

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF EDUCATION, ADULT AND CHILDREN'S SERVICES

TO:	PERSONNEL COMMITTEE		
DATE:	14 JULY 2016	AGENDA ITEM:	3
TITLE:	KENNET DAY NURSERY FEE INCREASE		
LEAD COUNCILLOR:	JO LOVELOCK	PORTFOLIO:	LEADER OF THE COUNCIL/CHAIR OF PERSONNEL COMMITTEE
SERVICE:	KENNET DAY NURSERY	WARDS:	BOROUGHWIDE
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JOB TITLE:	READING PLAY MANAGER	E-MAIL:	andy.barker@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report details the nursery's budget for 2016/2017 and seeks to make recommendations for the nursery fees from June 2016.
- 1.2 In accordance with Section 100B(4)(b) of the Local Government Act 1972, the chair has agreed that this item of business should be considered at the meeting as a matter of urgency for the following reason:

Under the arrangements for consultation set out by the former Equal Opportunities Sub-Committee when it set up the nursery in 1987 the Kennet Day Nursery Association need to have ratified the proposed fee increase. This took place on February 4 2016 with this proposal consulted prior to this date.

2. RECOMMENDED ACTION

- 2.1 That the fee structure be increased by 2% to apply from 1st August 2016 as follows:

£213.40 per week (RBC Users)
£234.10 per week (Non RBC Users)

There is a current supplement of £2 day for children aged under 2 years and the current discount of £2 a day for siblings, continue unchanged.

3. POLICY CONTEXT

- 3.1 The last fee proposal was agreed in 2013-2014 and required the nursery to run on a self funding basis with a zero budget build. To achieve this, a consistent 85% occupancy level was required throughout the year. The 2013-14 fee proposal increased nursery fees with affect from October 2014 by 2%. In the financial year 2015- 2016 the nursery fees were not increased.

4. THE PROPOSAL

- 4.1 To increase the nursery fees by 2% achieving a zero based budget calculated on an occupancy level of 85% throughout the year and a number of in year savings.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The nursery contributes to the strategic aims of promoting equality and social inclusion; and to securing the most effective use of the Council's resources (staff) in the delivery of high quality, Best Value public services.
- 5.2 The service objective of the nursery is to provide high quality childcare for the children of employees, to allow these employees to work for the Council whilst meeting their childcare commitments as parents and/or primary carers.
- 5.3 The nursery is generally regarded by childcare practitioners in Reading as being a quality childcare service. The latest OFSTED inspection carried out in 2011 confirmed this rating the nursery as 'GOOD'. It reinforces its high standards by:
- Using only predominantly level 3 qualified staff to meet its child : staff ratios
 - Paying staff at above-market rates for childcare (but they are still amongst the lowest paid of the Council's staff)
 - Offering staff training in-house, and towards professional qualifications (NVQs)
 - Providing effective management leadership, with a nursery manager, a Deputy, and Supervisors for each of the care rooms.

6 LEGAL IMPLICATIONS

- 6.1 The nursery is provided by the Council for its staff under Sections 111 and 112 of The Local Government Act 1972. It operates under the provisions of the Children care Act 2006. The day nursery is registered with OFSTED to provide full day-care for children under eight.
- 6.2 Under the arrangements for consultation set out by the former Equal Opportunities Sub-Committee when it set up the nursery in 1987, and set out in a long-standing partnership agreement, the Council is required to consult with the Day Nursery Association before it makes any changes to fees or charges for the day nursery. The consultation proposal for this fee increase was circulated to the full Kennet Day Nursery Association prior to the position being ratified at the

Kennet Day Nursery committee on 4 February 2016, where trade unions were invited.

7. FINANCIAL IMPLICATIONS

- 7.1 At present the average occupancy level for the nursery is 78% with 10% of these or 8 Full time equivalents being non RBC and paying fees at a 10% higher rate and 7 funded two year olds. This occupancy fluctuates annually with a drop in levels in September as a direct result of children leaving to go to school; this occupancy then steadily increases again in the following months. The Nursery also has a very healthy waiting list with over 27 families waiting for spaces over the coming year.
- 7.2 The nursery still remains good value for money with other local nurseries charging rates ranging from £47 a day to £63 a day for children aged over two years old.