

EAST RENFREWSHIRE COUNCILCABINET1 DECEMBER 2016Report by Director of EducationCHARGING FOR SERVICES 2017/2018**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 2017/2018.

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 other than to bring the cost of a cold lunch in primary up to the same level as a hot lunch reflecting the additional item now included.

- Service Area 2 - Wraparound Care

To implement a phased reduction of 2% in 2017/18 with a further reduction proposed for 2018/19.

- 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 2016/17 following consideration of 2015/16 outturn.

- Service area 5- School Transport – Privilege Place

To retain charges at their current level.

- Service Area 6 – Residential Study Weekend

To apply an inflationary uplift of 2.6% increasing charges to: £62 for pupils attending 1 weekend; £113 for those attending 2 weekends and £154 for 3 weekends.

- Service Area 7 – Easter Schools

To retain charges at their current level.

- Service Area 8 – Holiday Activity Programme

To apply an inflationary uplift of 2.6%.

IMPACT OF CHARGES FOR 2016/2017

3. A number of changes were made to charges in 2016/17. In several instances the impacts of these have only recently begun to emerge, but the main points are seen as:

- Above inflationary increases to charges for school meals were applied at the start of the current school session in August 2016 (3% in the primary sector and 7% in the secondary sector) to be in line with national averages. To date, overall uptake has remained fairly static when compared to the same period last year but this will continue to be monitored closely as the school year progresses.
- Significant increases have been applied to charges for instrumental music charges over the last few years. The latest increase of 20% was applied at the start of the current school session in August 2016 bringing the annual charge to £300 per year. Whilst concessions continue to apply, early indications are that there is a drop of around 10% in the total number of pupils using the service.
- Whilst charges for wraparound care in early learning and childcare establishments were not increased in 2016/17, concerns continue to be raised by parents/carers about the cost of the service. This view was also evident in responses to the recent consultation on early learning and childcare undertaken by the department.
- 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 2017/2018

5. The services reviewed and recommendations for 2017/18 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 1% for 2016/17 and 2.6% for 2017/18.

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 2017/2018 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 2016/2017	Proposed Charge 2017/2018	Charge Classification 2017/18	Charging Policy 2017/18	Recommendation
1. Catering Service – School Meals	Primary Hot Meal £2.00 Primary Cold Meal £1.90 Secondary Hot Meal £2.20	Primary Hot Meal £2.00 Primary Cold Meal £2.00 Secondary Hot Meal £2.20	(i) To accord with policy / strategy	(b) Charge to recover part cost	To retain charges for hot meals at current levels. Increase the charge for primary cold meal to £2.00 to reflect additional item included.
2. Wraparound Care	Before nursery session £4.60 Morning session £13.80 Lunch session £4.60 Afternoon session £13.80 One hour after the pm session £4.60 Two hours after the pm session £9.20	Before nursery session £4.50 Morning session £13.50 Lunch session £4.50 Afternoon session £13.50 One hour after the pm session £4.50 Two hours after the pm session £9.00	(i) To accord with policy / strategy	(b) Charge to recover part cost	To implement a phased reduction in the charge to £4.50 per hour in 2017/18 with a further reduction to £4.35 per hour proposed for 2018/19.
4. Provision for Pupils with Additional Support Needs outwith the authority	Carlibar Communications Centre £19,309 per full time place; Secondary Language & Communication Unit £11,728 per full time place; Isobel Mair School £25,963 per full time place; Isobel Mair Family Centre £12,544 per full time place Carlibar PSADU £11,401 per full time place	Revised charge to be set for 2017/2018 following consideration of 2016/2017 outturn.	(i) To accord with policy / strategy	(b) Charge to recover full cost	Revised charge to be set for 2017/2018 following consideration of 2016/2017 outturn.

