

Committee Name and Date of Committee Meeting

Cabinet – 23 January 2023

Report Title

Rothercard Review

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

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Ward(s) Affected

Borough-Wide

Report Summary

The Rothercard scheme was launched as an anti-poverty initiative in 1993 to prioritise support for Rotherham people living on a low-income by offering a discount on a range of Council services, as well as discounts on goods and leisure activities from a small number of other organisations.

The current scheme has not been developed or promoted for some time which is likely to mean that some of the people who could most benefit from the scheme, are missing out.

A review of the Rothercard scheme by a cross party Rothercard Working group has been completed. The findings from the review are set out in Appendix 1 and summarised within this report.

The purpose of this report is to set out the changes identified from the outcome of the review, which, once implemented, will deliver an improved Rothercard scheme.

Recommendations

It is recommended that:

1. Cabinet approves the recommended changes set out in this report to deliver a new Rothercard scheme as detailed at **Section 3 (*Options considered and recommended proposal*)**.
2. That Cabinet note the changes to the eligibility criteria and the improvements that will be delivered to make it easier for customers to apply for/benefit from the scheme by:
 - Automatically providing residents who qualify for Council Tax Support (with consent) with a Rothercard
 - Raising awareness of the scheme with those who have already qualified for Council Tax Support so they can be provided with a Rothercard should they wish to have one.
3. That Cabinet approve the proposal to offer the following new discounts to Rothercard holders:
 - 10% reduction off the cost of a hot drink effective from 1 April 2023, at the following locations:
 - Clifton Park Museum Café,
 - Thrybergh Country Park Café
 - Rother Valley Country Park Café
 - 5% reduction on the cost of the 2024/25 garden waste collection service (1st bin only). This reduction will be applied from December 2023 when residents are invited to renew/subscribe for the collection service that will commence from 26th February 2024.
4. That Cabinet approve the intention to engage with businesses to explore the potential for developing a universal discount scheme that supports local businesses and retailers to benefit all Rotherham residents.
5. That Cabinet approve the intention to introduce an electronic alternative to a paper based Rothercard.
6. That Cabinet notes the intention to undertake an annual review to assess how the scheme is benefiting residents and helping deliver improved outcomes.

List of Appendices Included

Appendix 1 Rothercard Scheme – Review Findings & Recommendations

Appendix 2a Scheme Eligibility Criteria

Appendix 2b Rothercard Application Data Demographics

Appendix 2c Rothercard Discounts 22 to 23

Appendix 3a Equality Screening – Part A

Appendix 3b Equality Screening – Part B

Appendix 4 Carbon Impact Assessment

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Rothercard Working Group – 15th November 2022

Council Approval Required

No

Exempt from the Press and Public

No

Rothercard Review

1. Background

- 1.1 The Rothercard scheme was launched as an anti-poverty initiative in 1993 to prioritise support for Rotherham people living on a low-income by offering a discount on a range of Council services, as well as discounts on goods and leisure activities from a small number of other organisations.
- 1.2 There is no charge for a Rothercard. To qualify for a free Rothercard, applicants must be able to provide evidence of meeting one of the criteria set out in the current scheme (Appendix 2a).
- 1.3 The current scheme has not been developed or promoted for some time which is likely to mean that some of the people who could most benefit from the scheme, are missing out.
- 1.4 The range of discounted services on offer has also remained largely unchanged for several years.
- 1.5 The Council Plan (Page 17, People are safe, healthy, and live well) refers to a 'new' Rothercard '*that will provide discounts on Council services for those who most need them.*'
- 1.6 Outcome 2.15 of the Council's Year Ahead Delivery Plan 2022 (*Inequalities are addressed and nobody is left behind*) sets out an action to complete a review of the Rothercard scheme.
- 1.7 A review of the Rothercard scheme by a cross party Rothercard Working group has been completed as detailed in Appendix 1.
- 1.8 The purpose of this report is to set out the changes identified from the outcome of the review to improve the future scheme and provide discounts on Council services for those who most need them.

2. Key Issues

2.1 Rothercard Audience

The current eligibility criteria have not been reviewed for some time which means that some of the residents who should most benefit from the scheme may be missing out.

- It is estimated that there are around 144k residents across the borough who are eligible for a Rothercard under the current scheme; out of which it is estimated only 10k (7%) are card holders
- In terms of applications received since September 2020:
 - 51% of applicants (1.5k) indicated that they were applying as an 'adult on low income; which is less than 3% of the estimated number of 'adults on low income' across the borough (63k); although it should be noted that under current scheme rules,

there is an extensive list of eligible benefits with many applicants in receipt of more than one type of award which makes it difficult to confirm numbers with any real accuracy.

- Only 1% of applications (30) were from young people aged 16-19, which accounts for only 0.3% (11k) of the 2020 mid-year population estimates (Office for National Statistics).
- Only 1% of applications (30) were received from Looked After Children out of a potential 557.
- 12 applications were received from refugees/asylum seekers in receipt of asylum seeker support payments, which is 3% of those eligible according to data found in Home Office's Immigration statistical release (384).
- If adopted, the recommended changes outlined in this report would reduce the estimated number of residents entitled to a Rothercard to 54k. However, by automating and streamlining the service it is envisaged that all those who are eligible will be in possession of a card which would represent a significant increase on current take-up rates.

2.2 Current Benefits and Take-Up Rates

2.2.1 Council Services

The majority of discounts relate to leisure and event activities such as water sports at Rother Valley Country Park.

A Rothercard holder can however also receive a discount when requesting a Bulky Waste collection, a pest control service for the removal of rats and a range of specific additional/replacement bin services.

Further examples can be found in Appendix 2c.

Details of services that offer a Rothercard discount are included within the Budget Report.

2.2.2 Places Leisure (PL)

The Council's contract with Places Leisure has been operating for 12 years and is valid until 2041.

Under the terms of the contract, Rothercard holders are eligible for a discount across several different leisure activities available across four sites.

2.2.3 Local Businesses

The current scheme is not designed to allow local businesses to offer discounts to Rothercard holders.

2.2.4 Take-Up Rates

It is not possible to gain any overall sense of take-up rates, scheme usage or impact of discounted benefits as this information is not currently consistently collected.

2.3 Administration of the current scheme

2.3.1 Application process

- A digital application process was implemented in September 2020, allowing customers to apply online and upload a photograph together with evidence of their Rothercard eligibility.
- In some cases, the information and documentation customers need to provide when applying for a Rothercard, may be the same as information already held by the Council in relation to other services.
- Making use of existing Council records to verify that someone is on 'low income' would remove the need for the applicant to produce the same documentation again. Furthermore, there would be an even greater improved customer experience if, with consent, eligible residents were to be automatically provided with a Rothercard rather than having to make a separate application.
- There is no current notification process advising customers when their Rothercard is about to expire.
- Several leisure activities offer a Junior Rothercard rate for children under the age of 16 who are dependants of a Rothercard holder living in the same household. The application process for a Junior Rothercard is in need of redesign as it currently requires separate applications for each family member which is administratively clumsy and a poor experience for customers.

2.3.2 Physical Rothercard

Successful applicants are sent a physical plastic Rothercard through the post.

A digital card as an alternative to a plastic card is not currently available.

2.3.3 Financial

- **Customer Services**
Customer Services administer the Rothercard application process. Costs are met from existing Customer Services budget.
- **Services**
In terms of concessionary rates offered by services, all services have income budgets that are uplifted by inflation each year. Any income is reviewed each year as part of budget-setting and adjusted accordingly to reflect planned take-up and rates the following year.

There are no corporate budget allowances for income streams where Rothercard discounts make up a significant proportion. Services are

expected to manage any pressures or gains arising from discounts for their services as part of their monthly monitoring.

- **Places Leisure**

Any reduction in income because of offering a Rothercard discount is considered before determining the value of the profit gain share that is returned to the Council.

2.3.4 **Scheme Promotion**

The scheme has not been actively promoted for many years, which means there is likely to be limited awareness of the available benefits of the scheme.

3. **Options considered and recommended proposal**

3.1 The following recommendations were developed by Members through the review of the current scheme undertaken by the Rothercard Working group.

