

BRECKLAND COUNCIL

REPORT OF THE STRATEGIC DIRECTOR OF SERVICES – MARK STOKES **OVERVIEW AND SCRUTINY COMMITTEE – 4th SEPTEMBER 2008**

BRECKLAND COMMUNITY CAR SCHEMES – DISCUSSION PAPER

1. Purpose of Report

- 1.1 This report considers the current status of the Breckland Council Community Car Schemes, and sets out recommendations for the future delivery of this service.

2. Recommendations

It is recommended that the Council/Committee:

- 2.1 Puts in place robust governance arrangements and legal agreements between Breckland Council and all scheme operators and volunteer drivers as a requirement to qualify for funding support.
- 2.2 To provide additional funding of up to £10,000 to support new and existing Community Car Schemes.

Note: In preparing this report, due regard has been had to equality of opportunity, human rights, prevention of crime and disorder, environmental and risk management considerations as appropriate. Relevant officers have been consulted in relation to any legal, financial or human resources implications and comments received are reflected in the report.

3. Information, Issues and Options

3.1 Background Information

- 3.1.1 Breckland Council has been operating the community car scheme service for 20 years. There are 22 car schemes operating in the Breckland area. These schemes are run in an informal manor with no contracts or written agreements in place. The Council provides funding to each scheme, with the day to day management and operation carried out by a number of local volunteers.
- 3.1.2 The Council, similar to many other Local Authorities across the country operating similar schemes, are faced with the challenge of providing greater governance in terms of putting in place monitoring and controls procedures to protect all parties.

3.2 Purpose and Effectiveness of Schemes:

- 3.2.1 The problems with rural isolation are heightened for those who have difficulty accessing services and transportation, such as, the young, those on low incomes and the elderly. The majority of the community car scheme users are the elderly. Key factors for this are generally low incomes and an increase in health issues.
- 3.2.2 The car schemes are mainly used for medical and medical related journeys, for example, hospital and doctors appointments. The scheme is also sometimes used for visits to the sick and elderly and occasionally for long distance transport connections.
- 3.2.3 Those people using the community car schemes would not be able to afford the cost of a taxi to make regular and essential medical journeys. In 2006/07 the Breckland car schemes totalled 12217 journeys, transporting a total of 12782 passengers.
- 3.2.4 The community car scheme journeys are charged at 40p per mile, this cost is split between

the passenger (20p), Parish Council (10p) and Breckland (10p).

- 3.2.5 Rising fuel costs have however raised concerns from volunteers not being able to recover their costs, with the risk of losing their support. There are however, implications with increasing the mileage rates. This is the Inland Revenue approved rate, therefore should drivers receive an enhanced rate, they would be liable to tax implications., unless they can prove that the increased mileage only covered their costs.
- 3.2.6 There is an annual budget of £21,890 however the estimated cost of the scheme per year is approximately £25,500. The cost of running each scheme differs significantly depending on the population size and the promotion of the scheme throughout the community.
- 3.2.7 The average cost of one scheme amounts to just over £1000. Smaller villages cost less compared to running a scheme within a town.
- 3.2.8 There are a number of parish requests to set up new community car schemes, and a current commitment to developing a new scheme in Bawdeswell. The Council, should it wish to continue supporting new and existing schemes will need to consider increasing the current budget.

3.3.1 **Insurance & Liability**

- 3.3.2 Council officers currently provide town and parish council's or voluntary groups the support and guidance required to set up a car scheme. Following this initial support, all the schemes are managed locally at town or parish level, based on trust and goodwill.
- 3.3.3 Breckland Council pays for public liability insurance to cover the car scheme and the volunteer drivers, although each volunteer driver has to have in place a valid motor insurance policy for the vehicle and driver, which includes an endorsement on the policy permitting the driver to use the vehicle for carrying people in relation to car scheme.
- 3.3.4 The Council's insurance indemnifies the car schemes and their drivers in respect of sums they may become legally liable to pay in respect of accidental injury, damage to property, claimants' costs and expenses, other than risks covered by the motor insurance.
- 3.3.5 Although these insurance policies are in place there is a risk that claims could still be made against Breckland Council as there is no contract or agreement in place with the volunteers that run the schemes and although it is recommended, no formal training is given to the car scheme organisers or volunteer drivers.

3.6.1 **Competition with taxi's**

- 3.6.2 There is an ongoing national debate around the competition between the community car schemes and private hire vehicles (PHV).
- 3.6.3 The car schemes are restricted to medical and medical related journeys, for example, hospital and doctors appointments. The scheme is also sometimes used for visits to the sick and elderly and occasionally for long distance transport connections. The cost to the passenger under the community car scheme is set at 20p per mile, which the Private Hire Vehicles are unable to compete claiming loss of business opportunity.

