



the bushland shire

creating a living environment

SUPPLEMENTARY BUSINESS PAPER

ORDINARY MEETING

**Wednesday, 17 November, 2010
at 6.30pm**

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23 ASQUITH AND WESTLEIGH CHILD CARE CENTRES - OPENING HOURS AND SERVICE FEES FROM JANUARY 2011 - RESPONSE TO MATTER OF URGENCY NO MOU23/10

EXECUTIVE SUMMARY

This Report responds to Matter of Urgency No MOU23/10 which required staff to undertake a survey of parents/carers at the Asquith and Westleigh Child Care Centres (including those parents/carers on the waiting list) to determine whether those parents/carers would prefer Council, from January 2011, to provide long day care to children aged 2-5 years between the hours of 7.30 am to 6.00 pm (including the provision of food and nappies) at the current fees; or to provide long day care to children aged 2-5 years between the hours of 8.30 am to 5.30 pm (excluding the provision of food and nappies) at a fee of \$75.00 per day.

The survey has now been undertaken and the results indicate a strong preference from the parents/carers for Council to retain the current opening hours, the current service offer (in terms of the inclusion of food and nappies) and the current fee structure at the two Centres. Council officers have reviewed the budgetary implications of implementing the preference of service users and families on waiting lists and have found that this service model can continue to be implemented within existing budgetary provisions.

As such, officers recommend that the status quo be maintained in respect of the fee structure and service offer to children aged 2 to 5 at the Asquith and Westleigh Child Care Centres in 2011.

PURPOSE/OBJECTIVE

The purpose of this Report is to respond to Matter of Urgency No MOU23/10 which required staff to undertake a survey of parents/carers at the Asquith and Westleigh Child Care Centres and to report back to the 17 November 2010 Ordinary Meeting.

DISCUSSION

At the 20 October 2010 Ordinary Meeting, Council considered confidential Report No CC67/10 and resolved that:

- 1. The contents of Executive Manager's Report No CC67/10 be received and noted.*
- 2. Council affect a strategic de-escalation of its commitment to child care over the next five years with the view to implementing a three centre model (one centre in each Ward).*
- 3. Council investigate the provision of additional child care spaces in C Ward in order to provide an equal spread of service provision across the Shire.*

4. *Council operate the Asquith Nursery and Preschool and Westleigh Nursery and Preschool as 29 place pre-school centres from January 2011 (excluding baby places) and place the proposed new service fees (\$75 per day for 2-5 year olds) on public exhibition in accordance with the requirements of the Local Government Act 1993.*
5. *Investigations commence regarding the redevelopment of Hornsby Nursery and Preschool as the site of Council's A Ward child care centre noting that planning for the Storey Park redevelopment will continue to include a commitment to child care until the potential of the Hornsby Nursery and Preschool site is understood.*
6. *Investigations associated with Hornsby Nursery and Preschool be treated as an adjunct to the Storey Park investigations and use of the same funding source (i.e. Section 94 Contributions).*
7. *Council provide in principle support for the closure of the Westleigh Nursery and Preschool from January 2012 noting that a further report will be provided on this subject in early 2011 where a final decision on the future of the site can be made.*
8. *Formal investigations commence regarding the potential sale of 10 Eucalyptus Drive Westleigh (Westleigh Nursery and Preschool) and a further report be provided to Council on the matter when the investigations are completed.*

In respect of point 4 of the resolution, Report No CC67/10 forecast that if the Asquith and Westleigh Centres were to continue to operate on their current service models in 2011 with the waiting lists for the Centres as they stood at the time, each Centre would operate at significant budget deficits (\$100K+) in the second half of the 2010/11 financial year.

To respond to the issue of a drop in demand, especially for baby places, Council supported the deletion of the offer of baby places at the Centres and endorsed the proposal to operate the Centres as 29 place preschools with shorter operating hours. This endorsement was on the basis that the service model could be operated more cheaply and a saving of approximately \$7 per day could be passed on to clients of the service. It is noted that this is a service model similar to that operated by many private and not for profit child care providers and allows families to continue to access the Child Care Benefit and Child Care Rebate which subsidises the cost of care. This model would also allow Council to better compete with the private and not for profit child care sector and would also provide another dimension of service flexibility within Council's child care network.

