

Item No.	Classification: Open	Date: 13 April 2015	Decision Taker: Cabinet Member for Children's Services
Report title:		Children's Services – Fees and Charges 2015/16	
Ward(s) or groups affected:		All	
From:		Strategic Director of Children's and Adults Services	

RECOMMENDATION

1. That the Cabinet Member agrees the proposed non-statutory fees and charges for 2015/16 as follows:
 - Change to the Youth and Play Services Fees in 2015/2016.

BACKGROUND INFORMATION

2. This report sets out proposals for the fees and charges to be set for Children's Services for 2015/16.
3. In accordance with The Medium Term Resource Strategy (MTRS) and the corporate income policy require that:
 - Fees and Charge are increased to a level, at a minimum, that is equal to the most appropriate London average (e.g. inner London, family, groupings etc) except where this conflicts with council policy, would lead to adverse revenue implications or would impact adversely on vulnerable clients
 - Income generation is maximized by seeking income streams in line with council policies and priorities.
 - All fees and charges capped by statute are increased to the maximum level the cap allows.
4. Only where it can be demonstrated that adverse financial implications might arise or where increases are not considered realistic due to demand and local circumstances, can fees or charges increases be set at a lower level than that set by the MTRS.
5. The Council's constitution requires that all fees and charges increases are agreed by the relevant Cabinet Member through an IDM report. An IDM report is also required where no increase or a reduction in fees and charges is proposed.

KEY ISSUES FOR CONSIDERATION

6. Fees and charges are those charges where there is a schedule of rates for services provided. There are various types, namely mandatory and discretionary i.e. where the Authority must charge or where there is a choice of

charging or not. Whether mandatory or discretionary, the charges will be either:

- Fixed – where the level of charges is set by statute and the Authority has no discretion.
 - Capped – where a maximum level is set, generally by statute and so charges cannot be set above this level, or
 - Flexible – where there is full discretion on the level of charges to be set
7. Where the Authority has a choice about charging, any decision not to charge must be agreed by the relevant Cabinet Member. This will be reviewed annually and will be considered within the context of the overall budget position.
8. This report only seeks approval for fees and charges for which there is discretion. No Children's Services charges are fixed or capped.
9. In arriving at the proposed fees and charge levels, consideration has been given to a number of factors, including; volume assumptions, benchmarking data, market forces and sensitivity i.e. the impact that increases will have on its customers' ability to pay and the take-up of services. Another factor taken into account is that, whilst Southwark may have discretion over the level of fees set, in many cases, this is on a cost recovery basis or must have due regard to the cost of service and be reasonable. The cost of service provision has therefore, also been a consideration in arriving at the proposed fees.

Nurseries

10. The fees for childcare provision at the four nurseries are under review and will be tabled separately.

Youth Centres

11. Fees and charges within the Youth service consist of payment for trips and residential excursions from Youth Centres, plus gym hire. There are 9 Youth Centres based throughout the borough and one gym. Following the unrest in summer 2011 and the Council's community conversations it was identified that young people needed more things to do. Therefore, it is important that the fees charged are not a barrier to young people accessing positive activities provided at the following places:-

Belair Youth Centre
Brandon Youth Centre
The Blue Youth Centre
Success house
Camberwell Leisure Centre
Three Hills Project
Kingswood Youth Project
Central Adventure Project
Damilola Taylor Centre

12. There are no admission fees at Youth Clubs. Council operated youth sessions for young people at youth centres are delivered free of charge. It is proposed that for 2015/16 this remains the same.

13. Off site trips will continue to be charged at a discretionary rate dependent on destination and admission costs.

Damilola Taylor Centre

14. The charges at the Damilola Taylor Centre have been reviewed in light of the recent refurbishment and it is proposed that they are increased for private hire. The new proposed charges are set out later in the report. These increases should not affect the demand for the services and the increases are comparative to other like facilities available in the marketplace.
15. The above Centre also has a new state of the art 3G football pitch. The charge for this is competitive and reflects the quality of the surface and also the costs in terms of up keep.

All other Youth Centres

15. Charges for services available at all other Youth Centres have not been previously set out. This has now been set out in the appendix attached.

Play Service

16. Fees and charges are made for the following services:
 - Easter and summer holiday play scheme
 - Fees for badge machines
 - Hire of facilities (super inflatable, badge making equipment, music equipment)
 - Hire of specialist workers
17. The following changes are proposed for the Play Service:
 - Fees for the Easter & Summer holiday play scheme have been increased by inflation. In accordance with the MTRS, these rates have been benchmarked with local authorities. Historically, Southwark rates for holiday play schemes have been below other local authority rates, and therefore, an inflationary increase will bring our rates closer to the average.
 - The charge for provision of badge machines and cutter has not been changed and current charges reflect the costs of material used.
 - The cost for hiring super inflatable (bouncy castles) has increased in line with inflation.
 - The fee for hiring specialist workers (play-workers, face painters, sports coaches and musicians) has increased in line with inflation

Policy implications

18. The proposed charges are in line with the MTRS to inflate fees by inflation (CPI in August 2014 was 1.5%) and/or to recover costs.

