

**EXECUTIVE
COMMITTEE**

8th January 2019

BUDGET SCRUTINY WORKING GROUP – SHOPMOBILITY

Lead Scrutiny Member	Councillor Jenny Wheeler
Relevant Head of Service	Head of Community Services
Ward(s) Affected	All wards
Non-Key Decision	

1. SUMMARY OF PROPOSALS

This report provides Members with an opportunity to consider proposals that have been made by the Budget Scrutiny Working Group in respect of fees and charges for Shopmobility.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that

the Council should investigate the potential to introduce incentives for frequent use of the Shopmobility service.

3. KEY ISSUES

Background

- 3.1 The Budget Scrutiny Working Group is responsible for reviewing items that have financial implications for the Council to ensure that the Council is achieving value for money.
- 3.2 In 2017/18 the Budget Scrutiny Working Group scrutinised the Shopmobility service and recommended that charges should be introduced for the service. At a meeting of the group on 26th November 2018 Members revisited this decision to find out what impact this had had on customer demand. A relevant extract from the notes of the meeting have been attached at Appendix 1 to the report.
- 3.3 During the meeting Members were advised that prior to the introduction of fees for the service a number of customers reported that they were visiting Redditch town centre four or five times a week. Following the introduction of fees for the Shopmobility service the number of customers, as well as the number of times each customer used the service, had fallen.
- 3.4 The decrease in customer numbers had been expected but the level of decline had not been anticipated. The graph at Appendix 2 demonstrates the fall in custom for Shopmobility since April 2017 compared to demand for the service prior to the introduction of fees that month.

- 3.5 The Budget Scrutiny Working Group has been advised that some customers have reported that they are visiting Redditch town centre less frequently because there has been a change to the retail units that they can visit in the town centre and in particular the lack of food retail.
- 3.6 During the discussions about the Shopmobility service Members questioned whether discounts were offered to customers and were advised that this did not happen. Members noted that a special discount offer for customers who had used the service a number of times might incentivise customers to use the service more frequently. Should this discount be effectively advertised Members also agreed that this might help to attract more customers to use the service.

Financial Implications

- 3.7 The Council currently charges a £10 registration fee for Shopmobility customers. Registered customers are then charged £2 for each journey if they are a Redditch resident and £3 for each journey if they live outside the Borough. Customers who do not wish to register are charged £5 to use the service.
- 3.8 Members have been advised that due to the decline in the number of customers and the frequency with which customers are using Shopmobility there are no plans to increase the fees and charges for the service in 2019/20.
- 3.9 Shopmobility currently costs the Council £70,000 per annum to maintain. Since the introduction of fees in April 2018 the Council has received approximately £30,000 in income from fees and charges. The Council also receives £30,000 from the Kingfisher Shopping Centre towards the costs of running Shopmobility.
- 3.10 The Budget Scrutiny Working Group has not proposed the level at which discount fees for the Shopmobility service should be set, if they are introduced. This is something that Members agreed should be determined by the Executive Committee following consultation with relevant Officers.
- 3.11 Whilst the offer of a discount for the Shopmobility service might impact on revenue from individual customers, the Budget Scrutiny Working Group are suggesting that the discount could incentivise new customers to make use of the service. In order for this to happen the discount option would need to be effectively publicised.

Legal Implications

- 3.12 There are no direct legal implications for the Council?

Service / Operational Implications

- 3.13 In the event that a discount is offered for Shopmobility this could lead to an increase in demand being placed on the service.

Customer / Equalities and Diversity Implications

- 3.14 Changes to the Shopmobility service could have implications for existing customers as the proposals could lead to an increase in demand.

4. RISK MANAGEMENT

No specific risks have been identified.

5. APPENDICES

Appendix 1 – Extract from the notes of the meeting of the Budget Scrutiny Working Group held on Monday 26th November 2018.

Appendix 2 – Graph demonstrating demand for the Shopmobility service.

AUTHOR OF REPORT

Name: Jess Bayley, Democratic Services Officer
Email: jess.bayley@bromsgroveandredditch.gov.uk
Tel: (01527) 64252 Ext: 3268