

**REPORT TO: CHILDREN AND YOUNG PEOPLE'S SERVICES COMMITTEE ON
14 APRIL 2010**

SUBJECT: AFTER SCHOOL CLUBS FORRES AND SPEYSIDE

BY: DIRECTOR OF EDUCATIONAL SERVICES

1. REASON FOR REPORT

1.1 The purpose of this report is to ask Committee to:

- (a) note the work carried out to attempt to develop the Riverside After School Care Club, Aberlour into a social enterprise business (see attached **Appendix 1**);
- (b) come to a decision on the future of the Riverside After School Care Club, Aberlour effective from June 2010;
- (c) note the current situation regarding the operation of Forres After School Care Club and come to a decision on the future of this provision.

1.2 This report is submitted to Committee in terms of Section D12 of the Council's Administrative Scheme relating to the Council's statutory powers to support activities related to the development of recreation, sport, culture and heritage.

2. RECOMMENDATION

2.1 It is recommended that Committee:

RIVERSIDE AFTER SCHOOL CARE CLUB ABERLOUR

- a) notes the work carried out to develop the Riverside Out of School Care Club as a social enterprise business;
- b) agrees that it is unlikely that the club will be able to operate as a social enterprise business;
- c) agrees to cease the current Council financial support to the Riverside After School Club as of 30 June 2010 or whenever the deficit reaches the £10,000 limit set by Council in December 2008, whichever is the earlier.

FORRES AFTER SCHOOL CARE CLUB

- a) notes the ongoing operation of the Forres after School Care Club as supported by Community Learning and Development;

b) comes to a decision as to the future funding of Forres After School Care Club.

3. BACKGROUND

3.1 Riverside Aberlour After School Care Club

At a Full Council meeting on the 17th December 2008 (para 9 refers) Moray Council agreed to extend the funding available for the Riverside Out of School Care Club until June 2010 providing that the Council is not liable for more than £10,000 of any deficit. During the extension period Council Officers and Local members will work with the club to find external funding to secure its long term future and to develop the club into a social enterprise, making it independent of the Moray Council.

3.2 A record of work carried out to enable the club become a Social Enterprise Business during the interim period is attached as Appendix 1.

3.3 The numbers of attendances for the period October - January 2009 is attached as **Appendix 2**. For the Riverside After School Club to be sustainable there must be an income related to 13 children attending each day throughout the year. The current drop in numbers reflects a situation of redundancies and cut backs in parents working hours.

3.4 The current financial situation for the club is £9,314 deficit as at 28 February 2010. An analysis of income and expenditure data indicates average salary costs of approximately £1,700 per month compared to an average monthly income of £850 - £950. The monthly income amounts vary considerably and, in the last twelve months, the highest monthly income was £1,500 in June 2009 and the lowest monthly amount was £200 in January 2010.

3.5 Forres After School Care Club

The Forres After School Care Club has operated for 17 years based at Forres House Community Centre. The group has operated throughout this time as a self-financing group with fees income paying for staffing costs. In past years the profit made by the Forres After School Care Club has often offset losses made by the Riverside After School Club Aberlour.

3.6 The Forres After School Club in October 2009 received as part of its Care Commission report five "Good" and one "Excellent" grades. The only other Forres based after school provision takes limited numbers and caters only up to Primary 3 age. The Forres House Club caters for primary 1 to primary 7 children.

3.7 At 28 February 2010 the Club has a financial deficit of £7,746. A substantial proportion of this, £4,150, is due to a change in staff payments system, payment of backdated wage increments and accrued holiday payments. An analysis of income and expenditure data indicates that salary costs are approximately £3,000 - £3,500 per month compared to an average monthly income of approximately £3,000.

- 3.8 In Forres the combined provision of breakfast club and after school club has previously covered staff costs. However recent increased staffing costs and entitlements have impacted on the financial health of the club. There is also current concern about the future impact on numbers due to the planned redundancies at RAF Kinloss and associated contractors.
- 3.9 The Scottish Social Services Commission recommend that staff managing after school care provision have a child care management qualification. Neither CLD workers nor current staff in Forres House hold this qualification. It would be more appropriate for a section other than Community Learning and Development to manage this provision.

4. **SUMMARY OF IMPLICATIONS**

(a) Single Outcome Agreement/Service Improvement Plan

None

(b) Policy and Legal

None

(c) Resources (Financial, Risks, Staffing and Property)

The three staff employed at the Riverside Aberlour After School Club are employed on temporary contracts until June 2010. Staff are aware they are unlikely to receive extensions to these contracts.

If the Forres Club were to close the staff would be subject to the Councils 'at risk' policies including possible redeployment and ultimately redundancy. The cost of making these staff redundant would be approximately £12,500.

Both after school clubs are self financing therefore income must match expenditure as there is no budget for these clubs.

(d) Consultations

Staff and parents/carers of children attending the Riverside Club are aware of the content of this report. The local area forum has been informed of the current situation regarding the future of the Riverside After School Club.

Both the Forres and Speyside After School Club Co-ordinators have seen a copy of this report.

Grant Cruickshank, Principal Personnel Advisor has been consulted and is in agreement with the personnel issues contained within this report.

Deborah Brands, Principal Accountant, Finance has been consulted and is in agreement with the financial information contained within this report.

The Senior Management Team of Educational Services has been consulted and is in agreement with the contents of the report.

5. CONCLUSION

5.1 That Committee :

- a) notes the current financial position of the Riverside after school Care Club Aberlour and comes to a decision on the future of this provision;**
- b) notes the ongoing operation and management of the Forres after school care club and reaches a decision on the future of the Forres Club.**

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Background Papers:

Ref: DMD/JR/Reports/Children and Young People's Services
Committee/14 April 2010/After School Clubs Forres and
Speyside