3.7.1 **Post Offices**

- 3.6.4 Consideration could be given to diversify the service in terms of providing help and support to other key services such as post offices, should members feel this is a viable option.

3.8.1 **Governance Arrangements**

There is best practice guidance on driver checks and risk assessments regarding the operating of a community car scheme, for example vehicle and driver checks:

- i) Current tax disc, MOT certificate
- ii) Valid, fully comprehensive insurance
- iii) Letter of agreement from the drivers' insurers
- iv) Valid driving license (*Points on licenses may be taken into consideration*)

- v) Conduct Criminal Record Bureau (CRB) checks on each individual driver
- vi) Medical check on each individual volunteer driver annually by own GP

Volunteer drivers should carry out a basic risk assessment and review on a regular basis. This involves making sure that any risks to the volunteer driver and/or the passengers are kept to a minimum by checking and adhering to user guidelines.

3.8.2 Breckland Council do not currently enforce or pay for any of the checks listed above.

3.9.1 Summary of Key matters

- The need for robust governance procedures and legal agreements between Breckland Council and car scheme providers so that the responsibility for management and operation is placed with the respective car scheme operator.
- Requirement to consider additional funding to support new and existing schemes
- Consideration for scheme to expand to support post offices.

4.0 Options

4.1 Option 1 - Continue to run the existing scheme

4.2 Associated Risks

- Exposure to risk to the Council with minimal governance arrangements in place
- Volunteers could choose to withdraw from the service robust controls are placed on each scheme. Furthermore the rising costs of fuel presents a threat to schemes
- No budget in place to increase the scheme to other parishes.

4.2 Option 2 - To continue the scheme, including new :

- Put in place the necessary governance procedures and legal agreements to protect the Council, Car scheme operators and volunteers.
- Consider a further allocation of funding up to £10,000 to cover shortfall and accommodate potential for new schemes

Associated Risks

- Car scheme operators may not want to take on the legal responsibility of operating the car schemes.
- Volunteers may not support the tighter control procedures

3.4 Reasons for Recommendation(s)

3.4.1 Meets the priorities of the Council

3.4.2 The scheme is extremely successful, well supported and held as a 'best practice' model.

3.4.3 Robust control procedures will protect the Council, Parish and volunteer drivers

4. Risk and Financial Implications

4.1 I have completed a risk assessment in accordance with the Council's Risk Management methodology and have identified the following risks that I propose to mitigate in the following ways with the additional insurance/control costs outlined.

Risk:

There is a risk that there will not be sufficient funds available to cover the rising cost of the existing car scheme and taking on new schemes.

Control measure/mitigating plan:

Keeping finance informed of any potential over spend on the scheme at its current level. If members agree to increase the budget we can look at calculating the average claim per car scheme and monitor spend consistently during the year.

Risk:

There is a risk that the car scheme operators will not like the new governance and legal agreement between Breckland Council and could therefore lead to the closure of some of the car

Control measure/mitigating plan:

The new rules will be phased in on a gradual basis.

4.2 Financial

4.2.1 Proforma B attached

5. Legal Implications

5.1 The recommendation of this report will reduce the liability to the Council by putting in place robust best practice governance arrangements and legal agreements between the car scheme operators and Breckland Council in order for the car schemes to be eligible for funding.

The risk of taking this approach is the potential rejection of the individual car scheme operators in taking on the responsibility and following best practice governance in the management of the schemes. This could therefore lead to the closure of some of the car schemes.

6. Other Implications

- a) Equalities: Yes – See attached report
- b) Section 17, Crime & Disorder Act 1998: None
- c) Section 40, Natural Environment & Rural Communities Act 2006: None
- d) Human Resources: None
- e) Human Rights:

There are no Human Rights implications within the content of the report itself. However, depending on the outcome of the final arrangements surrounding the operation of the community car schemes implications are likely to arise. If the scheme collapsed because Parish Councils felt it had become too burdensome on them, the service may cease which may give rise to a challenge.

- f) Other: None

7. Alignment to Council Priorities

7.1 This scheme fits within the Council priority of supporting Stronger Communities

8. Ward/Community Affected

8.1 This is a Breckland district wide initiative

Background Papers**Lead Contact Officer:**

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Key Decision Status (Executive Decisions only):

This is a key decision

Appendices attached to this report: