due to falls. Telecare has been described as the 'fourth emergency service'
4. The SMART service successfully achieved accreditation by the Telecare Standards Association in July 2019. This has highlighted the quality of the service provided by Southwark Council and has led to several approaches by other councils about Southwark Council taking on additional services.
5. Southwark Council's contact centre is under increasing pressure to reduce costs whilst continuing to improve the level of service that it provides. The contact centre is therefore keen to bring in new business to ensure that it can continue to provide good quality services to the residents of the borough.
6. Southwark Council already provides this Telecare service for its own residents under the SMART Scheme so this contract will be an addition to the existing service.
7. Southwark Council will provide the Careline24 service on behalf of Lambeth Council clients whilst the responsibility for the social care of these clients will remain with Lambeth Council as the 'home' authority. Careline24 is the branding used by Lambeth Council for their Telecare service. Southwark Council refer to their Telecare service as SMART.
8. It is proposed that approximately 2,100 clients will be transferred to and managed by Southwark Council in year 1. This number is anticipate to reduce to 1750 in year two, therefore costs for Year 2 to 5 (& up to year 7) reflect this reduction.
9. Negotiations have been undertaken with Lambeth Council officers and the

specification and cost for the service has been agreed in principle. It is proposed to enter into contract with Lambeth Council for a period of five years from 1 April 2020 to 31 March 2025; with an option to extend for a further two years.

10. A formal contract has been provided by Lambeth Council which has been reviewed by Southwark Council's legal team. This includes an exit strategy for both Southwark and Lambeth Councils.
11. Prior to the Commencement Date, and at the start of each financial year during the Contract Term, Lambeth Council will provide Southwark Council with a purchase order (PO) for the Contract Price. A separate PO will be provided for the cost of the equipment purchased by Southwark Council on Lambeth Council's behalf.
12. Once the contract is live at the six month review any variance in the contract price will be adjusted in line with clause 3.3 of the contract pricing schedule to include any additional single service clients.
13. Southwark Council will purchase equipment on behalf of Lambeth Council. The price of the equipment purchased will be recharged to Lambeth Council at cost price on a monthly basis via an electronic portal setting out the sums for each type of work together with a record detailing the work carried out.
14. Once Lambeth Council agrees the details of the electronic invoice and the work record, Lambeth Council will arrange to make payment within 30 days of the invoice date
15. All administration, handling and storage costs associated with the purchase of equipment have been included in the Contract Price.
16. A PO will be provided by Lambeth Council to Southwark Council for invoicing purposes to cover the reimbursement of purchased equipment. On a monthly basis Southwark Council will invoice Lambeth Council for any equipment or additional purchases for the Lambeth Service in the previous month.

KEY ISSUES FOR CONSIDERATION

Community Safety

17. Southwark Council's SMART service offers peace of mind to older and vulnerable residents enabling them to call for assistance anytime of the day and night.
18. This contract will extend the reach of the Southwark Council's service to Lambeth Council's service users, which will allow them to benefit from the high quality service that Southwark Council provides to Southwark residents.

Community impact statement

19. The Equality Act 2010 requires public authorities to have due regard to a number of equality considerations when exercising their function. This process may be informed by an equality analysis.
20. Pursuant to section 149 of the Equality Act 2010 Southwark Council has a duty to

have due regard in its decision making processes to the need to:

- (a) Eliminate discrimination, harassment, victimisation or other prohibited conduct.
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
- (c) Foster good relations between those who share a relevant characteristic and those that do not share it.

21. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Section Equality Duty also applies to marriage and civil partnership but only in relation to (a) above.
22. The proposal to provide community alarm and technology enabled care (Services) to Lambeth Council will not negatively impact service users with Southwark Council with protected characteristics because there is no proposed reduction or restriction of the scope of the Services that are already being offered to them. It is anticipated that the additional resilience of the Services resulting from the increase in the overall staffing resource will have a positive impact on those service users. Lambeth Council reports that it conducted an equality analysis of its alarm and telecare service review in January 2019 and considered any impact and mitigating activity that may be required to address any impact arising from that and determined that there would be no detrimental impact on Lambeth Council's service users.

Resource Implications

23. Recruitment of 12.5 additional staff is required as part of this contract. They will be accommodated with the Southwark Council's SMART team at Queens Road contact centre.
24. Two additional electric vehicles are also required as part of this contract. This aligns with Southwark Council's environmental and sustainability strategy to minimise detrimental impacts on air quality.