3.2 **Use existing Council records (Council Tax Support) as the means to verify the 'Adult on Low Income' eligibility criteria**

Rationale

- A key outcome of the Rothercard review is the need to focus the scheme on residents who will benefit the most.
- Making use of existing Council records to verify that someone is on 'low income' improves customer experience by removing the need for an applicant to have to produce documentation they have previously provided. This also makes the scheme easier to manage and administer.
- In addition, automatically awarding residents who meet the 'adult on low income' eligibility criteria with a Rothercard (by consent), improves customer experience and reduces the administrative burden currently resulting from the need for a separate application.

Impact and Action

- The details of residents in receipt of Council Tax Support are already recorded and could therefore be used as the means from which to verify that someone is on 'low income.'
- A digital process will be created to automatically provide consenting residents who meet the 'adult on low income' criteria, with a Rothercard.
- The revised digital process will also incorporate an improved method of assessment/award for dependent children of a Rothercard holder who are under the age of 16 and living in the same household as a Rothercard holder.
- Cards issued to an 'adult on low income' will be valid for 12 months unless they have reached 'state pension age' (see 3.2.2). This means that when a renewal request is received, Council records can be rechecked to ensure the applicants remains eligible under this criterion.

3.2.1 **Replace the '60 and over' eligibility criteria with 'state pension age AND on low income'**

Rationale:

- According to DWP Labour Force Survey the average age of labour market exit is now 65.2 years old for men and 64.3 years old for women.
- Linking the eligibility to the state pension age, reflects the national increase in the age of people remaining in work and future proofs the scheme by avoiding setting a specific age which might then need to change in later years.
- The focus of the Rothercard scheme is to benefit residents who most need it, which is not necessarily everyone who has reached pensionable age. For this reason, applicants will need to meet **both** the 'low income' and state pension age' criterion to be awarded a Rothercard in future.

3.2.2 **Impact and action**

- The date someone has reached their state pension age varies according to their date of birth; information which can be verified on gov.uk.
- If a someone meets the 'state pension age' criteria, they will also need to meet the 'low income' criteria as well (as described above in 3.2.1). Adults who reach pensionable age but who don't meet the 'low income' criteria will not be awarded a Rothercard.
- Successful applicants (with consent) will be automatically provided with a Rothercard.
- Anyone who satisfies both the 'state pension age' and 'low income' criteria will be issued with a card that does not have an expiry date. The reason for this is that an applicant's age will not change and the likelihood of their income status changing in later life is extremely low. This will improve customer experience and reduce renewal related administrative burden/costs.
- Adults who continue working up to their state pension age may still be eligible for a Rothercard if they are on 'low income;' in which case they would be awarded a Rothercard with a 12-month expiry date.
- Existing card holders –anyone aged 60 or over awarded with a Rothercard under the current scheme, will be allowed to continue using their card until it expires; even if they would not be eligible once the new criteria has been introduced. Once the resident's card expires (5 years from the original issue date) they will need to reapply under the eligibility criteria of the new scheme.
- Some of the residents who reapply will no longer be eligible for a Rothercard which may create dissatisfaction.
- It is estimated that the number of residents who will meet both the pensionable age and 'low income' criterion is currently around 15k.

3.2.3 **Replace the 'Young person aged 16 to 19 years in full time education' criteria with a new Young Person age category of '16 to 21 years of age'**

Rationale

- This would extend the eligibility to include young people who for example are not in education but are undertaking apprenticeships or other jobs

with training/qualifications built into employment. These groups are not currently eligible for a card.

- Young people who are newly embarking on their future career paths can often be in low wage jobs.

Impact and action

- The size of the 'young person' audience will increase which may mean greater take up of discounted activities across both Council and Places Leisure services. Any impact to budget would require monitoring and review ahead of setting out the next period of Council Fees and Charges.
- The Rothercard scheme would help enable more young people to do the things that are important to them – 'have fun.' (Council Plan, page 19)
- Customer experience will improve, and the administrative burden will reduce – currently, a resident applying under the criteria '*Young person aged 16 to 19 years in full time education*' needs to provide a letter from their school or college and proof of their parent receiving child benefit. This will not be required under the new proposed criteria; proof of age/residency will be all that will be required which will require a change to the current digital process.
- The validity period for a Rothercard issued to a young person applying under the 'up to 21 years of age' criteria will be valid up to 23:59 the day before they turn 21.
- Work will be undertaken to explore the feasibility of enabling a more proactive award process so that when young people reach the age of 16, they are automatically given a Rothercard if they want one.

