

EAST RENFREWSHIRE COUNCILCABINET30 NOVEMBER 2017Report by Director of EducationCHARGING FOR SERVICES 2018/2019**PURPOSE OF REPORT**

1. The purpose of this report is to advise the Cabinet of the outcomes of the charging for services exercise carried out within the Education Department and to submit for approval the proposed fees and charges for 2018/2019. Where relevant, the recommendations noted below reflect that charges are subject to the outcome of saving proposals being considered for 2018/19 to 2020/21 and await decisions by Council in February 2018.

RECOMMENDATIONS

2. The Cabinet is asked to approve the following recommendations:

- Service Area 1 - Catering Service – School Meals

To retain charges at their current level.

- Service Area 2 - Wraparound Care

To retain charges at their current level.

- Service Area 3 – Instrumental Music Service

To retain charges at their current level.

- Service Area 4 – Provision for Pupils with Additional Support Needs who reside out with the Authority

Revised charge to be set for 2018/19 following consideration of 2017/18 outturn.

- Service area 5- School Transport – Privilege Place

To retain charges at their current level.

- Service Area 6 – Residential Study Weekend

To note that charges for 2018/19 are pending Council's decision on saving proposals for 2018/19-2020/21. Options being considered are to either stop running residential study weekends or make them self-financing either by increasing charges to £320 per weekend or widening participation to all secondary schools and charging £190 per weekend.

- Service Area 7 – Easter Schools

To note that charges for 2018/19 are pending Council's decision on saving proposals for 2018/19-2020/21. If approved, charges would increase by 50% making Easter Schools self-financing.

- Service Area 8 – Holiday Activity Programme

To apply an inflationary uplift of 3%.

IMPACT OF CHARGES FOR 2017/2018

3. In terms of the impact of changes made to charges in 2017/18, the main points are seen as:

- Following the decision by Council in February 2017 to half the cost of wraparound to £2.25 per hour from August 2017, it is projected that there will be an increase in uptake in excess of 75% during the 2017/18 academic session. Funding to support this price reduction was one-off in nature; however, given current projections, this level of increased demand should ensure that income targets going forward will be achieved. Whilst the increased uptake is having a positive impact on income levels, further growth may be constrained by the availability of the additional staff required to maintain appropriate staffing ratios at all times.
- Whilst no further increases were applied to charges for instrumental music during 2017/18, the ongoing impact of the phased increase from £200 in August 2014 to £300 per annum from August 2016 has seen a drop in uptake of around 10%.
- No other significant impacts have been identified.

DEPARTMENTAL OBJECTIVES FOR CHARGING

4. The majority of charges for Education services are set to recover part costs in recognition of the links to local and national policy priorities/legislation.

SERVICES REVIEWED & PROPOSED CHARGES FOR 2018/2019

5. The services reviewed and recommendations for 2018/19 are summarised in the tables below. Further information on each service area is available for scrutiny on request.

6. Where relevant, inflationary uplifts have been applied using the corporately agreed inflation figures of 3.3% for 2017/18 and 3.0% for 2018/19.

7. A summary of the department's concessions and discounts is also available for scrutiny on request.

8. In the table below, the following codes are used to denote the Charging Classification and Policy for 2018/2019 in respect of each service area:

Classification:

- i. To accord with policy/strategy
- ii. Market based charge
- iii. Statutory charge

Charging Policy:

- a) Charge to recover full cost
- b) Charge to recover part cost
- c) Charge to make contribution to service revenue
- d) Charges which are nationally prescribed
- e) Charges to recover marginal cost

Service	Current Charge 2017/2018	Proposed Charge 2018/2019	Charge Classification 2018/19	Charging Policy 2018/19	Recommendation
1. Catering Service – School Meals	Primary - £2.00 Secondary - £2.20	Primary - £2.00 Secondary - £2.20	(i) To accord with policy / strategy	(b) Charge to recover part cost	To retain charges at current levels.
2. Wraparound Care	£2.25 per hour	£2.25 per hour	(i) To accord with policy / strategy	(b) Charge to recover part cost	To retain charges at current levels
3. Instrumental Music Service	£300 per year which equates to an hourly rate of £20 Membership of choral groups : £65 Singing Games and Rhymes (P2 & P3) : £40 per full term	£300 per year which equates to an hourly rate of £20 Membership of choral groups : £65 Singing Games and Rhymes (P2 & P3) : £40 per full term	(i) To accord with policy / strategy	(b) Charge to recover part cost	To retain charges at current levels.
4. Provision for Pupils with Additional Support Needs outwith the authority	Carlibar Communications Centre £16,494 per full time place; Secondary Language & Communication Unit £9,878 per full time place; Isobel Mair School £26,581 per full time place; Isobel Mair Family Centre £13,297 per full time place Carlibar PSADU £11,534 per full time place	Revised charge to be set for 2018/2019 following consideration of 2017/2018 outturn.	(i) To accord with policy / strategy	(a) Charge to recover full cost	Revised charge to be set for 2018/2019 following consideration of 2017/2018 outturn.

Service	Current Charge 2017/2018	Proposed Charge 2018/2019	Charge Classification 2018/19	Charging Policy 2018/19	Recommendation
5. School Transport – Privilege Place	£2.10 per day, £1.05 per single journey	£2.10 per day, £1.05 per single journey	(i) To accord with policy / strategy	(a) Charge to recover full cost	To retain charge at its current level.
6. Residential Study Weekend	£62 per pupil for 1 weekend; £113 for 2 weekends and £154 for 3 weekends, with 100% concession for pupils who would qualify under the benefits system for free school meals.	Options being considered as part of 2018-2021 saving proposals :- 1) Cease to operate 2) Increase charge under, current model, to £320 per weekend (self-financing) 3) Widen participation to all secondary schools and increase charge per weekend to £190 (self-financing)	(i) To accord with policy / strategy	(a) Charge to recover full cost	Pending Council decision on saving proposals for 2018-2021.
7. Easter Schools	£30 per week or £6.50 per day with full concession for pupils who would qualify under the benefits system for free school meals.	Being considered as part of 2018-2021 saving proposals :- £60 per week or £13 per day with full concession for pupils who would qualify under the benefits system for free school meals	(i) To accord with policy / strategy	(a) Charge to recover full cost	Pending Council decision on saving proposals for 2018-2021.
8. Holiday Activity Programme	£70 per week with full concession for pupils who would qualify under the benefits system for free school meals.	£72 per week with full concession for pupils who would qualify under the benefits system for free school meals	(i) To accord with policy / strategy	(b) Charge to recover part cost	To increase charges by an inflationary uplift of 3.0%.

IMPLICATIONS OF THE PROPOSALS

9. As has been highlighted in previous years there is the tension between maximising income and discouraging demand. With this in mind the recommendation is that the inflationary uplift should not be applied to all services.

The key implications for the services noted in this report are forecast as follows.

Catering Services - School Meals

10. School meals income continues to perform well against current targets following the last price increase in August 2016. Recent benchmarking data suggests that charges in other local authorities range from £1.60 to £2.50 with our current charges being in the higher range for secondary school meals and around average for primary school meals.

11. The ongoing promotion of the service through engagement with pupils and parents as well as the roll-out of the online payment system (ParentPay), providing more functionality and ease of use, provides scope to increase the income target for 2018/19, without an increase in charges at this stage.

12. However, given the extent of savings required over the 2018-2021 period it is proposed to apply a further increase of 5% from 2020/21 which forms part of the package of savings currently being considered.

Wraparound Care

13. The recommendation to retain charges at the new lower rate is made both in the context of the positive impact to date on uptake of this reduced charge and the wider context of the expansion of free early learning and from 600 to 1140 hours which will take effect from August 2020. This legislative change will impact on both the capacity of early years establishments to offer wraparound provision and also parent/carer demand for the facility to purchase additional hours given the expansion of free provision.

Instrumental Music Service

14. As already noted significant price increases have been applied to this service over the last few years. The current charge of £300 (or £20 per hour) places East Renfrewshire as the most expensive amongst those local authorities who do charge. Taking this into account and recognising that there has been a drop in the uptake of the service, it is not recommended that any further increase be applied at this stage. Full concessions will still apply to children and young people who would qualify under the benefits system for free school meals and no charge will be applied to secondary pupils who are studying music as an SQA course. The discount for siblings will also continue.

Residential Study Weekends

15. Currently 3 study weekends are provided, each taking 40 pupils, which focus on providing support with Higher mathematics, chemistry and physics as well as offering an element of outdoor activity over the weekend. Full concessions apply to young people who would qualify under the benefits system for free school meals and an overall subsidy level of £20,000 is provided for this service. As noted previously, various options are being consulted on as part of the savings proposals for 2018-2021 which would either result in the removal of the service or significant increases in charges for this supported study programme. Whilst the objective of increasing charges significantly would be to make the programme self-financing, there is a risk that the negative impact on uptake could mean that this would not be a viable option.

Easter Schools

16. The proposal being considered as part of the 2018-2021 saving proposals would remove the current subsidy level which equates to around 50% of the costs across all secondary schools. Current concessions linked to free school meal entitlement would continue but there is a significant risk that doubling the charge will impact on uptake. It should be noted that the increased charge would still compare favourably with charges for private tutors.

FINANCIAL AND EFFICIENCY

17. The impact of the proposed fees and charges on levels of use, and levels of income has been taken into account in the preparation of revenue budgets for 2018/19 and where appropriate are included.

RELATIONSHIP TO THE CORPORATE OBJECTIVES AND GUIDING PRINCIPLES

18. The charges proposed for the service areas reviewed for 2018/19 impact upon the following commitments of the Corporate Statement – Your Council, Your Future

- **All children in East Renfrewshire experience a stable and secure start to their lives and are supported to succeed**
- **East Renfrewshire residents are fit and active and have the skills for learning, life and work**

CONSULTATION

19. Consultation has been undertaken with various stakeholders in a number of service areas, for example:

- The Children and Young People (Scotland) Act 2014 details the requirement for local authorities to consult on early learning and childcare every 2 years. The department's most recent consultation with parents took place in July 2017 helping to also inform our Implementation Plan for the Expansion of Early Learning and Childcare to 1140 hours by 2020.
- In terms of school meals, consultation with users takes place regularly to inform menu planning, marketing and service delivery.

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Mhairi Shaw
Director of Education
November 2017

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