

CHILDREN & YOUNG PEOPLE CABINET MEMBER MEETING

Agenda Item 62

Brighton & Hove City Council

Subject: CYPT Fees and Charges 2011/12
Date of Meeting: 17 January 2011
Report of: Strategic Director, People
Contact Officer: Name: Peter Francis Tel: Ext 2542
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Key Decision: No Forward Plan No: N/A
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

The purpose of the report is to review the CYPT fees and charges in accordance with the corporate policy.

2. RECOMMENDATIONS:

- 2.1 That the position on fees charged for nurseries as detailed in section 3.3 and Appendix 1 be noted.
- 2.2 That the proposed charges for 2011/12 for the Learning Development Centre as detailed in section 3.4 and Appendix 2 be agreed.
- 2.3 That the fees and charges for 2011/12 in respect of Surrenden Pool as detailed in section 3.5 and Appendix 3 be agreed.
- 2.4 That the position on fees and charges for the Music and Performing Arts Service as detailed in section 3.6 and Appendix 4 be noted.
- 2.5 That the position on fees charged by the Portslade Community College in section 3.7 be noted.
- 2.6 That the position on fees charged by the Portslade Sports Centre in section 3.8 and Appendix 5 be noted.
- 2.7 That the position on the charges for school meals as detailed in section 3.9 be noted.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 As part of the budget setting process Directorates are required to agree any changes to fees and charges through Cabinet Member Meetings. The management of fees and charges is fundamental both to the financial performance of the City Council and also the achievement of the Council's corporate priorities, in particular making better use of public money.

3.2 There are several distinct areas of fees and charges income for CYPT, some of which are approved by other bodies such as the Music Trust and Portslade Community College Governors. The recommendations above reflect the areas that need approval and those that are for noting.

3.3 Nurseries

3.3.1 There are five Council run nurseries in the City: The Bright Start workplace nursery and four Children's Centre nurseries, namely Cherry Tree, Acorn, Roundabout and Jumpstart. Following an internal audit it was recommended that fees for the nurseries should be standardised because there are varying levels of fees and charges.

3.3.2 All the nurseries are subsidised. Bright Start is funded from the Council's core funding and the Children's Centre nurseries from the Sure Start Grant. Next year the Sure Start Grant is moving into the Early Intervention Fund with a number of other grants and an overall reduction in funding. Increasing the fees in the nurseries will help to ensure their sustainability for the future. The fees charged by many of the nurseries are lower than many other nurseries providing a similar service in the city. The school run nursery, Tarnerland, whose fees and charges are approved by the Board of Governors, charges between £4.20 and £5 an hour plus £2.20 a day for meals. The average hourly cost of a day nursery in the city was £42.85 last September. This is expected to rise for 2011/12. There is a considerable variation in costs depending on the services that the nurseries provide.

3.3.3 For 2011/12 it is intended to bring nursery charges broadly into line with each other, and to increase the fees to reduce the subsidy for the nurseries. The nurseries will continue to offer the free early years entitlement for three and four year olds and funded places for two year olds and children with child protection plans. Most children attend part-time so parents' weekly expenditure on childcare will still be within the £175 a week limit for the childcare elements of the Working Tax Credit.

3.3.4 The current fees range from £3.50 per hour to £4.50 per hour. With the exception of Acorn and Bright Start, the nursery fees include breakfast, lunch and afternoon tea and snacks. Children attending Acorn and Bright Start bring their own food. It is intended to charge a standard hourly rate that will bring all the council run children centre nurseries broadly into line.

Current and Proposed Charges (See also Appendix 1):

Nursery	Meals	Average Hourly rate	Proposed Hourly Rate from April 2011
Roundabout	Included	£3.80	*£4.50
Jump Start	Included	£3.80	*£4.50

Cherry Tree	Included	£4.20	£4.50
Acorn	N/A	£4.10	£4.20
Bright Start	N/A	£3.50 and £4.00	*£4.20

*As the proposed fee increases at Jumpstart, Roundabout and for Council parents at Bright Start are significant, these will be phased in order to minimise the impact on parents. Details of the phasing is included in Appendix 1. In the future the proposal is to ensure that a cost of living increase will be applied to fees in April each year.

