



Revised Childcare Charging Policy

SUMMARY

- 1.1 Childcare is currently being developed in maintained schools in Derby as part of the Children's Centre and Extended Schools initiatives. The childcare places will initially be supported by revenue funding from the General Sure Start Grant, but must eventually become sustainable through charging.
- 1.2 It is necessary to develop a consistent charging policy across all Local Authority settings which can also be adopted by governing bodies in maintained schools which are not designated as Children's Centres, and by designated Children's Centres.
- 1.3 There has been no recommended rise in childcare costs since Council Cabinet agreed a policy on 16 March 2004. This only covered charges for "wraparound" childcare for foundation stage one children in maintained nursery schools, infant and primary schools.
- 1.4 The proposed revised charges reflect current costs for childcare across the city in both the private and voluntary sectors.
- 1.5 Subject to any issues raised at the meeting, I support the following recommendations.

RECOMMENDATIONS

- 2.1 To agree the revised charging policy for recommendation for adoption by maintained schools, Children's Centres and Extended Services Schools.
- 2.2 To increase future childcare costs each year to reflect the standard rate of inflation, with a report back to Council Cabinet only if a significant deviation is proposed.

REASON FOR RECOMMENDATIONS

- 3.1 Childcare which is offered by maintained schools, Children's Centres and Extended Services schools needs to be sustainable, but needs to take into account affordability to the parents and carers who will access it.
- 3.2 There has been no rise in the recommended costs since Council Cabinet agreed the childcare charging policy on 16 March 2004 and childcare will now be offered in Children's Centres and Extended Services Schools to a wider age range.

- 3.3 If there is a smaller increase or no increase, the childcare available will not be sustainable and the Council will not meet targets agreed with DfES' Sure Start Unit for the number of childcare places in Derby.



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SUPPORTING INFORMATION

- 1.1 Council Cabinet approved a childcare charging policy on 16 March 2004. There has been no recommended rise in charges since this date. The revised charges will need to cover staff costs, using suitably qualified staff to meet national standards for day care registration, but also working within the Council's pay and conditions. The charges need to support sustainability of provision. The revised charging policy offers more sessional models to meet the identified needs of parents and carers.
- 1.2 An example of the proposed rise will be from £118 a week to £125 for full daycare for a child aged between 2 and 3 years. Council charges would be similar to those in the private and voluntary sector.
- 1.3 Childcare is one element of the core offer of services in a Children's Centre or Extended Services school. Maintained schools may also offer childcare as "wraparound" care in addition to a funded foundation stage one place.
- 1.4 It is necessary to develop a consistent charging policy across all Local Authority settings, which can also be adopted by school governing bodies in maintained schools which are not designated as Children's Centres, and by designated Children's Centres.
- 1.5 Childcare which is offered as part of a Children's Centre will be managed through the Integrated Children's Service team. Childcare which is offered as part of an Extended Schools service or "wraparound" in a maintained school will be the responsibility of the governing body.
- 1.6 Childcare places which have been created in Phase 1 Children's Centres need to become sustainable and a consistent policy needs to be agreed as Phase 2 Children's Centres are developed.
- 1.7 The childcare currently provided in the Neighbourhood Nurseries within the Children's Centres is being supported by £300,000 funding from the General Sure Start Grant. That funding cannot be maintained without detriment to other services in future years.
- 1.8 Any new childcare which is developed to meet identified parental needs must have costs set at realistic levels, but which are affordable to local families. The impact of this increase will need to be monitored to assess continued take up of places.

- 1.9 Childcare costs cannot be met from Local Authority core funding. The funding must be separate from the school's delegated budget.
- 1.10 Appendix 2 sets out the revised charging policy. This can only be a recommendation where the childcare is the responsibility of the school, where governors would make final decisions about charges.

OTHER OPTIONS CONSIDERED

- 2.1 To maintain recommended costs at the current level or a lower level of increase. This would not make the provision sustainable and there would then be possible redundancy costs.
- 2.2 To reduce the number of childcare places available across the city, which would reduce parental choice and not support the Government's ten-year strategy for childcare, or meet Local Area Agreement targets.
- 2.3 To introduce a differentiated charging policy, which would be very difficult to administer and monitor.

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Background papers:

List of appendices: Appendix 1 - Implications
Appendix 2 – Charging policy

IMPLICATIONS

Financial

- 1.1 Budgets for Children's Centres and Sure Start Local Programmes are wholly dependent on external income, whether from the General Sure Start Grant through the Local Area Agreement or through childcare fees. The assumed level of fee income in the Sure Start nurseries in 2006/07 is £406,000.
- 1.2 DfES guidance on extended schools states that "parents should be charged for all childcare... except for the free entitlement to provision for three and four year old children", which is currently 12.5 hours per week. Parents on lower incomes may be eligible to reclaim up to 80% of the costs of childcare through the childcare element of the Working Families Tax Credit.
- 1.3 The Council builds in a standard rate of inflation for income in its budget process. This will be applied in future years to childcare charges. Reports will come back to Cabinet if there are any proposals to deviate significantly from this.

Legal

2. Whilst the Local Authority can give guidance about charging policies, the final decision will rest with the governing body where the service is delivered in maintained schools.

Personnel

3. The provision of sustainable childcare will provide considerable employment opportunities. However if the provision does not become sustainable there is potential for redundancies.

Equalities impact

4. Childcare should be accessible and available for all. Parents and carers can be supported to access working families tax credit and other benefits to achieve this.

Corporate Priorities

5. The proposals relate to the following corporate priorities:

Improve the quality of life in Derby's neighbourhoods, by:

- reducing inequalities between neighbourhoods

Encourage lifelong learning and achievement, by:

- raising skill levels to improve the chances of securing employment.

