

DRAFT TEMPLATE

Checklist of questions all managers will need to consider when setting income Charges.

1. Do we need to provide this service at all and if not please explain why we are providing it?

This is not a statutory service, but it does provide places which support the delivery of the Councils statutory sufficiency duty. The service is subject to a market testing exercise which will determine the best governance arrangement for the service, and outsource if necessary.

2. Is this a new charge to be considered or an amendment/change to our existing charging policy?

Any proposed increase would be an amendment to existing fees and charging rates, which are reviewed on an annual basis and increased in line with inflation., Fee changes are introduced at the start of each new financial year.

3. Is the charge set by Statute?

No, but is influenced by the amount of funding provided for statutory Early Years places provided

4. Is the level of charge set by Statute?

No

5. If 3 & 4 above are not applicable, is the proposed charge based on full cost recovery and if not please specify why not

➤ Political

➤ Mean Tested

➤ Statutory

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- Negative impact on the environment

- Other – please specify

The charges have been set to cover the cost of providing the service, whilst still being in line with other similar provision in the area to ensure our provision is competitively priced..

6. Who uses the service and when, and can they go elsewhere?

The service provides Free Early Education places for 2,3 and 4 year olds and full day care places for working parents and those accessing full time training.

There is alternative provision in the environs, but places are under pressure, particularly full day care places for babies.

7. What impact will any change in charging have on the service?

If the places are not priced competitively parents will be unable to afford places and this will negatively impact on the occupancy of the provision, and ultimately its continued sustainability.

8. Will consultation need to be undertaken out and how long will this take?

We have already committed to review the charges annually in April. There would need to be due notice given if this was going to be changed.

9. Is there evidence that there will be a disproportionate impact on some Customer groups? If yes a full equality impact assessment will need to be undertaken

The services are situated in areas of need, and as such any increase would adversely impact on those who are on low income or reliant on benefits.

10. How acceptable are the proposals to the public?

There have been few adverse comments about the current pricing policy and parents are used to having to pay for full day care.

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11. Is the charge subject to VAT? (if you are not sure, please seek advice from the VAT Officer in Finance)

12. Impact on service demand – if demand increases/falls, can the Council adjust its provision accordingly?

13. Which services do we offer concessions on? Please state if this happens in your area.

Benchmarking

14. Are third party commercial providers operating similar services in competition with the council?

Yes there are a variety of other commercial providers offering childcare and Free Early Education places. These consist of childminders, pre-schools, school nurseries and full day care nurseries. However, our 2 nurseries are in areas of need, where other high quality provision is at a premium.

- 14b If yes, what/how do our charges compare and why are they different?

15. Is there a planned rate of increase for charges (above inflation) and how frequently are charges increased above inflation?

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15b. Is member approval needed for new charges or increases above inflation (scheme of delegation allows chief officers to increase by inflation only, unless specifically agreed)?

yes

15c. Is this consistent with third party commercial providers?

yes

16. How do charges compare to:

- Similar councils?
- Neighbouring councils?
- Other service providers?
- How are charges structured, and why?

- How and when will we evaluate the impact of charges?
- What data will we need?
- Can we collect this data cost effectively?
- When should we next review our approach?

Payment Methods

17. Income collection method – does it advantage/disadvantage or encourage/discourage use?

a) Is a prompt/advance payment discount appropriate/desirable? No – this would not be in line with the market involved

b) Is the administrative process involved economic and/or efficient? Yes – fees are collected at point of delivery. An invoicing and tracking system is in place and utilised by both nurseries.

Other

18. Please identify if there are any risks or unintended consequences as a result of the proposals.

There are a small number of bad debts which are rigorously followed up. This is usual for this type of service