3.4 Learning Development Centre

3.4.1 The Learning Development Centre is an in-house training venue based in Moulsecoomb. It is available for hire by the Council, schools, community users and the general public.

3.4.2 The Learning Development Centre (LDC) charges a range of fees and charges depending on the service, facilities and equipment provided. Historically, the menu and refreshment charges have been based upon the contract price for catering services plus a small mark-up. The equipment and room hire charges were not increased in 2010/11 due to the economic climate.

3.4.3 The budget strategy for 2011/12 proposes that the LDC loses its remaining £64k council funding meaning it will have to support itself 100% through income generation. To this end the manager proposes to increase charges to external hirers of the training rooms and hall by £5 for price band 1 and £10 for price band 2. The manager will also be exploring other avenues to increase income levels and/or to reduce expenditure to ensure the overall net budget is not exceeded.

3.4.4 A schedule of the current fees and charges for 2010/11 and the proposals for 2011/12 is attached at Appendix 2.

3.5 Surrenden Pool

3.5.1 Surrenden Pool is a detached timber framed swimming pool building located on the boundary of Dorothy Stringer High School on the Surrenden campus. The pool is run by a CYPT employee, assisted by sessional members of staff also paid for by the CYPT, who is line managed by the Director of Sport at Dorothy Stringer High School.

3.5.2 The pool is used during the school day by schools which do not have their own swimming facilities. These schools include Varndean, Dorothy Stringer, Downs View Link College, Queens Park Primary, Hertford Juniors, Balfour Infants, Balfour Juniors, St Bernadette's Primary, Westdene Primary, Whitehawk Primary, ACE, Moulsecoomb Primary and St Mark's Primary. In the evenings and at weekends, there is a mixture of swimming lessons and third party lets to local swimming and scuba clubs to maximise income and to ensure that costs are kept as low as possible for schools.

- 3.5.3 A saving of £10,000 was made in this budget in 2010/11. The impact of this is being monitored and will be reviewed towards the end of the financial year. As a result of the budget reduction, public swimming sessions were stopped at the beginning of the financial year as the income raised from putting on these sessions did not cover the costs of running them. It was also hoped that the pool could be opened during the school holidays to clubs and for swimming sessions. However, there have been a number of structural works undertaken at the pool this year. These works are generally undertaken during school holidays and this has prevented any additional sessions taking place.
- 3.5.4 In 2010/11, it has also been evident that some regular third party hirers have been struggling to pay the pool's charges and we have in certain circumstances agreed to reduce the hourly rate rather than risk losing their custom altogether. It is not therefore proposed to increase pool charges to regular third party hirers in 2011/12.
- 3.5.5 It is, however, proposed to increase charges to schools. For a number of years, charges to schools have been kept to an absolute minimum. As set out in 3.5.2, this has been achieved by maximising income from the third party letting of the pool out of school hours and at weekends. As it is believed it will pose too much of a risk to increase the charges to the regular third party hirers in 2011/12, it will therefore be necessary to increase the charges to schools, particularly primary schools, who have benefited most from subsidised rates in the past. The proposal is therefore to increase the hourly rate for primary schools to match the rate charged to secondary schools, ie, from £18.50 per hour to £26.00 per hour in 2011/12. Secondary schools' charges will increase from £25.00 per hour to £26.00 per hour. Appendix 3 shows a further breakdown of current and proposed fees and charges for the pool.
- 3.5.6 It is not believed that the increase in charges to schools in 2011/12 should affect school bookings as schools receive funding for this sort of activity as part of their annual budget share. It also needs to be noted that even with the proposed increase, Surrenden Pool's charges remain considerably lower than at other pools in the City, eg, pool hire at St Lukes School is £64.00 per hour plus additional charges for lifeguarding.

