

**Appendix 2– Tunstall Upgrade Costs**

<b>OPTION 1 - TUNSTALL UPGRADE COSTS</b>								
<b>Scheme</b>	<b>Description</b>	<b>Capital Cost</b>	<b>Maintenance Year 1</b>	<b>Maintenance Year 2</b>	<b>Maintenance Year 3</b>	<b>Maintenance Year 4</b>	<b>Maintenance Year 5</b>	<b>Five Year Total</b>
Harty Close Upgrade	Upgrade to PNC7 for the Careline Service. Cost from Tunstall, could look at alternative systems.	£64,865.00	£ -	£17,190.00	£17,190.00	£17,190.00	£17,190.00	£133,625.00
Upgrade Sheltered Properties	Upgrade remaining sheltered blocks to new system including speech module (and the "I'm OK" function)	£201,519.71	£30,000.00	£65,286.92	£65,286.92	£65,286.92	£65,286.92	£492,667.39
Optional Extras	Individual prices for upgrades to disabled toilets, various communal halls etc.	£1,402.64	£ -	£ -	£ -	£ -	£ -	£1,402.64
Speech Module Upgrade	Retrofit speech modules to already upgraded properties - based on £50 per property x 650 - actual number may vary slightly	£32,500.00	£ -	£-	£ -	£ -	£ -	£32,500.00
<b>YEARLY COST</b>		£300,287.35	£30,000.00	£82,476.92	£82,476.92	£82,476.92	£82,476.92	
<b>TOTAL SPEND OVER FIVE YEARS</b>								£660,195.03

Note that this cost is based on current figures and assumes that there is no increase in maintenance

for either Harty Close or for the Group Schemes. Currently there is considerable additional spend on out of scope repair items on top of the servicing schemes which is not included here, although it would be assumed that this would be minimal as the current extra charges are based on the fact that existing equipment is mainly obsolete.

**OPTION 2 - DECOMMISSION AND REPLACE WITH PORTABLE TELECARE UNITS**

<b>Scheme</b>	<b>Description</b>	<b>Capital Cost</b>	<b>Maintenance Year 1</b>	<b>Maintenance Year 2</b>	<b>Maintenance Year 3</b>	<b>Maintenance Year 4</b>	<b>Maintenance Year 5</b>	<b>Five Year Total</b>
Harty Close Upgrade	Upgrade to PNC7 for the Careline Service. Cost from Tunstall, could look at alternative systems.	£64,865.00	£ -	£17,190.00	£17,190.00	£17,190.00	£17,190.00	£133,625.00
Decommission sheltered blocks	Removal of hardwired system from all sheltered blocks within flats and communal areas. Based on current estimate ceiling of £40 per flat x 1300	£52,000.00	£30,000.00	£ -	£ -	£ -	£ -	£82,000.00
Replace with Portable Units	Purchase of portable telecare base units with "I'm OK" function and customisation ability for residents with greater needs. Based on ESPO framework cost of £140 per unit and replacement in all 1300 flats. Includes 5 year warranty	£182,000.00	£ -	£ -	£ -	£1,000.00	£1,000.00	£184,000.00
Contingency for smoke/fire alarms	Replacement of smoke alarms - price to be confirmed	£50,000.00	£ -	£1,000.00	£1,000.00	£1,000.00	£1,000.00	£54,000.00
<b>YEARLY COST</b>		£348,865.00	£30,000.00	£18,190.00	£18,190.00	£19,190.00	£19,190.00	

	0	0		0	0		
<b>TOTAL SPEND OVER FIVE YEARS</b>							£453,625.00

Price for this option is slightly more expensive in year one at the estimated costs but there are considerable savings moving forward on maintenance over the 5 year period, and will continue after 5 years as there is no "maintenance" required on the portable units, they are guaranteed for 5 years and then if they fail we would just replace with a new one. With a procurement exercise the costs here may be lower anyway as the bulk purchase of the units should generate a substantial discount of say 20-25%. This would bring the capital cost lower than the Tunstall upgrade by about £80K. Seeking quotes also for the full programme of decommissioning could also generate savings on this cost. Here worst case scenario is shown.

<b>OPTION FOR GENERAL NEEDS FLATS WITH INSTALLED ALARMS - 100% REPLACEMENT</b>							
Description	Capital Cost	Maintenance Year 1	Maintenance Year 2	Maintenance Year 3	Maintenance Year 4	Maintenance Year 5	Five Year Total
Removal of hardwired system from. Based on current estimate ceiling of £40 per flat x 682	£27,280.00	£ -	£ -	£ -	£ -	£ -	£27,280.00
Purchase of portable telecare base units functionality as above. Based on 100% replacement (worst case	£95,480.00	£ -	£ -	£ -	£200.00	£200.00	£95,880.00

scenario)							
	£122,760.00	£ -	£ -	£ -	£200.00	£ 200.00	
<b>TOTAL COST OVER 5 YEARS</b>							£123,160.00

<b>OPTION FOR GENERAL NEEDS FLATS WITH INSTALLED ALARMS - 30% REPLACEMENT</b>							
<b>Description</b>	<b>Capital Cost</b>	<b>Maintenance Year 1</b>	<b>Maintenance Year 2</b>	<b>Maintenance Year 3</b>	<b>Maintenance Year 4</b>	<b>Maintenance Year 5</b>	<b>Five Year Total</b>
Removal of hardwired system from. Based on current estimate ceiling of £40 per flat x 682	£27,280.00	£ -	£ -	£ -	£ -	£ -	£27,280.00
Purchase of portable telecare base units functionality as above. Based on 30% replacement (likely outcome)	£28,644.00	£ -	£ -	£ -	£50.00	£50.00	£28,744.00
	£55,924.00	£ -	£ -	£ -	£ 50.00	£50.00	

**TOTAL COST OVER 5 YEARS**

£56,024.00

The two tables above set out the costs for decommissioning of the general needs community alarm flats and replacement with dispersed alarms. There is no realistic option for upgrading the hard wired system and many of the properties no longer have "vulnerable" tenants in residence. In an initial discussion with tenants 30% was considered a reasonable number on which to base the calculations.

**FIVE YEAR SUMMARY COSTS - OPTION 1**

Upgrade of Harty Close Monitoring system and hard wired option plus general needs flats based on 30%.	£716,219.03
---	-------------

**FIVE YEAR SUMMARY COSTS - OPTION 2**

Upgrade of Harty Close Monitoring system and dispersed alarm option plus general needs flats based on 30%.	£509,649.00
<b>Option 2 Savings</b>	<b>£206,570.03</b>