Community impact statement

19. The changes outlined in this report will affect those users currently paying for services (principally parents and carers), and the users of the service (young people within Southwark). The possibility that usage of services could decline as

a result of any proposed increases has been considered by managers when setting the level of fees and charges.

Consultation / Notification of fee increases

20. Notice of one month is generally given in respect of proposed increases in Children's Services department fees and charges.

Financial implications (FI Number CS0326)

21. The proposed increases and introduction of new charges set out in this report could generate increase in income totaling in the region of 50K.
22. The proposals set out in this report have been drawn up in accordance with the Medium Term Resource Strategy agreed by the Executive. The financial implications are as set out in the report.

Consultation

23. A consultation on the fees policy was undertaken during November 2012 which has influenced the revised fee policy.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

24. The Cabinet Member for Children's Services is asked to approve the 2015/16 non-statutory fees and charges as outlined in this report. The recommendations will take effect on 1 April 2015 if approved.
25. The approval of the fees and charges sought in this report is a matter reserved to the Cabinet Member for individual decision making in accordance with Part 3D paragraph 3 of the Council's constitution.
26. The proposed increases are intended to be consistent with the Medium term resources strategy and will apply to the existing non-statutory fees and charges subject to those charges not exceeding the costs of the provision.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Medium Term Resources Strategy 2014-15- to 2015-16	Tooley Street	020 7525 2684

APPENDICES

No.	Title
Appendix A	Children's Services - Proposed Charges 2015/16

AUDIT TRAIL

Lead Officer	David Quirke-Thornton, Strategic Director of Children's and Adult Services	
Report Author	Nicholas Ajaegbu, Children's Services Departmental Finance Manager	
Version	Final	
Dated	30 March, 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		31 March, 2015

Appendix A Children's Services - Proposed Charges 2015/16

Description of Charge Fees	2014/15 Fee £	2015/16 Fee £	% change	Comments
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Admission charges made to young people at youth centres	zero	zero	0%	Increase 0%
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Hire of Damilola Taylor Centre Private Hire rates				
Gym Hire without instructor / hour	25.50	26.00	2.0%	New and updated charges reflecting actual costs.
Instructor / hour	16.00	25.50	59.4%	
New 3G Football Pitch/hr		70.00	-	
Dance Studio/hr	26.00	30.00	15.4%	
Main Hall / hour	47.00	50.00	6.4%	
Individual Gym Use/hr	1.00	1.00	0%	No increase – nominal charge

All other Youth Centres				
Commercial Organisations Weekdays until 10am to 4pm pm/ hour	29.00	30.00	5%	Inflationary increase rounded to 50p
Commercial Organisations Weekends 10am to 4pm/ hour	35.00	36.00	5%	Inflationary increase rounded to 50p
Non Commercial & Charities Weekdays 10am to 4pm/hour	25.50	26.00	2.0%	Inflationary increase rounded to 50p
Non Commercial & Charities Weekends until 8:00 pm/ hour	25.50	26.00	2.0%	Inflationary increase rounded to 50p

Description of Charge Fees	2014/15 Fee £	2015/16 Fee £	% change	Comments
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PLAY SERVICE PRIVATE HIRE

<u>Fees for Badge Machine</u>				
Machine and Cutter (per day)	18.00	18.00	0%	No increase- rates reflect costs
Badge Components (per 100)	23.00	23.00	0%	No increase- rates reflect costs
Key Ring Components (per 50)	23.00	23.00	0%	

<u>Charge for Playworker per hour</u>				
Playworker, (per hour)	19.50	20.00	2.6%	Increase reflecting costs rounded to 50p
Face Painter (per hour)	21.50	22.00	2.3%	
Sports Coach (per hour)	21.50	22.00	2.3%	
Music Provision (per hour)	20.00	20.50	2.5%	Hire of equipment only increases reflecting costs
Playworkers (Schools) (per hour)	11.50	11.75	2.2%	Increase reflecting costs

<u>Fees for hire of inflatables per session</u>				
Small bouncer (hirer / local delivery)	62.00	63.50	2.4%	Increase reflecting costs rounded to 50p
Small bouncer (supervised package)	165.00	169.50	2.4%	
Medium bouncer (supervised package)	215.00	220.00	2.3%	
Large bouncer (supervised package)	318.00	325.00	2.2%	
additional hours (per hour) for any of the above packages	49.00	50.00	2.0%	

Description of Charge Fees	2014/15 Fee £	2015/16 Fee £	% change	Comments
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PLAY SERVICE PRIVATE HIRE

Brimmington (new meeting room) Community rate		15.00		New Charge
Brimmington (new meeting room) Commercial rate		30.00		New Charge

Whitesgrounds Skate park (community rate)		40.00		New Charge
Whitesgrounds Skate park (commercial rate)		55.00		New Charge

Adventure Play (room hire) Community rate		35.00		New Charge
Adventure Play (room hire) Commercial rate		45.00		New Charge
Adventure Play (room & outdoor space) Community rate		45.00		New Charge
Adventure Play (room & outdoor space) Commercial rate		60.00		New Charge