Committee: Cabinet

Date of meeting: 15 November 2017

<table>
<thead>
<tr>
<th>Subject:</th>
<th>Discretionary Fees and Charges Review – Community Support Services</th>
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<tbody>
<tr>
<td>Lead Officer:</td>
<td>Melanie Bussicott - Head of Community Support Services</td>
</tr>
<tr>
<td>Portfolio Holder:</td>
<td>Councillor Mrs Ruth Lyon, Portfolio Holder for Social Affairs</td>
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<tr>
<td>Link to Council Priorities:</td>
<td>Vision; A safe, caring and healthy Elmbridge</td>
</tr>
<tr>
<td>Exempt information:</td>
<td>None</td>
</tr>
<tr>
<td>Delegated status:</td>
<td>For recommendation to Council on 6 December 2017</td>
</tr>
<tr>
<td>Key Decision:</td>
<td>N/A</td>
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EXECUTIVE SUMMARY:

A review of the current fees and charges for Community Support Services has been undertaken. Where increases in fees and charges are proposed, the following factors have been material:

- Patterns in use and demand trends
- Customer feedback
- The actual cost of the service
- Comparisons with other Surrey Authorities
- Recognising core areas such as food costs have increased
- Operational needs in respect to cash handling, mindful of our volunteering team. Our volunteering team supports the selling of lunch tickets and the Meals on Wheels Service
- Community Transport Drivers having no escorts on vehicles
- It is proposed that fees and charges should increase from January 2018
- Fundamental to our costings for this year is an additional element we have had to add due to Surrey County Councils budget reductions to sustain our services safely across our Centres and Relief Care services

RECOMMENDED: THAT

(A) THE PROPOSALS FOR COMMUNITY SUPPORT SERVICES FEES AND CHARGES AS DETAILED IN APPENDIX B BE AGREED; AND

(B) TO ESTABLISH AN ADDITIONAL COMMUNITY TRANSPORT ADMIN. POST AT AN ADDITIONAL NET COST OF £4,150.
1. Introduction

1.1 Last October, when fees and charges for Community Support Services were considered by Cabinet. We sought to seek to maintain appropriate and balanced fees and charges increases. We recognise that for Community Support Services RPI do not necessarily meet our needs for a range of reasons detailed in the summary report and we realise some of these increases are higher than RPI but we feel that they are appropriate to meet service needs and will be accepted from a customer perspective. We are obviously very disappointed with the significant Surrey County Council reduction in grant that we have been receiving for over 20 years and we acknowledge that it is because of these grant reductions that the fees and charges are higher than we have implemented in the past.

1.2 Surrey County Council have reduced the grants we receive across Centres and Relief Care, either by 50% or 100% and although they only contribute to between 8 and 10% of the cost of our services, this is a significant budget reduction to meet. We have reviewed our services and recognise we need to sustain staffing levels at a safe level particularly as we see increased needs of our customers across both Centres and our Relief Care Services.

1.3 The proposed fees and charges increases are outlined in Appendix A which will take place in January 2018.

1.4 We have taken the opportunity of comparing our fees and charges with other Boroughs and Districts across Surrey. Please see Appendix B. Our fees and charges are at the lower end of Surrey Authorities and this principle will be maintained after the proposed fees and charges increases in January 2018.

1.5 Small annual increases are the best way to of sustaining these vital services. Service user feedback is that they would prefer regular small increases. It does equally provide some confidence to service users who rely on these vital services, that the Council has a commitment to continue with and support these services into the future.

1.6 The opportunity has been taken by Cabinet to visit our Centres and to talk to customers about the services they receive, so that the Cabinet have been able to hear at first hand from customers and have specifically talked to them about fees and charges increases. They do really value and would not want to lose these vital services and recognise the disappointing situation we are facing because of Surrey County Council budget reductions.

1.7 Across Meals on Wheels Services and Centre lunches our food costs have increased. We do need to make sure we can increase our food unit costs to maintain high standards. Across Meals and Wheels and Centre meals we are looking to increase by 20p to meet Surrey’s budget reductions.
1.8 The Council will however continue to subsidise all service areas. The Council has a high level of commitment in terms of the provision of Community Support Services to maintain vulnerable resident’s independence and would wish to continue to do so. This being the best way of ensuring sustainability and safety across these vital services.

1.9 Finally, we are not proposing increases in all our services for the reasons stated in this report.

2. **Surrey County Council grant and budget reductions**

We are facing significant grant or budget reductions with respect to Centre services, Meals on Wheels services and Dementia Services. These are all areas that we have received grants on for over 20 years and we are now facing either 50% reductions or 100% reductions with respect to these areas. In addition, we are facing a 10% reduction for our Community Transport grant. The table below shows the impact of these significant budget reductions.

