



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 23rd March 2023

BY: Chief Finance Officer

SUBJECT: Analogue to Digital Transition

1 PURPOSE

- 1.1 This report presents the group with an update on the context and background to the proposed analogue to digital transition. The report will detail local progress, resources required and potential risks for the IJB.

2 RECOMMENDATIONS

The IJB is asked to:

- 2.1 Note the requirement to fully transition devices from analogue to digital by 2025.
- 2.2 Note the Chief Finance Officer formally approached East Lothian Council to ascertain if any capital funding was available.
- 2.3 Support the principle and endorse the proposal to request the utilisation of the general reserve to fund the initial one-off costs of the transition.

3 BACKGROUND

- 3.1 By 2025 the UK telephony network will complete a transformation to a fully digital network, many telephony service providers expect to complete by a stretch target of 2023. This deadline has been communicated widely. Scotland's telecare provider's community has been aware of it for several years and has been working to understand the implications and consequences.
- 3.2 Since 2017 the Local Digital Government Office (LDGO) has led a national programme of work to ensure a smooth, safe transition to digital services is achieved and support a Once for Scotland approach.

- 3.3 The national briefing document summarises what the A2D switchover is, why it has implications for telecare services, and the main points for providers to be aware of (specifically risks of inaction and potential benefits). Further, it offers some case studies on how some providers have been preparing and some examples for planning. A link the document is found in the background papers section of this paper.
- 3.4 In East Lothian, the TEC Team provide for a wide range of vulnerable children and adults, supporting independence and enabling the person to remain in their own home safely for longer. Families and carer's also benefit through the reassurance their cared for person can raise an assistance alert should they need help.
- 3.5 Currently, as of February 2023, there are **2,004** Community alarm devices in service, **1,632** of which are analogue landline connected alarms and will require replacing with digital enabled sim connected alarms. The service has already replaced some stock with 372 digital enabled sim alarms. There are also 58 digital enabled alarms in stock. This has been purchased over the last two years within existing equipment budget and with the aid of 60k one off funding from digital office.
- 3.6 The TEC Service provides a range of services to citizens of East Lothian, the rollout of digital devices is an additional task not accounted for in current workforce establishment. At present reactive transition work (existing clients transitioned by telephony provider to digital), natural transition (all new customers to receive a digital enabled alarm), and normal duties exhaust capacity.
- 3.7 The TEC Service is currently transitioning 52 clients per month (mean). There are still 22 months, at time of writing, to the end of 2024 meaning a further 1,144 clients can be moved across, leaving 488 at risk of service drop out. Therefore, workforce investment (1 WTE Grade 7) is required to ensure digital transition can be completed before analogue switch off in 2025.
- 3.8 There are significant risks to the HSCP/IJB of not transitioning from Analogue to digital; clients not transitioned in time for analogue telephony switch off will lose service entirely. This includes equipment such as Community Alarm Service falls pendants. This would create a critical risk to health.
- 3.9 Furthermore, other devices that would stop working include property exit alarms used to monitor clients with cognitive perceptual changes. Telecare linked smoke detectors would also cease to work putting clients with cognitive and physical impairment at risk – anyone who is unable to independently evacuate from their home.
- 3.10 There exists potential for supply interruption and price escalation with Board areas competing for equipment as the switchover deadline approaches.

- 3.11 Global supply chain issues continue to impact causing delays in supply, and unpredictability of future ability to procure in time for analogue switch off. It is an imperative the Partnership acts now to minimise this risk.
- 3.12 At present, procurement has been achieved using existing budgets and with the aid of 60k one off funding from digital office to meet monthly demand for 'reactive transitions'; this is unsustainable as demand outstrips TEC Service ability to procure and fund new stock.
- 3.13 The failure to procure and transition the devices will also impact on other services and the performance of East Lothian. It will lead to:
- Increased hospital admissions
 - Increased packages of care
 - Increase in delayed discharges

4 ENGAGEMENT

- 4.1 There have been ongoing discussions with HSCP stakeholders as part of the TEC change board.
- 4.2 The IJB makes its papers and report available on the internet.

5 POLICY IMPLICATIONS

- 5.1 The proposal supports the East Lothian Integration Joint Board Strategic Plan 2022-2025; it identifies a range of strategic objectives this proposal helps the Partnership meet:
- Objective 1. Develop services that are sustainable and proportionate to need.
 - Objective 3. Focus on prevention and early intervention.
 - Objective 4. Enable people to have more choice and control & provide care closer to home.
 - Objective 6. Keep people safe from harm.
 - Objective 7. Address Health Inequalities.

6 INTEGRATED IMPACT ASSESSMENT

- 6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

7 DIRECTIONS

- 7.1 It may be appropriate to develop a Direction in relation to this, should this be the case, a recommendation will be made to East Lothian Integration Joint Board.

8 RESOURCE IMPLICATIONS

- 8.1 Financial modelling has been undertaken to ascertain the investment required for the transition. There is both a recurring and non-recurring component.

The one-off cost for purchasing the remaining devices is **£600k**.

| Capital | | |
|--------------------------|-------|---------------|
| | 22/23 | 23/24 & 24/25 |
| Alarms | 372 | 1,632 |
| Cost per item | | 368 |
| Capital Cost (£k) | | 600 |

(Costs already incurred in 22/23 from core budget)

Further to the above there is also a cost for the staff required to install the alarms, educate users, and decommission the old devices. In addition, there is a recurring revenue impact driven by the monthly sim charges. The TEC service currently has core recurring budget that can be used to partially offset the increased costs, however there is a shortfall of circa **£70k** for the next two years. There is a small ongoing deficit that the service will be able to manage.

Below is a breakdown:

| Revenue | | |
|--------------------------------------|------------|------------|
| | 23/24 | 24/25 |
| Sims (£48 per device) | 96 | 96 |
| Staffing (1 WTE Grade 7) | 32 | 33 |
| Revenue Cost (£k) | 128 | 129 |
| Current Budget Available (£k) | 60 | 60 |
| Investment Required (£k) | 68 | 69 |

The modelling is indicative and contains risk. The discussions with the Scottish Government highlighted that due to the demand, with all IJBs in Scotland required to make the transition, and the external market conditions, suppliers were assessing increasing the price of the devices. This volatility could lead to significantly higher purchase prices in the future.

Regarding the above resource implications, it was agreed at SPG the Chief Finance Officer should formally approach East Lothian Council to ascertain if any capital funding is available. If this funding option could not be supported by East Lothian Council, subsequently the paper be taken to the IJB to formally request use of the general reserve.

The amount required is in total circa **£740k** but this should be understood as indicative given the risks noted in para 8.5.

8.2 Personnel: Discussed above.

8.3 Other – None.

9 BACKGROUND PAPERS

9.1 [9.1 Digital Telecare – Scottish Local Government – National Briefing Document](#)

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