3.6 Music Arts and Study Support

- 3.6.1 The Music Service charges a range of fees and charges depending on the service provided. These fees are set in order to balance the budget, taking into account inflation, savings targets and market conditions. The Music Trust is consulted on suggested levels of fees, prior to final decisions by Directors.

- 3.6.2 The budget strategy for 2011/12 proposes that the music service loses 30% of its council funding, equivalent to £82k. As a result it is anticipated that instrumental tuition fees will rise but will need to be submitted to the Music Trust and to Directors for approval in March 2011. The Music Grant will be unknown until after the Henley Review is published early in the New Year. Any changes to this may affect budget plans.
- 3.6.3 A schedule of the current fees and charges are attached for information at Appendix 4.

3.7 **Portslade Community College**

- 3.7.1 Portslade Community College review their fees and charges in respect of the Playgroup and the Adult Education Courses each year with a view to balancing the budget. They are approved by the Board of Governors.
- 3.7.2 The fee currently charged for the Playgroup is £9.00 per 3 hour session which runs from 9.00 a.m. to 12.00 p.m., Monday to Friday. Session times were increased in September 2010 in order to deliver the 15 hour weekly free entitlement to children in receipt of Government funding from the term after their third birthday.
- 3.7.3 The College offer a wide variety of Adult Education courses (in the region of 100) of varying lengths and qualifications. The fees currently charged range from £20.00 (£15.00 Concessionary Fee) for a day course such as in Creative Writing to £546.00 (£135 Concessionary Fee) for a one year Interior Design course. A GCSE course in English, Maths or Science is £135.00 (£40.00 Concessionary Fee)
- 3.7.4 Concessionary Fees are available to students taking examined or assessed courses who are receiving income based benefits. Students on benefits and those living in BN41 postcode area also receive the concessionary rate on non-accredited courses. No fee is payable by students aged 16-18 taking part in many vocational courses.

3.8 Portslade Sports Centre

3.8.1 Portslade Sports Centre review their fees and charges annually with regard to target income budgets, inflation and competitors' prices. They are approved by the Sports Centre Sub-Committee of the College Governors, usually in July for implementation in September.

3.8.2 A schedule of the current fees and charges is attached at Appendix 5.

3.9 School Meals

3.9.1 The charges for school meals is inflated annually in accordance with the inflation factor in the school meals contract. The current contract is due to finish 31 July 2011. Schools may choose to buy into the contract or make their own school meals arrangements. All secondary schools with the exception of Brighton Aldridge Community Academy (BACA) provide meals, including free meals to entitled pupils, through their own individually negotiated contracts. BACA will remain as an addendum to the Primary and Special School Meals Contract until 31 July 2011 or until their new kitchen facilities are available.

3.9.2 The contract includes the provision to increase the charges for the meals in line with inflation. The charges for school meals are usually increased by this inflation factor with effect from April but not charged to the customer until September. As this is built into the contract terms and conditions, approval by the CYPT Board would only be sought if an increase exceeding inflation was being proposed.

3.9.3 The current charges for school meals in both primary and secondary schools are £2.10 for children and £2.05 for adults, the price to adults will increase in January 2011 when the rate of VAT rises to 20%.

3.10 HEALTH IMPLICATIONS

From a public health perspective, if proposed increases were above inflation level for some sports and leisure facilities in the city, particularly in areas of health inequalities, disadvantaged groups may be less likely to be able to access affordable physical activity, sport and leisure. Any likely adverse impact on the health and well-being of these groups should be considered.

4. CONSULTATION

4.1 Budget holders with responsibility for specific fees and charges were consulted in the preparation of this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 The total CYPT fees and charges budget for 2010/11 is approximately £5M.