The Report noted that the service model would require Council to withdraw the offer of care to a small number of families who would be seeking to have babies in care at the Asquith and Westleigh Centres in 2011. In this regard, it had been identified that two families would be impacted at the Westleigh Centre and three families at the Asquith Centre. In order to offset this inconvenience, Council increased the licensed number of baby places it provides at the Hornsby Nursery and Preschool. Given where the affected families live, staff believed that by doing this, the families who would be seeking to re-enrol a baby into Asquith or Westleigh in the 2011 calendar year could be accommodated at one of Council's other Centres.

In considering the implementation of a 29 place preschool model at Asquith and Westleigh, a review of the service use times by clients of these Centres had been undertaken. The preschool model recommended by staff would operate between 8:30am and 5:30pm, rather than 7:30am to 6:00pm as is currently the case. In this regard, a study of actual service use times over the past six months had indicated that the vast majority of families would not be impacted by the new service times, with four families at Westleigh and seven families at Asquith potentially not being able to be accommodated.

In accordance with the requirements of the Local Government Act, the proposed new service fees to apply from January 2011 (i.e. \$75 per day for 2-5 year olds) in respect of the 29 place pre-schools at Asquith and Westleigh were placed on exhibition and comments sought. Such exhibition included a letter being sent to all parents/carers at the two Centres providing them with all relevant details and options (copy attached) as well as the placement of an advertisement in local newspapers. The closing date for the lodgement of submissions was 1 December 2010 such that Council could consider a further report on the matter at its 15 December 2010 Ordinary Meeting.

Subsequent to the commencement of the public exhibition process and following the receipt by Councillors of a number of calls, emails and letters from affected parents and the holding of a Mayoral Interview, Council, at its 3 November 2010 Planning Meeting considered Matter of Urgency No MOU23/10 and resolved that:

1. *Council note the attempts of staff to offer a lower cost form of care to parents at the Asquith and Westleigh Child Care Centres.*
2. *Council note the attempts of staff to avoid the operation of the Asquith and Westleigh Child Care Centres at a forecast loss in 2010/11.*
3. *Council staff undertake a survey of parents/carers at the Asquith and Westleigh Child Care Centres (including those parents/carers on the waiting list) to determine whether those parents/carers would prefer Council:*
 - a) *to provide long day care to children aged 2-5 years between the hours of 7.30 am to 6.00 pm (including the provision of food and nappies) at the current fees; or*
 - b) *to provide long day care to children aged 2-5 years between the hours of 8.30 am to 5.30 pm (excluding the provision of food and nappies) at a fee of \$75.00 per day*
4. *To allow a decision to be made as soon as possible in respect of opening hours and fees at the Asquith and Westleigh Child Care Centres, a report on the outcome of the survey be provided for Council's consideration at the 17 November 2010 Ordinary Meeting.*
5. *The report referred to in 4. above is to include budget implications associated with the options considered.*

As a consequence of Council's resolution in respect of MOU23/10, a survey of Asquith and Westleigh Child Care parents and carers was conducted in the week commencing 8 November 2010 to determine their preference in respect of opening hours and fees. At the time of finalisation of this Report, the survey results were:

Centre	In favour of care provided between 7:30am and 6:00pm for the current fee.	In favour of care provided between 8:30am and 5:30pm for a reduced fee.
Westleigh	46	1
Asquith	53	1

If further surveys are received from parents and carers, updated results will be provided to Councillors in a Late Items Memo and/or advised at the 17 November 2010 Ordinary Meeting.

It is also noted that, at the time of writing, Council has received 26 letters objecting to the proposed changes in operating hours at the Westleigh Child Care Centre and no letters supporting the changes. With respect to Asquith Nursery and Preschool, Council has received 13 letters objecting to the changes and no letters supporting the changes. (Copies of the letters received are registered in Council's electronic records management system and are available for viewing by Councillors as required)

In terms of Council's ability to accommodate the needs of families at Asquith and Westleigh at other Council centres, all of the children under the age of two who were without an offer of care at Asquith and Westleigh in 2011 have been successfully transferred to Hornsby Nursery and Preschool - along with their siblings.

