

## COMMUNITY & SOCIAL AFFAIRS COMMITTEE

14<sup>th</sup> September 2016

### REPORT OF HEAD OF COMMUNITIES AND NEIGHBOURHOODS

#### WHEELS TO WORK (W2W) PROGRESS AND FEES AND CHARGES

##### 1.0 PURPOSE OF REPORT

- 1.1 To inform members on the progress of Wheels 2 Work Scheme and gain approval for the increase in fees and charges associated with delivering the Wheels to Work programme.

##### 2.0 RECOMMENDATIONS

**It is recommended that:-**

- 2.1 **Members note the progress of the W2W scheme and endorse its future development.**
- 2.2 **Members approve the interim increase in fees and charges as detailed in Section 3.7 and approve the charges to take effect from 1<sup>st</sup> October 2016 to 31<sup>st</sup> March 2017.**
- 2.3 **Members approve the increase in fees and charges as detailed in Appendix 1 and approve the charges to be implemented from 1<sup>st</sup> April 2017.**

##### 3.0 KEY ISSUES

- 3.1 The W2W scheme was launched over 10 years ago and has provided vehicles including motor scooters and electric scooters to more than 600 people. Since then, the scheme has expanded to become one of the largest W2W schemes operating in the country and now supports a variety of valued services to help individuals overcome transport barriers including: Compulsory Basic Training (CBT), scooter servicing and maintenance as well as local transport advice.
- 3.2 Efforts are being made to clearly identify additional sources of income through securing direct employer contributions, undertaking consultancy assignments, sourcing sponsorship and negotiating delivery arrangements with neighbouring authorities. However in order to sustain the scheme as it currently stands beyond the financial year 2016/17 it is imperative that we secure grant funding via the newly launched Access Fund for Sustainable Travel, which is a replacement to the Local Sustainable Transport Fund (LSTF).
- 3.3 The new Access Fund intends to build on the legacy of the former LSTF. For 2016/17 a Sustainable Travel Transition Year was launched to bridge the two grant programmes. The transition year makes the switch from LSTF objectives which supported economic growth and carbon reduction to the new Access Fund objectives, which support health and social benefits by increasing levels of physical activity through walking and cycling, and economic growth through access to employment, education and training.
- 3.4 Although Leicestershire County Council was unsuccessful in securing any funding through the Sustainable Travel Transition Year competition, they were able to draw from existing related budgets to enable MBC to develop a W2W programme in 2016/17. On Wednesday 6th July 2016 details for the new Access Fund were launched and the call for funding was opened. Deadlines for submission are currently published as Friday 9th September 2016 at 6pm. The winners will be announced in December 2016. The Local Transport Authority

must be the lead applicant although cannot be named as lead authority for more than one bid, they can however participate in groups bids. Delivery partners can also participate in multiple group bids.

3.5 Moving forward the Council will be participating in a bid for Access Funding, if unsuccessful this will influence the scale of W2W operations in 2017/18 and beyond. In the event of our bid for Access Funding being unsuccessful the scheme will need to scale down and adapt towards a local operating model covering Melton Borough and potentially neighbouring districts where a financial contribution towards scheme costs can be secured. A further business case will be needed to fully scope out and cost for adapting the W2W operation.

### 3.6 Current Position and Recommendations for increase in fees and charges

3.7 Clients currently pay £65 per month plus a refundable deposit of £15 for the hire of a scooter and they can keep the vehicle for a period of up to six months. The emphasis is on helping people to get established in a job or on a training course and they are encouraged to make their own arrangements for transport in the longer term. Members previously approved an increase in charges to £20 a week or around £86.67 per month, which included a deposit of £15, to be implemented from 1<sup>st</sup> April 2016. There is a shortfall in forecasted income for this financial year as the charges agreed were not implemented on 1<sup>st</sup> April due to promotion activity agreed with scheme partners prior to the changes being implemented. In addition the charges did not take account of the £15 deposit being refunded to the W2W client. Going forward it is recommended that in order to mitigate any further shortfall in income the hire charges should be increased from the 1<sup>st</sup> October 2016 on an interim basis to £100 per month plus a refundable deposit of £15. The impact of this increase will be reviewed for the remainder of the year.

3.8 Having benchmarked these proposed charges and costs against other schemes nationally it is the view of W2W Scheme Manager that the increase at this time in fees and charges are in accordance with the grant conditions and agreed vision for delivering the W2W programme.