Service	Current Charge 2016/2017	Proposed Charge 2017/2018	Charge Classification 2017/18	Charging Policy 2017/18	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	(b) Charge to recover full cost	To retain charge at its current level.
6. Residential Study Weekend	£60 per pupil for 1 weekend; £110 for 2 weekends and £150 for 3 weekends, with 100% concession for pupils who would qualify under the benefits system for free school meals.	£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.	(i) To accord with policy / strategy	(b) Charge to recover part cost	To increase charges by an inflationary uplift of 2.6%.
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.	£30 per week or £6.50 per day 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 full cost	To retain charges at their current levels.
8. Holiday Activity Programme	£68.65 per week with full concession for pupils who would qualify under the benefits system for free school meals.	£70 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 2.6%.

IMPLICATIONS OF THE PROPOSALS

9. As 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.

10. Equalities impact assessments have been carried out and no major adverse results have been identified.

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

Catering Services - School Meals

11. Given the long-term health benefits for children and young people, there remains a commitment to provide healthy nutritious school meals.

12. Historically increases in charges have had a negative impact on demand. As noted above the impact of the recent price increase from August 2016 is being monitored closely albeit to date overall demand has remained static.

13. Recent benchmarking data suggests that charges in other local authorities range from £1.60 to £2.55 with our current charges being in line with the national average when the annual statistics were published in January 2016.

14. The department is currently working with schools on further initiatives to positively promote the uptake of school meals and increase income in the Catering Service. These include *Food for Life* (Soil Association Accreditation) and the introduction of halal meals. In addition a number of establishments have benefited from improvements in dining facilities due to funding associated with the introduction of universal free school meals for all P1-P3 pupils.

15. Digital initiatives such as electronic pre-ordering of school lunches within the classroom and the roll-out of the new improved online payment solution ParentPay are also having a positive impact in terms of at least maintaining uptake despite the recent price increase.

16. Taking into account ongoing work to promote the service, the current economic climate and the above inflationary increases recently applied it is not recommended that any further increase be applied for 2017/18. The only exception to this is the recommendation to bring primary cold lunch prices in line with that for a primary hot lunch to reflect an additional item now being included in that option.

Wraparound Care

17. The Children and Young People (Scotland) Act 2014 places a duty on local authorities to provide affordable, high quality childcare for children under primary school age. As part of the Act, all 3 and 4 year old children and certain vulnerable 2 year old children are entitled to 600 hours of free early learning and childcare with a level of flexibility required for parents/carers in terms of the options available to them in accessing this provision. In addition parents/carers can, where available, purchase additional wraparound care.

18. The department is required to consult every 2 years on early learning and childcare. The results of the latest consultation have again highlighted the importance of affordable childcare and that in some cases the current cost of wraparound care is proving prohibitive to parents/carers.

19. Current benchmarking data indicates that the current charge of £4.60 per hour is high when compared to neighbouring local authorities. A recent Scottish Government report on the Financial Review of Early Learning and Childcare in Scotland also highlights that our charges are comparatively high based on a survey undertaken by the Family and Childcare Trust (FACT) which suggests an national average price (across private, voluntary and local authority provision) of £4.16 per hour.

20. For these reasons it is recommended that a phased reduction in wraparound charges be applied. An initial reduction of 2% to £4.50 is recommended from August 2017 with a further reduction proposed from August 2018 which would bring the price down to £4.35 from that point. It is anticipated that this reduction would increase uptake in the service thereby ensuring currently approved income targets for wraparound can be achieved.

Instrumental Music Service

21. As noted earlier significant price increases have been applied to this service over the last few years. The current charge of £300 (or £20 per hour) whilst still below that generally charged for private music lessons, places East Renfrewshire as the second 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. 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.

FINANCIAL AND EFFICIENCY

22. 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 2017/18.

RELATIONSHIP TO THE CORPORATE OBJECTIVES AND GUIDING PRINCIPLES

23. The charges proposed for the service areas reviewed for 2017/18 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

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

- Early Learning and childcare establishments gather the views of parents who use the wraparound service and this also formed part of the recent consultation on the model of delivery of the 600 hours of early learning and childcare entitlement. As already noted, whilst almost all parents respond favourably about the quality of the service the issue of costs becoming prohibitive has been raised.
- In terms of school meals, consultation with users took place in September 2016 which is informing menu planning, marketing and service delivery.

RECOMMENDATIONS

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Mhairi Shaw
Director of Education
December 2016

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