At the Asquith Centre, approximately 20 families have contacted Council to enquire about having the enrolment of their child/children changed to another Council centre with longer opening hours. Approximately half of these re-enrolments have been progressed, at the Hornsby Centre, with five having had their enrolments confirmed. With respect to families at the Westleigh Centre, two families with children over the age of two have confirmed their enrolment at Hornsby Nursery and Preschool in 2011. If Council resolves not to proceed with implementing the proposed new service offer at Asquith and Westleigh, it is proposed that the families of children over the age of two that have been "re-accommodated" at other Council centres be allowed to remain in their current Centre in 2011 if they so wish.

Council officers were surprised by the volume of families from the Asquith Centre enquiring about transfers to another Council child care centre, however, the actual number of families progressing transfers to other centres is consistent with predictions. Anecdotal feedback received from the families at Asquith suggests that it is the flexibility of longer hours that is important at this Centre given that many parents using the Asquith service have longer commute times.

With respect to the Westleigh Centre, officers received requests from families to re-enrol at other Council centres at the levels forecast in Report No CC67/10. However, a more vigorous advocacy and lobbying effort has been made by families of the Westleigh Centre with respect to retaining the status quo in terms of operational hours. Parents representing the clients of the Westleigh Nursery and Preschool suggested in a Mayoral Interview that it is the flexibility afforded by the current operational hours at the Centre which is more valued than a reduced fee offer for shorter operational hours.

The feedback provided by parents at both the Asquith and Westleigh Child Care Centres has been noted by staff. Whilst every attempt will be made to keep fees as low as possible during future fee setting processes, the message received by staff has been about the importance of the full service offer at Council's child care centres. It is clear from the results of the survey, and from the comments in the letters received, that the quality of service provided and the convenience that this affords is the priority for parents, rather than the fee. Future efforts will, therefore, be focused on maintaining or improving the quality of the service provided.

The estimated revenue deficits described in Report No. CC67/10 were based on Council continuing to operate 40 place child care centres at Asquith and Westleigh. Since these estimates were calculated, Council has resolved to operate the centres as 29 place centres and to exclude the offer of baby places. By virtue of these decisions, the revised revenue deficit has been substantially decreased. Forecast utilisation levels at the two Centres are still considered to be sub optimal (even for 29 place centres) but are within acceptable tolerance levels. The goal of improved utilisation should be assisted by providing certainty regarding the service offer that will be made at the Centres in 2011.

Council officers believe that the Asquith and Westleigh Child Care Centres can continue to operate on the current opening hours with the current fee structure with no net detriment to budget forecasts. This statement is made contingent upon staff shift structures being revised at the Centres for 2011. It is also noted that the current fee structure would continue to accommodate the offer of food and nappies at these Centres.

Taking into account the feedback provided by families at the Westleigh and Asquith Child Care Centres, and a review of the budget implications associated with retaining the current opening hours, it is recommended that the status quo be maintained at these Centres for the 2011 calendar year with respect to operational hours and services offered to 2 to 5 year olds.

BUDGET

It is forecast that Council can continue to provide the current child care services to families enrolled at the Asquith and Westleigh Child Care Centres for children aged 2 to 5 year with no detrimental budgetary impacts.

POLICY

There are no policy implications associated with this Report.

CONSULTATION

Families currently enrolled and on waiting lists at the Asquith and Westleigh Child Care Centres have been consulted in the preparation of this Report.

TRIPLE BOTTOM LINE SUMMARY

There is no Triple Bottom Line Summary required of this Report as it does not recommend any changes.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Manager, Community Services Branch, Mr David Johnston, who can be contacted on 9847 6800.

RECOMMENDATION

THAT

1. The contents of Executive Manager's Report No CC74/10 be received and noted.
2. Council note the consultation that has been undertaken with parents/carers from the Asquith and Westleigh Child Care Centres as required by Matter of Urgency No MOU23/10.
3. Based on the survey results of the parents/carers from the Asquith and Westleigh Child Care Centres, and a further assessment by staff, Council withdraw the recently advertised service offer at the Westleigh and Asquith Child Care Centres for 2011 and maintain the status quo with respect to the hours of operation and the service fees for 2 to 5 year olds.

GARY BENSLEY
Executive Manager
Corporate and Community Division

Attachments:

1. Letter to Parents/Carers

File Reference: F2005/00241
Document Number: D01530751