<table>
<thead>
<tr>
<th>Service area</th>
<th>Grant from Surrey that we have received since 2000</th>
<th>Grant in 2017/18</th>
<th>Grant in 18/19 has not yet been confirmed, as it is under 6 months we are assuming the same grant</th>
</tr>
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<tbody>
<tr>
<td>Centres</td>
<td>£146,209</td>
<td>£73,104</td>
<td>£73,104</td>
</tr>
<tr>
<td>Meals on Wheels</td>
<td>£67,024</td>
<td>£33,512</td>
<td>£33,512</td>
</tr>
<tr>
<td>Carers Grant</td>
<td>£33,152</td>
<td>£16,576</td>
<td>Nil</td>
</tr>
<tr>
<td>Dementia Services Grant</td>
<td>£32,922</td>
<td>£22,454</td>
<td>£22,454</td>
</tr>
<tr>
<td>Mental health grant</td>
<td>£8,400</td>
<td>£4,200</td>
<td>Nil</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telecare Service</td>
<td>£17,149</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Telecare Equipment</td>
<td>Last Year £42,540 plus £9,779 for the Hospital Discount scheme</td>
<td>Under £1,000 in income</td>
<td></td>
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<tr>
<td>Dial a Ride</td>
<td>£43,980</td>
<td>£39,583</td>
<td>£39,583</td>
</tr>
<tr>
<td>PPP Funding</td>
<td>£180,000</td>
<td>Nil</td>
<td>Nil</td>
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3. **Review of Services**

3.1 The review has concluded that we should not be increasing Community Alarm, hiring of Centres and Hairdressing. We should however be increasing
Relief Care charges for Day Care and our Sitting Service, Meals on Wheels and the supper/tea time service, Centre meals, Community discount card and our Community Transport service charges.

3.2 The reasons for each of these proposals as to whether we should increase fees and charges or hold on current rates is detailed below.

4. Community Alarm Service

4.1 Community Alarm are not proposing a fees and charges increase for the Community Alarm service for the following reasons:

- We currently charge £3.90 a week and key to our service growth is that we remain a competitive business.
- We are competing with a private market and we need to make sure that our prices are appropriately competitive which they are at the current level.
- We acknowledge that Surrey County Council have totally stopped funding a Surrey wide Telecare service and are saying that they will fund based on needs and financial assessment criteria. Although we are receiving referrals for our Community Alarm service we have had less than 6 referrals for Telecare since April. Surrey are now funding less than 5% of our total customer base. The majority of all our customers are self-funding customers and we need to be competitively attractive.
- We have introduced a new self-funding Telecare leaflet for customers detailing the cost for each Telecare piece of equipment on a weekly basis that could be added to a quarterly Community Alarm charge.
- The Council is continuing to maintain its 12-week free of charge service for those leaving hospital and has taken over the Surrey scheme when Surrey completely withdrew funding as we believe this is vital for the most vulnerable residents and makes sound business sense for us to continue to operate in this way.
- We have also secured additional income in the last year through undertaking the installation for the technology integrated health management system (TIHM) based at the University of Surrey which was approved by Cabinet in July.
- Currently the TIHM Project Board is awaiting the result of a bid to extend the Project by a further 12 months, which would mean that our involvement was similarly extended with additional income due. We are currently in discussions around continued activity after this significant project concludes and it is hoped that we would become an integral part of any resultant service across the county.
- We have launched a new GPS Watch system, a Dementia Diary with agreed costings and a Canary Home Monitoring service and we continue to look at technology opportunities.
- We have developed and are developing an active campaign to work with health colleagues to raise awareness of the range of our services.
- We currently have a customer base of over 1,700 but where we increase fees and charges we have seen a disproportionate loss to the service.
- We are predicting £315,000 in income in 2018/19 (£310,000 2017/18) increase due to an increase in clients.
5. **Hire of Centres**

- We have produced a range of new hiring leaflets that are Centre specific and look at engaging with the local communities highlighting our Centres availability.
- We have for example from March 16 to March 17 increased hiring at Thames Ditton Centre from 33 hours a week to 43 hours a week. This is in addition to the Centre for retired people operating two days a week and the Children’s Centre operating 3 days a week.
- We are also looking at developing specific campaigns to attract new hirers for example hires for children after school activity, looking at karate, dance etc.
- We would expect to secure £125,000 in hiring income over in 2018/19 (2017/18 £110,000)

6. **Hairdressing**

- We offer a hairdressing service across our 7 Centres.
- We make a daily charge to the hairdressers for the use of the facility and we propose that these charges should not increase as we have lost hairdressers over recent years when it has not been commercially viable for them to continue.
- With respect to the charges hairdressers make to residents, we have previous delegated authority that ‘the setting of hairdressing charges (in future years) be delegated to the Head of Community Support Services in consultation with the social portfolio holder’.
- As we will continue to review fees and charges and where necessary we will action accordingly.
- From the daily charges, we expect to secure £15,000 in 2018/19 (2017/18 £16,000)