- 5.1.1 As a start point for the budget process, income budgets are increased by inflation, currently 2%, to produce a target income budget. Budget Holders then review their fees and charges with a view to ensuring that the target budget is achieved and where possible exceeded.
- 5.1.2 Children's Centre nurseries set a net nil budget and are subsidised by the Sure Start grant. Once the fees and charges have been standardised, this funding will be reallocated to maintain the net nil budget position.
- 5.1.3 The Learning Development Centre has a target income budget of £406,000 which will need to be achieved to remain within the overall net budget.
- 5.1.4 Surrenden Pool has a target income budget of £59,000 . It is anticipated that this should be achieved with a combination of fee increases and an increase in use by scuba and diving clubs and school holiday opening.
- 5.1.5 The Music Service has a target income budget of £675,000 which it will aim to achieve when reviewing the fees and charges for approval by the Music Trust in due course.
- 5.1.6 Portslade Community College operates the Portslade Community College Playgroup and Portslade Community College Adult Tuition. The target income budgets are £43,000 and £141,000 respectively which it will aim to achieve when reviewing the fees and charges for approval by the college Governors in due course.
- 5.1.7 Portslade Sports Centre has a target income budget of £445,000. The Centre is supported by the Authority by the payment of the rates bill and a net contribution to running costs. This is estimated at £153,000 for 2010/11. Any shortfall in income and/or a net overspend would be funded by Portslade Community College.
- 5.1.8 School Meals fees and charges are increased by the same inflation factor as contained in the school meals contract. Income levels fluctuate according to demand but are constantly monitored. Any shortfall in income and or net overspends are currently subsidised by the School Lunch Grant (SLG) although funding beyond 2010/11 has not yet been confirmed. Any overall surplus on school meals after taking account of the SLG is chargeable to the Dedicated Schools Grant.

Finance Officer Consulted: Louise Hoten

Date: 1 0/11/2010

Legal Implications:

- 5.2 The CYPT is entitled to review fees and charges as set out in the report, At the time fees and charges are set they must be demonstrably fair and reasonable in all the circumstances.

Lawyer Consulted: Natasha Watson

Date: 10/11/2010

Equalities Implications:

- 5.3 Equal access to nursery care is encouraged by ensuring that the nurseries all offer the universal free early years entitlement of 15 hours a week for all 3 and 4 year olds. The nurseries also offer free part time places for disadvantaged

two year olds and free places for children under two with child protection plans. Parents with low incomes can claim the childcare element of the Working Tax Credit. This pays for childcare costs of up to a maximum of 80% (to reduce to 70% from April 2011) of £175 a week for one child or £300 for two or more.

- 5.3.1 Equal access to music services is encouraged by offering subsidies of 50% to families receiving Child Tax Credit and 80% to families on Income Support.
- 5.3.2 At Portslade Sports Centre day membership fees (80p) are waived for the unemployed or those on Income Support. Concessions are also offered for Senior Citizens and in some cases for the over 50's.

Sustainability Implications:

- 5.4 There are no direct sustainability issues arising from this report.

Crime & Disorder Implications:

- 5.5 There are no direct crime and disorder issues arising from this report.

Risk and Opportunity Management Implications:

- 5.6 The services included in this report rely on being able to achieve their income targets in order to maintain the level of service provided.

Corporate / Citywide Implications:

- 5.7 The services included in this report are available across the city and concessionary prices are offered where possible to encourage those most disadvantaged to make use of these services.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Not applicable.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 To agree and/or note the CYPT Fees and Charges for 2010/11.

SUPPORTING DOCUMENTATION

Appendices:

- 1 Nursery Fees
- 2 Learning Development Centre Fees and Charges
- 3 Surrenden Pool
- 4 Music and Performing Arts Fees and Charges
- 5 Portslade Sports Centre

Documents In Members' Rooms

None

Background Documents

1. Fees and Charges Analysis – 2010/11
2. Portslade Community College Fees Leaflet –Courses for Adults 2009-10

