



Members Room  
Southwark Town Hall  
Peckham Road  
London SE5 8UB

Cllr Lisa Rajan  
Executive Member for Children's Services and Education  
Southwark Town Hall  
Peckham Road  
SE5 8UB

03/02/2009

Dear Cllr Rajan,

We have read with concern the contents of the key decision document of 28 January 2009 on fees and charges in the Children's Services Department for 2009/10 - 2011/12.

As was noted by members of all parties at Council Assembly on Wednesday, the UK is currently facing a very serious financial situation and that it is the job of local government to protect local residents, as far as possible, from the effects of the recession. The proposals for eye-watering increases in the fees charged by Southwark for children's services fly directly in the face of that duty. As you will well know, the provision of Early Years Centres, after school and holiday clubs are vital not only for the educational and social well-being of young people, but are also a key plank in any strategy aimed at increasing the number of parents obtaining and remaining in work.

In the light of this, we are shocked that Southwark is proposing that the maximum charge for attendance at Early Years Centres should rise by more than 29%, after school club fees by 17.5% and to implement a double whammy of raising holiday club fees of up to 34% this year and 24% next year. That these increases would be implemented at a time when inflation is widely predicted to fall to 0% will simply serve to rub salt in the wounds inflicted by the price hikes.

These increases are likely to have a devastating effect on the finances of many families who will already be struggling in the current economic climate and have the potential to force parents to cut their working hours or leave employment entirely as daytime childcare becomes simply unaffordable. The decision document itself admits that an increase in charges is very likely to lead to a reduction in demand for the services: for example, a drop in usage of holiday clubs of around 20% is predicted. That is not just a figure: that is more than 200 families priced out of a vital service. Put simply, the price hikes will hit hardest those communities in Southwark where poverty, unemployment and social exclusion are already highest.

Nor do we consider that the introduction of additional charges for 'extended' hours attendance at Early Years Centres represents an equitable funding solution.



It is suggested that 'core' hours be defined as 8.45am to 5.15pm, allowing just 15 minutes either side of the standard working day. How is a parent, working a 9-5 day in central London, expected to avoid extra charges for a child being cared for at, say, Aylesbury Early Years Centre? To make life even harder, it is proposed that the standard charge should only entitle the child to eight hours of care within the core period. Therefore, a child dropped off at 8.45am would need to be picked up again by 4.45pm in order to avoid an extra charge of at least £5 per day. Such timings are simply incompatible with most jobs. It is deeply perverse to penalise parents for using Early Years Centres for the very purpose for which they are intended.

Having read through these astounding proposals for price hikes seemingly aimed squarely at some of the most financially challenged sections of Southwark, the final insult comes at paragraph 52 of the decision paper, which states that:

*"The proposals for the Early Years Service will generate additional income beyond the requirements of the MTRS. The additional savings generated will contribute to the achievement of the modernisation programme for the service as agreed by the Executive"*

It is beyond belief that the price hikes being imposed on users of these vital services have been designed to generate income above and beyond that required by the Medium Term Resources Strategy. It would be hard to see this decision as anything other than a direct attack by the Council on those who need its support most at this difficult time.

We are sure that, having considered the impact that these price hikes will have on Southwark's families, you will choose to reject these astonishing proposals. The serious financial impact on the borough's working parents would far outweigh the relatively small return that the council would make from the increase. It would make a nonsense of council claims of helping families through the recession. We hope that you will be able to make clear your decision to reject this decision at the earliest possible time.

Yours sincerely,

Veronica Ward  
Shadow Executive Member for Education  
and Children's Services

Peter John  
Leader of Southwark  
Labour Group