3.2.4 Automatically provide Section 95 Local Authority residents with a Rothercard

Rationale

- These customer groups have arrived in the borough because of a humanitarian crisis.
- The benefits of the Rothercard scheme compliments other support packages already in place and provides quicker access to the type of activities that have a positive impact on mental health and wellbeing.

Impact and Action

- This would be one less 'thing to do.'
- Numbers may increase dependent on events happening worldwide and/or other emerging crises.
- Cards issued under these circumstances would be issued with a fixed one-year period of validity, which means that applying for a card after expiry will only be approved if the applicant meets a different eligibility criteria.
- The process for the automatic allocation of a Rothercard for Section 95 Local Authority residents will need to be designed to compliment existing Council arrangements.

3.2.5 **'Looked after children/young people'** – no changes pending other discussions already underway to consider how best to support this group of residents.

3.2.6 **Create a more simplified and streamlined range of discounts and extend the number of services that offer a discount**

Rationale

- Discounts offered are set by the service and vary from anywhere between 10% to 50%.
- Creating a more streamlined and simplified range of discounts in the future will minimise confusion and make the scheme easier to manage.
- Extending the range of discounted services available to Rothercard holders opens new opportunities to those who need help the most.

3.2.7 **Impact and Action**

- Work will be undertaken to begin streamlining and simplifying service discounts.
- During 2023/24, it is proposed that the following new discounts are made available to Rothercard holders:
 - 10% reduction off the cost of a hot drink effective from 1 April 2023, at the following locations:
 - Clifton Park Museum Café,
 - Thrybergh Country Park Café
 - Rother Valley Country Park Café
 - 5% reduction on the cost of the 2024/25 garden waste collection service (1st bin only). This reduction will be applied from December 2023 when residents are invited to renew/subscribe for the collection service that will commence from 26th February 2024.
- Work is ongoing with services to identify additional new discounts that could be offered in the future.
- The discount the customer receives for some services in the future could be greater or smaller than it is now.
- There will be budget implications to consider because of extending the range of discounted services and/or increasing/decreasing the discount percentage. This will need to be worked through in more detail with finance and service colleagues.
- Discussion with Places Leisure will be required to explore the potential for changing/extending the range of discounts currently available through Places Leisure.
- Work will be undertaken during 2023/24 to explore the potential for developing a universal discount scheme that supports local businesses and retailers.

3.2.8 Scheme Administration

Card Expiry

- There is no current process of advance notification ahead of a Rothercard expiring.
 - Administrative processes will be established to generate a notification in advance of someone's card expiring to allow them time to re-apply if this is something they want to do/are eligible to do.
 - Under the new scheme, residents that are awarded a Rothercard because they have met the 'state pension age' eligibility criteria, will not need to renew their card as the card will be valid for their lifetime. A process will be designed to periodically contact these card holders to check that their details remain valid, and the customer has continued residency in the borough.

Digital Card

- In today's world people increasingly prefer to save documents, tickets, and membership cards in a virtual wallet rather than having to carry a physical record with them just in case it's needed.

There is no current facility to provide users with a digital pass:

- It is planned that a solution will be available to offer to customers by Autumn 2023.

Recording use of a Rothercard

- In most cases, Council services that offer a Rothercard discount have no current means of capturing when a discount is applied, and for which type of activity.
- As part of the Customer & Digital programme, several service redesign projects are already underway to identify potential solutions that could, in the future, more consistently capture Rothercard related activity and provide the business intelligence needed to measure the success of the scheme.

3.2.9 It is recommended that the changes described above are implemented to deliver a new and improved Rothercard scheme that 'will provide discounts on Council services for those who most need them' and:

- make the scheme easier to manage and administer.
- improve customer experience in terms of both applying for and benefiting from the Rothercard scheme.
- target the right people to increase awareness of the scheme.
- ensure the scheme is reviewed on a regular basis so that the offer remains right for the residents of Rotherham.
- gather business intelligence to better understand take-up rates and outcomes.

4. Consultation on proposal

- 4.1 The recommendations proposed in this report have been determined by the work undertaken by the Rothercard Working group consisting of cross party elected members and Council officers.

