



Appendix A

Community Link Digital Investment Business Case 2022-24

Introduction

Community Link offers a first-class service to the residents of the district, providing assistive technology to help them maintain their independence in their own homes. The service is mainly provided using the analogue telephone lines, but as BT is changing all analogue lines in the country for digital/fibre services, the technology provided by Community Link needs to be switched to digital equipment if we are to continue to provide the service.

This report sets out the proposal and budgetary requirements for the switch.

Background

Community Link provide a service to around 1700 vulnerable residents of all ages, offering technological solutions to support independent living and link residents to other sources of assistance for their individual needs. We provide personal alarms, smoke alarms, GPS trackers, bed sensors and much more, connecting our service users to our contracted call centre to contact help when needed

Our service users are at the heart of our service: we provide a tailored service for an individual's needs, and this is rewarded by 100% customer satisfaction in our annual surveys. This is not a statutory service but very much a valued one: our clients pay according to the service they receive: £15.82 per month for call button and base unit which is the most popular equipment and other equipment is charged according to agreed rates. There has been no price increase for 10 years.

Digital Switch:

BT is moving from analogue to digital technology by 2025, replacing copper with fibre, so all telephones will need to be changed. Our emergency call button and base units communicate via analogue landlines, so 1450 sets of analogue equipment will not work when the digital switch is complete. BT have already “stopped selling” analogue: they are installing digital lines for new homes and where existing lines fail, so we are already installing digital base units for some service users.

Proposal for future service:

Community Link moved to a new supplier of digital equipment, Chiptech, in May 2021 after undertaking a procurement exercise through a framework held by the Northern Housing Consortium, consulting internally and putting the decision to the Director of Community Services and the relevant Cabinet Member. This digital equipment is now being installed where people have no landline or have requested the new technology, with a limit of £30,000 per annum to be spent with Chiptech.

We propose that from the next financial year we invest fully in digital equipment and increase the price to service users to cover this cost, initially to £20 per month from July 2022. This will require an extra investment over a two-year programme (2022-23, 2023-24) of around £360,000 if all of the service users opt in

We have worked with the Finance team and concluded that the investment should be repaid within 4 years; that Community Link is currently a marginally profit-making service (£82,000 in 2020-21) and after the investment is repaid from the increased prices, we predict that these profits will be slightly increased. Finally, we concluded that we should increase the cost in three stages, to make it more approachable for our vulnerable residents, proposing to reach £25 per month by July 2026.

Recommendations:

We recommend that

1. An investment of an additional £360,000 is made over the next two years to provide digital equipment for all service users, along with an additional staffing resource to support the change of all equipment in every service user's home.
2. The fees to the service users should be increased to cover the increased costs, initially to £20 per calendar month from July 2022, increasing by a further £2.50 in July 2024 and 2026.

Projections from Head of Finance:

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Monthly fee	£15.84	£20	£20	£22.50	£22.50	£25	£25
Income	-300,000	-354,000	-372,000	-406,875	-418,500	-453,375	-465,000
Expenditure	218,135	218,135	218,135	218,135	218,135	218,135	218,135
Sim cards	0	13,500	40,500	54,000	54,000	54,000	54,000
Staff	0	24,200	24,200	24,200	24,200	24,200	24,200
Equipment	0	152,000	152,000	0	0	0	0
Contribution	-81,865	53,835	62,835	-110,540	-122,165	-157,040	-168,665

Corporate Objectives 2019-2023

Our corporate plan is based on five themes:

- A great place to live
- A thriving economy
- A strong, safe and healthy community
- A cared for environment
- A modern and flexible council

The proposals meet the aspirations of the corporate plan. They enable us to provide the service on which our vulnerable residents have come to rely, thereby supporting the aim of making Horsham a safer place to live.

Marc Rankin
Head of Environmental Health & Licensing

Approved

Glen Chipp
Chief Executive – Head of Paid Service