Build healthy and independent communities, by:

- improving the health of our communities
- delivering joined up services for children and young people that meet the needs of the local community.

Deliver excellent services, performance and value for money, by:

- reducing inefficiency by improving business processes and ability to perform.

Charging Policy for Childcare within Maintained Schools including Maintained Nursery Schools

Scope

- 1.1 The Education Act 2002 offered the opportunity to develop the provision of childcare within maintained schools. The Childcare Bill 2006 puts a statutory duty on the Local Authority to provide sufficient childcare in the area.
- 1.2 The Local Authority has developed seven Phase 1 Children's Centres, which will deliver childcare for children 0-5 for up to 10 hours a day, 48 weeks a year.
- 1.3 Maintained nursery schools are being encouraged to develop "wraparound" daycare for three and four-year olds attending for part-time funded foundation stage education and to develop holiday daycare
- 1.4 Extended Schools will deliver out of school childcare as part of the delivery of the core offer to include breakfast, after school and holiday provision.
- 1.5 Phase 2 Children's Centres which will be developed between 2006-08 will provide early years care and education as part of the core offer to 3-4 year olds, but will not provide childcare for 0-3 year olds.
- 1.6 There needs to be a consistent charging policy, which is clear to parents/carers using the services, which is realistic in terms of staffing costs and to meet the statutory requirements of OfSTED registration.

Definitions

- 2.1 The staffing ratios are:

0 – under 2 year-olds	1 staff member to three children
2 – under 3 year-olds	1 staff member to four children
3 – under 8 year-olds	1 staff member to eight children

Childcare provision for children aged eight years and over is not subject to OfSTED Early Years registration, but a similar ratio is recommended.

- 2.2 At least 50% of staff must have at least an NVQ level 2 qualification appropriate for the level of care or development of children. At all times there will be a member of staff qualified to at least NVQ level 3.

2.3 The childcare can be defined as

Out of school care – facilities that provide daycare for children under eight which operate during one or more of the following periods:

- before school
- after school
- during the school holidays.

The total care provided is for more than two hours in any day and for more than five days a year.

A main purpose of the provision is to look after children in the absence of their parents. This form of care can include children from three years old and children over eight may use it.

Examples are summer camps, holiday play schemes, breakfast clubs, after school clubs.

Crèches – facilities that provide occasional care for children under eight and are provided on particular premises on more than five days a year. They need to be registered where they run for more than two hours a day, even where individual children attend for shorter periods. Some are in permanent premises and care for children while parents are engaged in particular activities, eg training or adult learning.

Sessional care – facilities where children under eight attend daycare for no more than five sessions a week, each session being less than a continuous period of four hours in any day. Where two sessions are offered in any one day, there is a break between sessions with no children in the care of the provider. This is intended to cover provision which offers children part-time care and the opportunity to engage in activities with their peer group, eg playgroup.

Daycare – facilities that provide care for children under eight for a continuous period of four hours or more in any day in premises which are not domestic premises, eg Children's Centres.

Childcare Charges

- 3.1 As part of the core offer for designation as a Children's Centre each Centre will be open as a minimum from 8am to 6pm (ten hours), five days a week, 48 weeks a year.
- 3.2 This policy covers childcare for children 0-3 within Children's Centres and 3-4 for children accessing daycare in Children's Centres and maintained schools, including nursery schools as wraparound care, additional to the Foundation Stage funded education, and also during school holidays.

- 3.3 The costings are based on staff requirements to meet OfSTED registration regulations, and include meal costs where appropriate.
- 3.4 No charge can be made for the Foundation Stage funded education place of 12.5 hours per week, but parents/carers can purchase additional childcare provision.
- 3.5 Parents/carers may purchase full daycare during holidays where available.

Pricing Structure

- 4.1 The table set out below outlines recommended childcare costs

Hourly Cost Charging Policy 0-2s

Session	Cost	Extras	Hourly Cost	Meals inc
8am – 12.45pm	£14.50	£0.00	£3.05	Lunch £1.20/breakfast
1pm – 6pm	£15.25	£0.00	£3.05	Tea £0.50
9am – 3pm	£18.50	£0.00	£3.08	Lunch £1.20
8am – 6pm	£25.00	£0.00	£2.50	Lunch & tea £1.70
Full week	£125.00	£0.00	£2.50	Lunch & tea £8.50

Hourly Cost Charging Policy 2-3s

Session	Cost	Extras	Hourly Cost	Meal inc
8am – 12.45pm	£13.25	£0.00	£2.79	Lunch
1pm – 6pm	£14.00	£0.00	£2.80	Tea
9am – 3pm	£18.50	£0.00	£3.08	Lunch
8am – 6pm	£24.50	£0.00	£2.45	Lunch & tea
Full week	£122.00	£0.00	£2.44	Lunch & tea

Hourly Cost Charging Policy 3+s

Session	Cost	Extras	Hourly Cost	Meals in
8am – 12.45pm	£13.25	£0.00	£2.79	Lunch
1pm – 6pm	£14.00	£0.00	£2.80	Tea
9am – 3pm	£18.50	£0.00	£3.08	Lunch
8am – 6pm	£23.50	£0.00	£2.35	Lunch & tea
Full week	£117.00	£0.00	£2.34	Lunch & tea

- 4.2 Payment details, terms and conditions and collection arrangements will be developed by individual Children's Centres/schools and will be part of parent/carer admission guidance.

Support for Childcare Costs

- 5.1 Parents/carers may be able to access a range of tax benefits and grants to support childcare costs.
- 5.2 Childcare costs cannot be met directly from schools' budgets.

Review and Monitoring

- 6.1 This policy will be reviewed annually.
- 6.2 There will be monitoring of occupancy, staffing and income on a monthly basis by the Local Authority where appropriate.

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