

Traded Services to Schools and Academies 2018/19

Report of Cllr. Richard Wenham, Deputy Leader and Executive member for Corporate Resources (cllr.richard.wenham@centralbedfordshire.gov.uk)

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This report relates to a non-Key Decision

Purpose of report:

This report requests approval of the revised charges for Traded Services to Schools & Academies for 2018/19.

Recommendations:-

The Executive is asked to consider and recommend to Council:-

- 1. Revised charges for Traded Services to Schools & Academies for 2018/19 (Appendix B)**
- 2. The charges for the new services that are proposed to be introduced for 2018/19. (Appendix C)**
- 3. Note the Year on Year changes to charges (Appendix D) and the Volumetrics analysis for 2016/17 and 2017/18 (Appendix E)**

Background

1. The Council's Charging Policy states that:
 - All fees and charges will be reviewed annually and adjusted as necessary in line with the Council's charging policy. The Director of Resources will provide Directorates with guidance each year as to the maximum inflation rate that may be applied.
 - All fees and charges should be reviewed on a more fundamental basis at least every 3 years, where it will be necessary to examine all the factors set out in accordance with good practice guidance i.e. the CIPFA Practical Guide for Local Authorities on Income Generation (Fully revised 2015).' This is currently being undertaken on a rolling basis.

2. Whilst not specifically mentioned in the Policy, traded services to Schools/Academies for non-statutory services are the equivalent of Fees & Charges to the public and non-School organisations, but to a restricted audience.
3. The Director of Resources has advised that the inflation rate to be applied in line with the Corporate Budget Strategy is 2.9%, which is based on the national inflation rate (RPI) published for September 2017.

Pricing for 2018/19

4. The review of prices proposed for 2018/19 reflects three pricing options:
 - Prices remain at their 2017/18 level either because they are in line with other providers (Local Authorities) or because there is insufficient data available to support a price change.
 - Prices increased with inflation (2.9%).
 - Prices increased by more than inflation if there is sufficient information to justify an increase.

Approach to Reviewing Charges.

5. For Schools Trading this is being undertaken on a rolling basis in line with Fees & Charges to the public.
6. IT Services to schools is currently being reviewed. The service is negotiating a better pricing and support with costs for 2018 yet to be confirmed. IT Services will be in direct contact with schools to confirm pricing for 2018.
7. Services that have increased by more than 2.9% to take into account actual cost recovery are listed below:
 - Advertising of Schools vacancies – up to 33%
 - Maintained Schools and Academies buying back Education Visits and Journeys Support package increase by 7.1%
 - Academies that have not bought back the Educational Visits and Journeys Support Package increased by 4%
 - Access and Inclusion Services for Academies – up to 7.1%
 - The Jigsaw Centre - Extended Educational Support Services – up to 4.2%
 - Census Checks - Additional Support – up to 5.6%.
8. Fischer Family Trust Aspire (FFT) is currently consulting on a new pricing structure for 2018/19. The outcome of the consultation will not be known until January 2018. The Council will consult with schools through the Partnership Vision for Education Board and other forums to understand the demand from schools for the FFT subscription and the impact of any new pricing model. The Council will write to schools individually once the outcome of the consultation is known to explain the new costs.

9. Costs for induction and support for Newly Qualified Teacher for Maintained schools and Academies have been reduced from £101 for Maintained and £141 for Academies to £82 and £118 respectively. This is to reflect cost of provision and the outcome of benchmarking for charging schools and academies which was completed in September 2017.
10. Insurance charges have been reviewed against the Council wide contract that the Authority has for all of its insurance requirements. The prices for property and liability insurance have been increase by 4.9%. This is to take into account the inflationary increase of 2.9% and the prior to inflationary increase of Insurance Premium tax of 2%.

New charges for 2018/19

11. New proposed services to schools and academies for 2018/19 along with a recommended price are shown at Appendix B.
12. When a local authority school converts to an academy there is a statutory duty on the Local Authority to facilitate conversions to Academy status within a specified time period. Also there is a cost to the Council (legal costs, TUPE etc.) to facilitate the conversions.
13. There is nothing in the legislation to suggest that the local authority cannot charge the School for the cost of conversion. However the charges must be reasonable and a local authority cannot be seen to make a profit from them.
14. A charge to facilitate the conversion of schools into academies to cover the council's costs of managing academy conversions has been introduced for 2018/19. The current market average rate of £5,000 is being set by other local authorities, requiring the same range of work and time per academy conversion.
15. The Access and Inclusion Services is proposing to introduce additional services to Academies which are listed below;
 - Full reviews on behaviour and/or attendance linked to Ofsted Framework - £1,400
 - Safeguarding Officer
 - i. Half day safeguarding audit - £350
 - ii. Bespoke training (2 Hrs) on focused areas of need - £150
 - iii. Annual subscription for advice and guidance - £300

Volumetrics analysis for 2016/17 and 2017/18.

16. On the 23 August 2016, the Corporate Resources Overview and Scrutiny Committee received a report which outlined the services traded to schools and Academies for 2017/18. Members discussed the services to schools and academies and recommended that the service areas analyse the volume of services provided to schools and academies. This analysis is shown at Appendix D.

Appendices

Appendix B – Statutory and Traded Services to Schools & Academies booklet 2018/19.

Appendix C – New proposed services for 2018/19.

Appendix D – Year on Year Changes to charges.

Appendix E – Volumetrics analysis for 2016/17 and 2017/18.