

MAIDSTONE BOROUGH COUNCIL

CABINET MEMBER FOR COMMUNITY SERVICES

**REPORT OF ASSISTANT DIRECTOR FOR CUSTOMER SERVICES
AND PARTNERSHIPS**

Report prepared by Jacqueline Bobb, Sports, Play and Youth

Development Manager

Date Issued: 26 March 2009

1. Review of Fees and Charges for Hotfoot 2009-2010

1.1 Issue for Decision

1.1.1 To set the level of fees and charges for Hotfoot play schemes for 2009-2010.

1.2 Recommendation of the Assistant Director for Customer Services and Partnerships

It is recommended that the Cabinet Member for Community Services agrees the proposed charges for the Hotfoot play schemes as shown in **Appendix A**

1.3 Reasons for Recommendation

1.3.1 It is Council policy to review the fees and charges annually to ensure that income targets and budget strategy savings are met.

1.3.2 In addition, charges are reviewed against those of neighbouring authorities to test market tolerance.

1.3.3 Comparative fees (see **Appendix B**) show: -

- a. Standard weekly rates for 1 or 2 children are £5 per child less than TMBC
- b. The discounted rates are more expensive as TMBC operate a heavily subsidised 'Leisure Pass scheme' which enables those on benefits to receive a significant discounted rate of £8.00 per week, compared to £15.00 per week for Hotfoot).
- c. In Summer 2008 a fund was established from contributions from a number of members delegated budgets and KCC Children's Social Services to provide free places for families in need. This has proved very successful and although the funding is not definite year on year, KCC Social Services and a number of members have confirmed funding for both schemes again in 2009-2010 financial year. These schemes help to provide an inclusive scheme for families regardless of income. The number

of families able to benefit from the referrals is dependent on the level of funding made available by Councillors and KCC Social Services respectively.

- d. Standard daily rate on Hotfoot is £1.00 per day less than TMBC
- e. Discounted daily rate on Hotfoot is 50p per day higher than TMBC

1.3.4 In prior years income targets have not been achieved as it has proved difficult to generate increased take up. Expenditure levels are fixed in relation to site hire costs and the ratio of staff to children. Assuming the 2009/10 season attracts participation rates that are similar to the 2008/09 season, the recommended increase in fees will enable the service to achieve its income targets and reduce its variance from budget. The effect on participants has been factored into the calculation of new prices.

1.3.5 The comparison with fees at TMBC suggests that the Hotfoot scheme in Maidstone has been undervalued in previous years. To correct this and achieve satisfactory performance against budgeted income requires a higher than inflation increase in fees, that averages 21%. Although a high percentage, this increase is low in value at a maximum of £4.70 per child per week.

1.4 Alternative Action and why not Recommended

1.4.1 The alternative course of action for the Cabinet Member would be not to increase the charges, or to increase them by a smaller amount however this would mean that income targets would not be met for 2009-10. Expenditure budgets could not be reduced to resolve this shortfall as they remain fixed in relation to the number of participants.

1.5 Impact on Corporate Objectives

1.5.1 The Council has a duty to promote wellbeing and a core corporate value is to promote equality. Key priorities met by well-used, accessible play schemes include promoting healthier lifestyles and lifelong learning. LAA2 targets facilitated include NI 55 and NI 56 (reducing obesity in children), N16 (Participation in Regular Volunteering), N1110 (Young People's Participation in Positive Activities).

1.6 Risk Management

1.6.1 Were the Council to increase its fees and charges to a higher level, there would be a risk of further income loss to the Council. This is mitigated by the fund which has been set up to provide free places for families in need.

1.7 Other Implications

| | | |
|----|---------------------------------------|---|
| 1. | Financial | X |
| 2 | Staffing | |
| 3 | Legal | |
| 4 | Equality Impact Needs Assessment | X |
| 5 | Environmental/Sustainable Development | |
| 6 | Community Safety | |
| 7 | Human Rights Act | |
| 8 | Procurement | |
| 9 | Asset Management | |

1.7.1 Financial: The slight increase in charges should enable the Section to achieve it's income targets for 2009-2010.

1.7.2 Equality Impact Needs Assessment: By continuing to offer differential pricing based on income it enables the majority of families to access the play schemes.

Background Documents

None

NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED

Is this a Key Decision? Yes

If yes, when did it appear in the Forward Plan? April

Is this an Urgent Key Decision? No

How to Comment

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

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Appendix A
Hotfoot Fees and Charges

| | 2008-9 Current Charge | 2008-9 Current Estimate | 2008-9 Actual Estimate | 2009-10 Proposed Charge | shortfall against income target | 2009-10 Increased Income | 2009-10 Estimate |
|--|--------------------------------------|--|---------------------------------------|--|--|---|-----------------------------|
| SPORTS & PLAY ACTIVITIES | | | | | | | |
| Regular Rates | | | | | | | |
| - Pre-registered (per week) | 20.70 | | | 25.00 | | | |
| - Not pre-registered (per day) | 5.00 | | | 6.00 | | | |
| - Pre-registered (per week) (for 2 children per family) | 41.40 | | | 50.00 | | | |
| (for 3 children per family) | 51.00 | | | 61.20 | | | |
| (for 4 or more children per family) | 62.00 | | | 75.00 | | | |
| Discounted rates | | | | | | | |
| - Pre-registered (per week) | 12.00 | | | 15.00 | | | |
| - Not pre-registered (per day) | 3.50 | | | 4.00 | | | |
| - Pre-registered (per week) (for 2 children per family) | 23.50 | | | 28.20 | | | |
| (for 3 children per family) | 30.00 | | | 36.00 | | | |
| (for 4 children per family) | 38.00 | 22,235 | 19,268 | 45.60 | | 2,730 | 24,965 |
| TOTALS FOR HOTFOOT SUMMER SCHEMES: | | 22,235 | 19,268 | | 2,967 | 2,730 | 24,965 |

930 B72
B400

**APPENDIX B
SUMMER PLAYScheme
PROPOSED CHARGES 2009**

| | Tonbridge & Malling BC Charges 2009 (£) | Maidstone BC proposed charges 2009 (£) |
|--|--|---|
| Standard Weekly Charge | | |
| 1 child | 30.00 | 25.00 |
| 2 children | 60.00 | 50.00 |
| 3 children | 60.00 | 66.00 |
| 4 children | 60.00 | 75.00 |
| Families in Need* | na | Free |
| Leisure Pass Weekly Charge | | Discounted rates |
| 1 child | 8.00 | 15.00 |
| 2 children | 8.00 | 28.20 |
| 3 children | 8.00 | 36.00 |
| 4 children | 8.00 | 45.60 |
| | | |
| Daily Standby Charge | | |
| Standard rate | 7.00 | 6.00 |
| Leisure Pass rate (TMBC)/Discounted rate (other districts) | 3.50 | 4.00 |
| | | |
| Social Services Referrals** | Free | Free |

*Subject to referral procedures

** Funded by KCC Social Services.

Swale, Medway, Ashford, Tunbridge Wells and Sevenoaks district councils were also approached for information about their council run play scheme charges. Swale reported back that they charged £5 daily rate (no weekly rates were reported)