7. **Relief Carers Scheme**

- The Cabinet approved, Relief Care charges which will be implemented from January 2018 which required our specialist groups to go up from £33.00 to £35.25 a day (6.8%). We recognise that this is still exceptional value for money as we were supporting people for a 5 hour plus.
- To meet SCC budget reductions, we need to increase the day rate £2.25 to meet staffing costs which is a total of £35.25 will be charged across 8 specialist groups. We are increasing charges on 3 subsidised groups as Surrey has completely withdrawn funding. The Council subsequently decided to subsidise the shortfall, but we need to increase over time. Current charges £21 and will go up to £27 from January 18 as previously agreed.
- The hourly rate for Sitting will increase from £14.20 to £14.80 (4.2% increase)

Based on current activity levels we would secure an additional £9,370 from specialist day care group activity and £640 from our sitting service.
8. **Meals on Wheels, Teatime and Breakfast service**

We provide a seven day a week Meals on Wheels service with the opportunity for Meals on Wheels customers to also have a Supper/teatime and/or Breakfast service. A 20p increase to meet our food costs and to meet Surrey’s grant withdrawals. The service will increase from £3.80 to £4.00. Apart from one other Surrey Borough, with the increase this is still lower than all other Boroughs and Districts in Surrey.

8.1 This represents a 5.3% increase.

8.2 It is also proposed to increase the Supper service from £2.80 to £2.90, equating to a 3.6% increase.

8.3 We are not proposing any increase in the Breakfast Service which is currently £1.60 as we have very small number of customers accessing this service and we would like to ensure that we continue to encourage new customers over the next year.

8.4 With these proposed increases, this will still allow clients to purchase 3 meals for the day it will cost £8.50. There are only a small number of people that require the additional services due to frailty and these services are in fact enabling those individuals to stay at home, however for the majority it is the hot lunchtime meal they access.

8.5 We introduced a 50p delivery charge at weekends for the West of the Borough when we had to introduce paid staff fifteen years ago. We are proposing to increase this charge by 20p in January 2018 due to SCC’s grant reduction.

8.6 The budgeted net expenditure in 17/18 for Meals on Wheels is £296,120. As a result, there is still a high subsidy being provided by the Council for this service. The core costs of provision relate to a percentage of staff time, a percentage of utility costs and central support costs. In terms of both staffing and utilities, by providing both Centre and Meals on Wheels functions from our kitchens, we are optimising our resources accordingly.

8.7 Based on our current activity levels we would secure an additional £10,340 from the proposed fees and charges increases.

9. **Centre Meals**

9.1 Our seven Centres for the Community serve a three-course hot meal. As a result, we are proposing a 20p increase in Centre Meals to meet Surrey’s reduction in grant. The services will increase from £3.90 to £4.10 for a 3-course meal. This represents an 5.1% increase.

9.2 The food budget cost per meal had not increased from £1.40 per meal and has only gone up twice in the last 10 years. This year it is now £1.40 as food component costs have increased over the remove years it is important
that there continues to be a small increase to cost to allowing Centres to maintain our standards. We are now proposing a 10p increase from next January to allow the cooks £1.50 per meal. This is key to maintain Centre standards.

9.3 It is worth noting that Guildford, Mole Valley, Reigate and Banstead, Runnymede, Spelthorne, Surrey Heath, Tandridge and Woking all charge £4.10 upwards for their Centre meals.

9.4 Based on current activity levels we would secure an additional £8,780 from the proposed fees and charges increases.

10. **Community Discount Card**

10.1 The Community Discount Card was introduced over ten years ago and its cost has only been increased four times since its introduction. It is proposed that the cost should increase for Elmbridge residents from £12.00 to £13.00 which is an increase of 8.3p per month, (8.3% increase).

10.2 For non-Elmbridge resident from £20.00 to £22.00 this represents a 10% increase.

10.3 Our membership fee scheme is still at the lower end of membership fees across Surrey. It is recognised that this still equates to £1.08 a month for Elmbridge residents to use Centres and £1.83 for non-Elmbridge residents.

10.4 Our Community Discount Card scheme enables the card holder to receive discounts at over 30 premises across Elmbridge which is an added benefit in addition to being able to access an extensive range of centre services.

10.5 The budgeted net expenditure for our seven Centres for the Community is £1,431,640. It needs to be acknowledged that we have lost £73,100 from Surrey County Council in grant funding. As a result, there is still a high subsidy being provided by the Council for this service.

