

# **POLICY FINANCE & ADMINISTRATION COMMITTEE**

**11<sup>th</sup> APRIL 2018**

## **REPORT OF DEPUTY CHIEF EXECUTIVE**

### **COMMERCIALISM PILOT - TIMESAGE**

#### **1.0 PURPOSE OF REPORT**

1.1 To update members on progress made on the commercialism pilot initiative “timesage”.

#### **2.0 RECOMMENDATIONS**

**It is recommended that:**

- 2.1 Note the review of the timesage pilot and actions taken to commence trading and reduce costs to create a sustainable future position.**
- 2.2 Confirm the continuation of the timesage brand to support the current product offer and authorise the further use of the brand for other service areas should a benefit in doing so be identified as part of the Council’s wider commercial aspirations.**
- 2.3 Recommend the dis-establishment of the Timesage Board to the Governance Development group currently considering the wider implications associated with the LGA Governance Review.**

#### **3.0 KEY ISSUES**

- 3.1 In 2016 members approved a pilot to run for an initial period of 9 months from late 2016. Following further reports on progress in February 2017 and September 2017 the period of the pilot, called ‘timesage’, was extended to the end of March 2018. As part of the final extension a clear focus was given to making the existing arrangements more financially sustainable, by either reducing costs or increasing income. A significant focus was given to commencing trading and a commitment given to either achieve a sustainable position by March 2018 or to recommend the end of the pilot, with a view to refocussing on alternative commercial options.
- 3.2 The original aim of the pilot was to explore how the Council could develop services to attract monthly subscriptions from customers with different monthly subscription rates linked to a variety of configured packages of services. The advantage of monthly subscription packages is an ongoing relationship and repeat spending, thus reducing the cost of transaction, without the need to constantly secure individual one-off payments.
- 3.3 The digital infrastructure has been developed in conjunction with a commercial partner secured through the LGA resulting in a professional website platform which went live in September 2017. In November 2017 the platform incorporated an effective secure on-line payment system, which is an easier system to use than is currently available to customers accessing services through the main council website.
- 3.4 During the course of the project many options for subscription services have been considered; from household cleaning, garden maintenance to out of school activity clubs. Developments in assistive technology were identified as an area where enhanced support services could be provided to give residents and their families extra peace of mind.

Following research with our existing lifeline users, more than half stated they would consider enhanced assistive technology.

- 3.5 With low cost of set up and an existing customer base it was felt the most appropriate service to commence trading of would be to offer packages available with the enhanced 'lifeline' offer. This would enable a resident to access assistance through a local control centre all day every day, with options for at home (via a phone line), for when out (through mobile technology) and a further offer of a wrist watch which operates anywhere in the UK with GPS tracking. This is in addition to supply and installation of a key safe.
- 3.6 Once the secure payment platform was in place, timesage and the products available began being more proactively marketed in December:
- Melton Christmas Market on 'light switch on' day – market stall.
  - Presentations of the services and products have been given to Melton Borough Council staff, particularly the customer services team and reception teams and the triage team for disabled facilities grants.
  - Invitations were received to demonstrate at luncheon clubs, senior support groups and at Gloucester House (Age Concern).
  - Liaison with Occupational Therapists of Adult Social Care teams
  - Advertising in Latham House doctors surgery and with distribution of Melton Theatre tickets.
  - Melton Times - half page article (January 2018),
  - Flyers were distributed to village shops with an explanation of the new services. It was determined that shop keepers seem to know what was going on in the vicinity and were aware when individuals needed extra support. These were warmly received; Somerby shop offered to put one in each newspaper they distributed, Buckminster shop said they would do anything to support the Council and a referral came from Bottesford within a day of visiting.
  - Bottesford pharmacy also requested a demonstration of the new assistive technology.
  - Social media (Facebook & Twitter).