TUPE/Pensions implications

25. The proposal to provide community alarm and technology enabled care services (Services) to Lambeth Council, which they currently deliver themselves and via a sub-contracted provider, presents TUPE and pensions implications for Southwark Council.
26. The commencement of the Services by Southwark Council will fall to be a Service Provision Change (SPC) under (Reg.3 (1)(b) of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) where 'activities' cease to be carried on by a client (Lambeth Council) on its own behalf or a contractor on a client's behalf and are carried on instead by a new contractor (Southwark Council). The effect of this is that all employees of Lambeth Council and/or its subcontractors who are assigned to the organised grouping of employees which has as its principal purpose the carrying out of the activities concerned will transfer to Southwark Council on their existing terms and conditions.
27. Lambeth Council have informed Southwark Council that it has five employees assigned to the Services but that four of them have accepted voluntary severance packages and that therefore only one Lambeth Council employee's employment will transfer to Southwark Council under TUPE. Lambeth Council have also

informed Southwark Council that none of its subcontractor's employees' employment will transfer to Southwark Council under TUPE.

28. All employees who transfer to Southwark Council will be entitled to membership of the LGPS. A full due diligence exercise has been to be undertaken to confirm the potential transferring employee/s and their terms and conditions of employment and to identify relevant contractual and non-contractual policies.
29. The proposed contract with Lambeth Council will also include applicable employment and pension provisions in respect of entry and exit including terms in relation to any potential liabilities that may transfer to Southwark Council on entry or that may subsist on exit.
30. The transfer process being followed will ensure that both Southwark Council and Lambeth Council meet their respective obligations under TUPE. Southwark Council's Human Resources has been engaged at the earliest opportunity to assist and advise on managing the process and ensure a smooth transition including a clear timescale for the consultation with Lambeth Council and Southwark Council staff who are affected by the transfer and their representatives.
35. Both parties can terminate the contract after six months notice, and redundancy costs for the response and installation staff will be shared equally with Lambeth Council and the call handling staff will be redeployed within the call centre due to the high turnover and generic job descriptions.

Legal implications

37. The Local Authorities (Goods and Services Act) 1970 enables a local authority to enter into an agreement to provide another local authority with goods and services, including administrative, professional or technical services
38. Regulation 32 of the Public Contracts Regulations 2015 permits contracting authorities to award public contracts by a negotiated procedure without prior publication where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure, provided that the initial conditions of the contract are not substantially altered.

Consultation

39. Southwark Council's contact centre Operations Manager and Head of Customer Service briefed the Strategic Director of Housing and Modernisation, Director of Customer Experience and Southwark Council Cabinet Member for Housing and Modernisation.
40. Formal discussions with Southwark Council staff and Trade Unions have taken place with regular updates presented at Departmental Liaison Committee (Trade Union liaison meetings).
41. This report seeks formal agreement from the Strategic Director of Housing and Modernisation to move forward with this proposal and to enter into a formal contract with Lambeth Council for the period and sums detailed in this report.

Timetable for Implementation

- | | |
|----------------------------------------------|----------------|
| 42. Lambeth Cabinet Member Delegate Decision | 6 January 2020 |
| 43. Contract Go-live | 1 April 2020 |

Service monitoring

44. The contract will be managed and monitored by Southwark Council's contact centre Operations Manager.
45. Lambeth Council will be provided with monthly reporting of activity against the key performance indicators as set out by the Telecare Service Association.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (H&M 19/163)

46. The Strategic Director of Finance and Governance notes the recommendations in this report. Southwark currently provides community alarm and technology enabled care services for its own residents, so this contract is essentially an extension of those services for Lambeth residents. However, given the volume of clients transferring, this represents a significant scaling up of activity and is a long-term service commitment that is not without some operational and financial risk. However, mitigations have been put in place where appropriate to protect the council's interests, particularly around redundancy in the event of termination (which can be triggered at six months notice on either side).
47. The estimated contract values for the initial five-year period and potential two-year extension are set out in the report and represent the council's additional direct and indirect costs arising from this arrangement. The contract is subject to a six monthly review in the first year, and annually thereafter, and includes provision for annual inflation uplifts based on Consumer Price Index (rather than pay inflation, which may differ, albeit the impact is likely to be marginal). In addition, the pricing structure can move in line with changes in client volumes (either up or down), resulting in a potential revision to the contract values as set out in the contract pricing schedule. In addition equipment purchases will be charged to Lambeth at cost and reimbursed monthly.