3.9 One of the key challenges for the W2W scheme has been to explore and test out future delivery models that can recover all costs, i.e. full cost recovery, whilst charges remain affordable, flexible to provide incentive to users of the scheme and sustainable beyond the funding period for 2016/17. To this end it is recommended to members to increase charges in 2017/18 to £110 per month plus £15 refundable deposit, which is equivalent to £25.38 per week. These charges are detailed in Appendix 1.

## 4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 There are clear links to place, people and agile priorities within the corporate plan:

- Promoting a vibrant and sustainable economy, focused on growth and prosperity.
- Supporting the most vulnerable to overcome disadvantage in order to live independent lives.
- To effectively manage demand delivering well-respected and value for money customer focused services with pride and efficiency.

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

- 5.1 At this stage, it is difficult to determine the future requirement for capital and revenue funding and this will need to be reviewed on an annual basis in light of the availability of funding from other sources, such as the Access Fund and any changes in the level of need for the project's services. If the Access Funds bid were unsuccessful then this would start to have an impact on the 2016/17 budget performance as part of the scheme would need to be scaled back. This would also have a knock on effect to the forecast additional income outlined in Appendix A.
- 5.2 More generally, this is part of a range of initiatives, alongside Me and My Learning that is being delivered by the Council to help increase and sustain local employment and training. The scheme is being actively monitored to ensure the effective use of resources and that the level of output is consistent with the available funding.
- 5.3 Officers during the year will review the deposit and bond scheme to ensure its effectiveness, in addition ensuring processes are in place to maximise collectable income. There are some aged debts and advice is being sought from legal to look at taking the historic cases to Court – it is worth noting that £18k of debt is made up of cases with arrears of £50 or less and this will be considered against the balance of how much legal action will cost. If any income is written off this would get charged to the revenue budget as an additional cost which would further impact on the financial position.

Appendix 1 identifies the potential additional income from the new charges, income is a crucial aspect of the sustaining the W2W scheme.

## **6.0 LEGAL IMPLICATIONS/POWERS**

- 6.1 Legal and procurement advice will be sought where necessary and any specific legal matters brought to members attention as required, including in relation to dealing with aged debt. Section 1 of the Localism Act 2011 confers a general power of competence on local authorities to do anything that individuals generally may do, including the provision of financial and assistance to any person or organisation. The proposed capital funding contribution to the W2W Project is in accordance with the general power of competence.

## **7.0 COMMUNITY SAFETY**

- 7.1 The scheme puts emphasis on safety and security, and anyone taking up the offer of a moped loan will be required to take Compulsory Basic Training (CBT) and be offered protective clothing, including a helmet, and a heavy duty lock for the moped. In addition, the County Council provides funding for further safety training and, taken together, these measures have helped the project to maintain a good safety record. We have individual risk assessments for each applicant.

## **8.0 EQUALITIES**

- 8.1 The project is intended to provide support to people who might otherwise have difficulty accessing suitable work or training. A diverse range of clients are helped by the scheme, in particular: young people who do not have access to or cannot afford to run a car, people living in isolated communities who are not well served by conventional bus services and shift workers who need to travel to and from work at times when public transport is not available. In many instances the scheme helps people into their first job or people who are returning to work after a period of unemployment.

## RISKS

9.1

<b>L I K E L I H O O D</b>	<b>A</b>	<b>Very High</b>				
	<b>B</b>	<b>High</b>				
	<b>C</b>	<b>Significant</b>		2	1.	
	<b>D</b>	<b>Low</b>			3	
	<b>E</b>	<b>Very Low</b>				
	<b>F</b>	<b>Almost Impossible</b>				
			<b>Negligible 1</b>	<b>Marginal 2</b>	<b>Critical 3</b>	<b>Catastrophic 4</b>
			<b>IMPACT</b>			

<b>Risk No</b>	<b>Risk Description</b>
1	Access Funding bids are unsuccessful and the W2W Scheme has to be scaled down.
2	Inadequate collection processes are in place that do not maximise income.
3.	Price increases deter the number of users due to affordability issues.

## 10.0 CLIMATE CHANGE

10.1 There are significant environmental gains with reduced car journeys and carbon emissions through the use of electric scooters, bicycles and mopeds as a consequence of promoting and participating in the W2W scheme.

## 11.0 CONSULTATION

11.1 Extensive consultation has been undertaken with scheme partners, W2W clients, and other key stakeholders regarding delivery of the W2W programme.

## 12.0 WARDS AFFECTED

12.1 All wards are affected.

Contact Officer

Rob Bindloss- W2W coordinator  
Sarah Stannage- Corporate Policy Manager

Date: 22 August 2016

Appendices : Appendix 1- Fees and Charges for W2W

Background Papers: None

Reference :