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|-------------------------|--|--|----------------------------|
| <b>Subject:</b>         | <b>CYPT Fees and Charges 2010/11</b>   |  |                            |
| <b>Date of Meeting:</b> | <b>1 February 2010</b>                 |  |                            |
| <b>Report of:</b>       | <b>Director of Children's Services</b> |  |                            |
| <b>Contact Officer:</b> | <b>Name:</b>                           | <b>Michelle Herrington</b>               | <b>Tel:</b> <b>29-1507</b> |
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| <b>Key Decision:</b>    | <b>No</b>                              | <b>Forward Plan No: N/A</b>              |                            |
| <b>Wards Affected:</b>  | <b>All</b>                             |  |                            |

### 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 be noted.
- 2.2 That it be agreed that the fees and charges for the Learning Development Centre remain unchanged for 2010/11 as detailed in section 3.4.
- 2.3 That the fees and charges for 2010/11 in respect of Surrenden Pool as detailed at section 3.5.3 be agreed.
- 2.4 That the position on fees and charges for the Music and Performing Arts Service as detailed at section 3.6 be noted.
- 2.5 That the position on fees charged by the Portslade Community College at section 3.7 be noted.
- 2.6 That the position on fees charged by the Portslade Sports Centre at section 3.8 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 a review was carried out of the CYPT Fees and Charges. 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. This review was carried out in accordance with the Council's Fees and Charges Policy. It is intended to form a key element of the council's medium term financial planning and will ensure there are links to the annual budget setting process. As such it contributes to the achievement of one of the Council's 5 corporate priorities – "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 4 children's centre nurseries, namely Cherry Tree, Acorn, Roundabout and Jumpstart, throughout the City which currently charge varying levels of Fees and Charges within the overall working tax credit limit of £175 per week. As a result of an internal audit last year, there is an exercise being carried out at the moment which is intended to standardise these charges; again within the upper limit of £175. It is anticipated that a report will be presented to DMT in due course for approval of the proposed fees to enable the parents to be advised in April. The new fees would then be implemented with effect from September 2010.

3.3.2 There is a workplace Nursery (Bright Start) which operates to provide affordable childcare predominantly for employees although places are also available for children of non-employees. It is proposed to review the fees for Bright Start as part of the exercise referred to in paragraph 3.3.1 above.

3.3.3 There is also a school run nursery, Tarnerland, whose fees and charges are approved by the Board of Governors.

3.3.4 The current fees and charges for all of these nurseries are attached for information at Appendix 1.

### **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 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 had not been increased for several years so an inflationary increase was applied in 2009/10 with a view to repeating this each financial year. However, given the current economic climate, the Manager is not proposing to increase the Centre's fees and charges for 2010/11. He will however be exploring other avenues to increase income levels and/or to reduce expenditure to ensure the overall net budget is not exceeded.

3.4.3 A schedule of the current fees and charges is attached at Appendix 2. The current on-cost for catering services is 15%.

### **3.5 Surrenden Pool**

3.5.1 Surrenden Pool is a detached 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 and 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. In the evenings and at weekends, there is a mixture of swimming lessons and public sessions. Local swimming and scuba clubs also hire the facilities when the pool is not being used.

3.5.3 Historically, the fees and charges have been set by the Assistant Director in consultation with the Pool Manager. Charges have previously been set with the aim of keeping within budget and maximising external income.

3.5.4 The current fees and charges and the proposed fees for 2010/11 are given below;

| SESSION                   | 2009/10 | 2010/11 | INCREASE |
|---------------------------|---------|---------|----------|
|                           | £/Hour  | £/Hour  | %        |
| Primary School Swimming   | 18.00   | 18.50   | 2.78     |
| Secondary School Swimming | 24.50   | 25.00   | 2.04     |
| Public Swimming –Adult    | 4.50    | 5.00    | 11.11    |
| Public Swimming- Child    | 3.50    | 4.00    | 14.29    |
| Public Swimming Lessons   | 6.50    | 7.00    | 7.69     |
| Swimming/Diving Club Hire | 55.00   | 60.00   | 9.09     |
| Casual Pool Hire          | 80.00   | 85.00   | 6.25     |

3.5.5 There is a proposed savings target of £10,000 for 2010/11. It is anticipated that the proposed increase in fees together with the increase in third party use by swimming and scuba clubs (as reflected in the outturn figures for 2008/9 and indicated by the trend so far this year) as well as opening the pool during school holidays should result in this target being achieved. The position will be monitored on an on-going basis.

### **3.6 Music and Performing Arts Service**

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 fees are approved by the Music Trust.

3.6.2 It is intended that the fees will be reviewed once the budget has been set and the proposed charges will be submitted to the Music Trust in March 2010 for approval. The new fees and charges need to take account of a proposed savings target of £5,000 and will then be effective from 1st April 2010.

3.6.3 A schedule of the current fees and charges are attached for information at Appendix 3.

### **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 £6.50 per 2.5 hour session which runs from 9.15 to 11.45a.m., Monday to Friday.

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 £21.00 (£16.00 Concessionary Fee) for a day course such as in Creative Writing to £575.00 (£180 Concessionary Fee) for a one year Interior Design course. A GCSE course in English, Maths or Science is £104.00 (£35.00 Concessionary Fee).

3.7.4 Concessionary Fees are available to students taking examined or assessed courses who are receiving income based benefits. Partially discounted fees are available to students who have less than 5 GCSE at grade A\*-C and/or are 60+. 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 4.

### **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. From September 2009 six secondary schools will provide meals, including free meals to entitled pupils, through their own individually negotiated contracts. The three schools within the PFI contract have their meals supplied as part of the PFI contractual arrangements.

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 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 £2.00 for children and £2.05 for adults.

### **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 As part of the budgeting process a pro-forma was sent to Budget Holders with responsibility for fees and charges. The purpose of this was to assess the rationale for fee setting in accordance with the corporate fees and charges policy. The exercise was applied to budgeted income streams in excess of £25,000 or over and the responses were collated and reviewed. They are available for inspection if required and are listed in Background Documents section.

## 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. Brightstart nursery is funded by the CYPT and any over or under achievement of income will affect the CYPT outturn position.
- 5.1.3 The Learning Development Centre has a target income budget of £302,000 which will need to be achieved to remain within the overall net budget.
- 5.1.4 Surrenden Pool has a target income budget of £47,000 plus a savings target of £10,000. 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 £648,500 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 £5,000 and £177,200 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 £471,700. 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 £121,000 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: Michelle Herrington*

*Date: 09/12/2009*

### 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: 21/12/2009*

#### Equalities Implications:

- 5.3 Equal access to nursery care is encouraged by keeping the overall weekly fees in line with the tax credit limit of £175 per week.
- 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 (70p) 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 and Charges
- 2. Learning Development Centre Fees and Charges
- 3. Music and Performing Arts Fees and Charges
- 4. 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