10.6 Based on our current sales of Community Discount Cards we would secure and additional £2,700

11. **Community Transport, Dial A-ride and Community Cab Scheme**

11.1 Our Community Transport rates are the lowest in Surrey and we are proposing, based on customer feedback a small range of price increases. It needs to be acknowledged that we have the lowest fares in Surrey and the survey work we have undertaken with customers does highlight their understanding of the need for an increase in costs to ensure this vital service continues.
11.2 Community Transport Charges

It is proposed that:

- A return journey to a Centre should increase from £2.50 to £2.60 representing a 4% increase.
- A single journey should increase from £1.70 to £1.80 representing a 5.9% increase. There are only a very small number of people who undertake a single journey and effectively it means that we cannot fill that seat on the vehicle for that day which is why a single charge should appropriately reflect this position.

It is worth noting that we schedule for Spelthorne Borough Council and their charges are £8.00 return and £4.00 for a single journey.

11.3 Dial a Ride charges

It is proposed that the following changes are made:

- Up to 3 miles increased from £3.00 to £3.20 (6.7% increase)
- Up to 5 miles increased from £3.80 to £4.00 (5.3% increase)
- Up to 10 miles increased from £6.00 to £6.20 (3.3% increase)
- Other Dial a Ride Services in Surrey have a higher charging mechanism than ourselves and even with the proposed increased, we will still have one of the lowest fares in Surrey. These proposals also ensure the easiest collection of fares by our Community Transport Drivers as they do not have escorts on the vehicles. Please see appendix B.

11.4 Shopping trips

11.5 With respect to shopping trips it is proposed to increase these from £3.30 to £3.50 (6.1% increase). Passengers recognise how low our charges are compared with Taxi and other commercial operators.

11.6 Hire-a-Bus

We are proposing the following:

- Day rate for Centres / charities / community organisations increases from £72 to £75 (4.2% increase)
- Day rate for commercial organisations increases from £90 to £110 (22% increase). We are still about a third to a half of any alternative commercial organisation
- Half day rate for Centres / charities / community organisations increases from £51 to £54 (5.9% increase)
- Half day rate for commercial organisations increases from £65 to £80 (23% increase)
This includes the vehicle, driver for up to six hours and up to 30 miles with the vehicle having capacity for up to 16 people. These rates are cheaper than other commercial operators. We are proposing a small increase in the mileage rate after the 30 miles with the current mileage rate being £1.10 per mile to increase to £1.20 per mile representing a 10p increase (9% increase).

11.7 **Community Cab Scheme**

11.8 We launched a Community Cab Scheme two years ago, current rates are £4.00. flat rate and £2.10 per mile. We have received £137 donations 2016 because of how valuable customers feel this service is. We are proposing an increase of 20p and the flat rate to £4.20 and 10p in the mileage rate to £2.20. All our feedback would demonstrate that a small increase of this nature would not inhibit anyone using services in the future.

12. **Membership Fee to access transport services**

12.1 A membership fee of £13.50 now exists for a combined membership for Community Transport, Dial a Ride and the Hire a Bus service. A service user only needs to join once and access three specific transport services. We are proposing an increase to £14.50 in the next year representing a 8.3p a month increase (7.4%).

13. **Community Transport Restructure and Budget/Unit costs**

13.1 A Community Transport restructure will take place to ensure we have appropriate staff in place to maintain our Community Transport Service, Dial a Ride, Hire and Bus and our Transport contracts. We are wishing to introduce a part time Community Transport administrator at a cost of £13,240 (inc oncosts). However, when you consider the restructure it will be a net budget increase of £4,150. As a result, we are looking for Cabinet’s approval to add this additional part time post to the Community Transport Services established structure.

The budgeted net expenditure in 17/18 for Community Transport is £476,700. In addition, the unit cost of each Community Transport journey undertaken is £12.54 per journey and if you exclude indirect costs this figure is £9.38 per journey. As a result, our fees and charges only make a small contribution towards the true cost of each journey.

**Financial implications:**
The cost of implementation these changes can be met from within existing budgets. The increased revenue generated by the proposed income in Community Support Services is £42,450

**Environmental/Sustainability Implications:**
None
Legal implications:
None

Equality Implications:
Equality Implications have been considered when undertaking this review.

Risk Implications:
There is a risk to income if the numbers of users accessing services reduce. This has been minimised by studying the market and keep increases to a minimum where possible. However, it will be closely monitored to assess any trends that may result.

Community Safety Implications:
None

Principal Consultees:
Council Management Board

Background papers:
None

Enclosures/Appendices:
Appendix A - Fees and charges for Community Support Services – Current and Proposed
Appendix B - Comparison of Annual Centre Memberships Fees and Charges from Boroughs and Districts

Contact details:
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