Director of Law and Democracy

48. This report seeks approval from the Strategic Director of Housing and Modernisation for Southwark Council to provide community alarm and technology enabled care services to Lambeth Council.
49. Paragraph 42 of this report confirms that Lambeth Council has obtained approval via their internal governance processes to enter into a contract for services with Southwark Council.
50. Southwark Council and Lambeth Council have agreed to enter into a contract and perform their obligations in exercise of and in accordance with respective powers in Section 101(5) Local Government Act 1972, Section 111 Local Government Act 1972, Section 2 Local Government Act 2000 and Section 1 Localism Act 2011. Section 1 Local Authorities (Goods and Services) Act 1970 permits Southwark Council to enter into a contract to provide services to Lambeth Council and

Lambeth Council has confirmed that they are a public body within the meaning of this act and that the services fall within a function that Lambeth Council has the power to undertake.

51. Paragraphs 26 to 32 set out the employment and pensions considerations relevant to the proposals in this report in particular those of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), and the procedures applied and to be applied to ensure compliance with those legislative requirements
52. The Strategic Director is reminded of the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010 and when making decisions to have regard to that duty.
53. Paragraph 25 of the report sets out the considerations that have been given to equalities issues. The Strategic Director should satisfy himself that the PSED General Duty has been complied with in approving the proposals in this report.
54. The Strategic Director is also referred to paragraphs 42 to 43 which set out the consultation that has taken place. The Strategic Director should take into account the outcome of that consultation when approving the proposals in this report.

Head of Human Resources

55. This delegated item has detailed the staffing resource implications of Southwark taking on the telecare work for service users in Lambeth.
56. Paragraphs 23 & 31 have detailed the increase in staffing resource it is envisaged that will be required to provide the additional service. It is intended that the service will operate as combined service for service users in both Southwark and Lambeth. It is planned that the expanded workforce group will be staffed with permanent staff in due course, in the short term appropriately qualified interim resource may be used.
57. As detailed in paragraphs 27 to 29, five current staff members at Lambeth are impacted by the transfer of undertakings protection of employment (TUPE) legislation. It is noted that four of this group have decided to not transfer and leave Lambeth's employment on agreed severance terms. As noted one Lambeth staff member is intending transferring. At the point of writing Southwark has limited information on this employee. It is appropriate that as soon as practicably possible once a decision has been made by Southwark, the appropriate information on this employee is provided to Southwark, so consideration can be made of what measures this person will need to be informed about and consulted on, for example a change in date when their monthly salary is paid if this is different between the two councils. Dependent on the information provided as outlined in paragraph 28 in terms of due diligence, this will assist Southwark in understanding of what provisions may need to be made with Lambeth in terms of liabilities. Paragraph 32 has identified that a provision of £13,800 has been made in terms of the transferring employee with regard to 'staffing supplement', more information on the status of this supplement will need to be obtained as soon as practically possible.
58. There has been on-going consultation with the recognized Trades Unions at Southwark over recent months with regard to taking on the work from Lambeth,

however as noted in paragraph 30 both Southwark and indeed Lambeth will need to undertake appropriate consultations with staff and Trades Unions with regard to the TUPE transfer element of taking on the Lambeth telecare work. It is hoped that Lambeth will allow access once a decision has been made for Southwark to consult with the transferring employee prior to the transfer taking place

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the Council’s constitution, I authorise action in accordance with the recommendation(s) contained in the above report (and as otherwise recorded in Part B below).

Signature 

Date 9 April 2020

Michael Scorer, Strategic Director of Housing and Modernisation

PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:

- 1) All key decisions taken by officers (including contract reports)
- 2) Any non-key decisions which are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available.

1. DECISION(S)
2. REASONS FOR DECISION
3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION
4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION (IF APPLICABLE)*
5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST
<i>If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.</i>
6. DECLARATION ON CONFLICTS OF INTERESTS

1. DECISION(S)
I declare that I was informed of no conflicts of interests.*
or
I declare that I was informed of the conflicts of interests set out in Part B4.*
(* - Please delete as appropriate)

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Contract file	G:\Customer Experience Division>Contact Centre\SLA\Lamb eth	Sean Conway 020 752 54619

APPENDICES

No.	Title
None	

AUDIT TRAIL

Lead Officer	Sean Conway, Contact Centre Operations Manager	
Report Author	Savina Vagarwal, Careline Transition Project Manager	
Version	Final	
Dated	30 March 2020	
Key Decision	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title & Name	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Head of Human Resources	Yes	Yes
Cabinet Member	Yes	No
Date final report sent to Constitutional Team / Community Council / Scrutiny Team		6 March 2020