5. Timetable and Accountability for Implementing this Decision

- 5.1 The new Rothercard scheme will be in place effective from 1st April 2023

- 5.1.2 Undertake further work during 2023 to:

- Implement a digital card as an alternative to a physical plastic card.
- Work with local businesses to explore the potential to offer discounts to Rothercard holders.

- 5.1.3 The Rothercard working group will undertake an annual review of the scheme effective from summer 2023.

5.2 Next steps and future actions

It is recommended that

1. Cabinet approves the recommended changes set out in this report to deliver a new Rothercard scheme.
2. That Cabinet note the changes to the eligibility criteria and the improvements that will be delivered to make it easier for customers to apply for/benefit from the scheme by:
 - Automatically providing residents who qualify for Council Tax Support (with consent) with a Rothercard
 - Raising awareness of the scheme with those who have already qualified for Council Tax Support so they can be provided with a Rothercard should they wish to
3. That Cabinet approve the proposal to offer the following new discounts to Rothercard holders:
 - 10% reduction off the cost of a hot drink effective from 1 April 2023, at the following locations:
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 - 5% reduction on the cost of the 2024/25 garden waste collection service (1st bin only). This reduction will be applied from December 2023 when residents are invited to

renew/subscribe for the collection service that will commence from 26th February 2024.

4. That Cabinet approve the intention to engage with businesses to explore the potential for developing a universal discount scheme that supports local businesses and retailers to benefit all Rotherham residents.
5. That Cabinet approve the intention to introduce an electronic alternative to a paper based Rothercard.
6. That Cabinet notes the intention to undertake an annual review to assess how the scheme is benefiting residents and helping deliver improved outcomes.

6. Financial and Procurement Advice and Implications

- 6.1 There are no direct procurement implications associated with the recommendations detailed in this report.
- 6.2 The Rothercard discounts are accounted for in the Council's Budget and Medium-Term Financial Strategy. It is not known how the number of eligible people will change under the revised scheme, or how many will take up the card and claim discounts for each service. As such the financial impact of the change in the scheme cannot be estimated at this stage. It is expected that any financial impact is likely to be minimal and will not significantly affect individual service budgets.

7. Legal Advice and Implications

- 7.1 There are no direct legal implications arising from the recommendations within this report.

8. Human Resources Advice and Implications

- 8.1 There are no direct implications within this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 There is a positive impact for young people as the proposals of the scheme is to extend the eligibility criteria so that more young people will be eligible for a card.
- 9.2 Vulnerable adults will not be impacted by the scheme as there are no changes to the criteria that covers this group of residents.

10. Equalities and Human Rights Advice and Implications

- 10.1 The revised Rothercard Scheme makes significant advances in relation to equalities. Refining and adding to the groups of people that qualify will extend and clarify the advantages of the scheme. The scheme makes linkages to other council policies including digital inclusion that will also address equalities and access. This will also enable the collection of equalities data that can be used to identify where there may be lack of take-up in some protected characteristics, enabling proactive action to be taken. The public consultation will enable developments, including advancing equalities, to be made as the scheme is further developed.
- 10.2 Equalities screening and assessments (forms A and B) are appended to the report.

11. Implications for CO2 Emissions and Climate Change

- 11.1 The current Rothercard is only available as a physical card printed onto plastic. A digital card will be developed as an alternative so that residents can add the Rothercard to a virtual wallet.
- 11.2 It is anticipated that this option will be popular, reducing the demand for the printing of physical cards and use of plastic; also lowering the volume of outgoing mail which reduces any carbon emissions associated with the delivery of post.

12. Implications for Partners

- 12.1 Under the terms of the contract, Rothercard holders are eligible for a discount across several different leisure activities available across four sites. Any impact to demand as a result of the proposed changes will be monitored as part of existing review arrangements.
- 12.2 Discussion with Places Leisure will be required to explore the potential for changing/extending the range of discounts currently available through Places Leisure.

13. Risks and Mitigation

- 13.1 No risks have been identified at this time but the impact of the proposed changes will be closely monitored with an annual review undertaken to ensure any future risks are identified and acted on.

14. Accountable Officers

Luke Sayers, Assistant Director Customer Information & Digital Services,
Finance & Customer Services

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	09/01/23
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	05/01/23
Assistant Director of Legal Services (Monitoring Officer)	Phillip Horsfield	05/01/23

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