### 3.7 **Current Position**

Since trading commenced at the end of December 2017, the following services have been purchased:

Standard lifeline packages – 10 at £249.60 per annum (= £2,496)

Falls device – 3 packages at £363.48 per annum (= £1,090.44)

Doro 480 – secure watch – 1 package at £519.48 per annum

Product Sales (5 keysafes and kettle £275)

**TOTAL - £4,380.91** annual turnover assuming contracts remain in place for a full year

It is still early days and it is too early to establish whether the timesage brand has sufficient value to justify continued use. Whilst the initial sales are encouraging, historically the timesage platform has had incurred a significant overhead which would not be covered by this level of turnover. Accordingly, to give the potential for any trading growth to be established focus has been given to significantly reducing the cost of hosting the platform such that it can continue within existing resources.

### **3.8 Creating a sustainable future**

During the life of the pilot the council has funded support from a commercial provider to build the digital infrastructure and platform; as well as utilising some internal resources to provide project management. Given the current level of sales, to continue these arrangements is unsustainable therefore an alternative model has been developed to enable the brand to continue with significantly lower overheads. The following is therefore proposed:

- Responsibility for the overall timesage brand and platform would now sit with the Corporate Improvement Team.
- Responsibility for the individual service offers will rest with the lead service for each. Given the current service offer, the responsibility for continuing delivery will transfer to the Lifeline Team with some training from the existing project lead.
- The website has already been transferred to an internally managed platform rather than requiring support from external LGA advisors. This has significantly reduced the cost of maintaining the platform, and technical support will now be provided internally.

The proposed approach maintains the 'timesage' brand and enables the previous investment into the design and infrastructure to be retained and further opportunities considered as appropriate. Additional resources may be required to support these and each will be considered on a case by case basis.

#### **Alternative Options**

The alternative option is to cease supporting the timesage brand and to de-commission the brand and digital platform. Given the costs incurred to date and the fact that the ongoing running costs have now significantly reduced this is not recommended at this time, but the brand should continue to be kept under review.

### **4.0 POLICY AND CORPORATE IMPLICATIONS**

4.1 There is now an opportunity to embed this work and learning within a broader Commercial Strategy for the Council which is due to be considered as part of the same agenda.

### **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 The ongoing operation of this project will be resourced from within existing resources and the project manager previously seconded into overseeing the pilot will return to their substantive role.

5.2 The new internal website for timesage will incur a nominal cost of approximately £1250 per annum. This can be financed from the income from the additional services being provided. No further supplementary estimates are required and it is hoped that if turnover increases there will be an opportunity to build future income projections into the base budget.

### **6.0 LEGAL IMPLICATIONS/POWERS**

6.1 The Localism Act 2011 introduces a new General Power of Competence (GPC), which explicitly gives councils the power to do anything that an individual can do which is not expressly prohibited by other legislation. This activity can include charging or it can be undertaken for a commercial purpose, and could be aimed at benefiting the authority, the area or its local communities.

**7.0 COMMUNITY SAFETY**

7.1 The current timesage offer of an extended Lifeline services provides security for residents of support 24/7. This offers additional peace of mind in their own homes and when out and about.

**8.0 EQUALITIES**

8.1 No implications anticipated as services will be open to all.

**9.0 RISKS**

**9.1 Probability**



Very High A					<b>Risk No.</b>	<b>Description</b>
High B					1	Transfer of ownership, timesage concept may not be embraced by operational services
Significant C					2	Loss of enthusiasm for the project from removal of the existing team.
Low D		1,2,3			3	Loss of the detailed knowledge through the development of the project.
Very Low E						
Almost Impossible F						
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic		
	<b>Impact</b>					

**10.0 CLIMATE CHANGE**

10.1 No direct implications have been identified.

**11.0 CONSULTATION**

11.1 Engagement and consultation with targeted groups of residents has been a key aspect of the project.

**12.0 WARDS AFFECTED**

12.1 All wards are affected.

Contact Officers: Victoria Clarke

Date: 26<sup>th</sup> March 2018

Appendices:

Background Papers: