

## REPORT TO EDUCATION AND CHILDREN'S SERVICES COMMITTEE – 23 MARCH 2017

### EDUCATION LETS – PRICING STRUCTURE PROPOSALS

#### 1 Recommendations

The Committee is recommended to:

- 1.1 Agree the proposed standard prices as detailed in Appendix 3.
- 1.2 Agree to focus concession prices on individuals, families and groups who have low incomes or deliver services to low income groups. Concession rates are proposed to change from 50% to 60% as detailed in Appendix 2.
- 1.3 Agree a universal discount rate of 30% for all young people who are 18 or under, and to people in full-time education who are 25 or under, as detailed in Appendix 2.
- 1.4 Agree to phase the prices in over three years.
- 1.5 Agree to streamline categories for room & facility hires to those detailed in Appendix 1.

#### 2 Background / Discussion

##### Strategic Context

- 2.1 In February 2016, following an investigation by the Scrutiny & Audit Committee, Full Council agreed a council wide charging policy, to be phased in from April 2017 over three years. Education and Children's Services (ECS) was identified as being required to implement the new policy in the first year. Key implications of this new policy are;
  - Prices should be based on a 'cost recovery' of service basis. Officers are expected to know what the cost recovery rate of the service is.
  - There should be a presumption of full cost recovery in the first instance, though this can be reduced based on a range of circumstances including the need to subsidise services to attain policy objectives and/or recognition of market forces.
  - Challenges currently being addressed by the ECS Service include the review of charges and concession schemes to provide a consistent charging and discounting scheme across Sports Development, Libraries and Heritage and Education. Proposals for revised charges and concessions relating to Sport and Physical Activity were agreed by the Communities Committee on 23 February 2017 and for Libraries and Heritage by the Education and Children's Services Committee on 16 February 2017, and should the proposals in this report be adopted, charging and concessions across ECS will be uniform.

- 2.2 Other matters currently being addressed relating to Lets include a corporate project aimed at the introduction of an online booking and payment facility across all Services. Simplified unitary charges and concessions proposed in this report will make the introduction of online booking easier. The introduction of on-line booking and payment systems together with simplified charging structures across the ECS Service will enhance the customer experience.
- 2.3 The Education and Children’s Services Committee and its predecessor, the Education, Learning and Leisure Committee has long recognised the benefits of participation in cultural, physical and learning based activities for individuals and communities - supporting health and wellbeing, regeneration and civic identity, and learning. The service has a strategic commitment to increase participation, and in particular to maximise the benefits for people from the most vulnerable of Aberdeenshire’s communities. Increasingly there is a shared understanding across Scotland that price is not the key determinant of cultural and learning participation and rather that cultural and social factors are most important - providing the right kind of tailored activities in the right places, which requires sustained outreach and development work streams. This commitment, along with the guidance from the decision of Full Council underpins the proposals in this report.
- 2.4 Whilst the proposed charges still represent value for money, the council recognises that significant price increases will cause pressures for some users, especially for clubs or organisations who may have already set membership fees for the coming year. It is therefore proposed to phase the increases so as to minimise the impact as far as practicable in the first year, 2017/18, giving clubs and groups time to meet the changes. The proposed phasing is detailed below, and is identical to the approach being taken by community sport and culture.

Financial Year	Phased capping approach
2017/18	<ul style="list-style-type: none"> <li>• <b>ALL</b> price rises to be capped at <b>no more than an additional 20%</b> of 2016/17 prices.</li> </ul>
2018 /19	<ul style="list-style-type: none"> <li>• <b>ALL</b> prices to be capped at <b>no more than an additional 50%</b> of 2016/17 prices.</li> </ul> <p>Impact – The majority of price rises will be fully implemented this year. However the cap will apply to groups who are losing eligibility for a concession rate (eg 60+ users who are not restricted income), or will experience a lower discount rate (eg young people who are not from families eligible for a concession).</p>
2019 / 20	<ul style="list-style-type: none"> <li>• <b>ALL</b> prices to be capped at <b>no more than an additional 80%</b> of 2016/17 prices.</li> </ul> <p>Impact – Almost all price rises would be implemented, however the 80% cap would operate for groups no longer eligible for a concession rate, primarily users who are 60+ but not income restricted.</p>
2020/21	<ul style="list-style-type: none"> <li>• <b>FULL</b> implementation of pricing policy.</li> </ul>

## **SPECIFIC PRICING AREAS**

### **Concession pricing**

- 2.5 Aberdeenshire's current concession policy is extremely broad and generous and relatively complex. Based on current census details – 57% of the Aberdeenshire population is eligible for a concession rate. It is proposed that the current range of concessions is simplified, with the sole criteria being low income groups. The concession proposals set out in this report mirror those agreed by the Communities Committee for Sport and Physical Activity on 23 February 2017.
- 2.6 The APSE report suggested including young people with no independent income as concessions at a discount of 30% off the normal price. Officers are proposing adopting this approach in the pricing proposals for school lets.
- 2.7 It is noted that where groups have previously qualified for a concession rate, but no longer qualify – there is the capacity for significantly increased prices, this is particularly pertinent for people aged 60+. Proposed charges that would apply to this group and others are reflected in Appendix 2.
- 2.8 It is proposed that the revised charges pertaining to school lets are implemented from the start of 2017/2018 academic year in August.

### **School Let Room Hires**

- 2.9 In 2009 a review of regular lets agreed a number of categories for hire. However, Internal Audit have recommended amending the school let charging scheme by the end of April 2017 on the basis that the current scheme of charges with its concessions and discounts is far too complex. In particular categories for development groups and discounts for condition of building are removed from the charging categories. The recommended charges contained within this report both simplifies the charging arrangements for school lets and also aligns these charges with sport, culture, libraries and heritage.
- 2.10 It is proposed to reduce the number of categories, and refine the discount/premium rates as detailed in Appendix 3.
- 2.11 It is proposed to remove All Weather Pitches (AWP) from the room hire categories and implement an hourly charge of £45 per hour for a full size pitches. Pro rata charges will apply to AWP hires for half and one third size hires.

### **Phasing in changes**

- 2.12 Some of the changes in individual prices represent significant increases. It is proposed to phase these over three years, as detailed in paragraph 2.4.

- 2.13 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

### **3 Scheme of Governance**

- 3.1 The Committee is able to take a decision on this item in terms of Section E.1.1.D as it relates to Education of the List of Committee Powers in Part 2A of the Scheme of Governance.

### **4 Equalities, Staffing and Financial Implications**

- 4.1 An equality impact assessment has been carried out as part of the development of the proposals set out above. It is included as Appendix 1.

The following impacts have been identified which cannot be fully mitigated as explained:-

- 30% discount for all young people who are 18 or under
- 60% discount for disability groups
- Income related discount

- 4.2 There are no identified staffing implications as a result of this report. Based on current school letting activity, a 20% increase in standard charges should achieve approximately £100,000 of additional income.

### **Maria Walker Director of Education & Children's Services**

Report prepared by Edwin Duncan, Business Support & Development Manager  
Date 23 February 2017  
Appendix 1 – Equality Impact Assessment  
Appendix 2 – Current School Let Concession Policy and Proposed Changes  
Appendix 3 – List of Room Hire / Facility Charges

**Appendix 1**

**EQUALITY IMPACT ASSESSMENT**

Stage 1: School Lets Pricing Review.	
Service	Education Children's Services
Section	Business Development
Title of the activity etc.	Education Lets Pricing Review
Aims of the activity	<ul style="list-style-type: none"> <li>To update and simplify the current prices and charges for School Lets whilst maximising income.</li> <li>Assess the level of subsidy provided through public funds for services and ensure a pricing strategy that identifies what future proportion of costs will be met.</li> </ul>
Author(s) & Title(s)	Edwin Duncan, Business Development Manager/Julie Gorazdowski, Administrator
Stage 2: List the evidence that has been used in this assessment.	
Internal data (customer satisfaction surveys; equality monitoring data; customer complaints).	<ul style="list-style-type: none"> <li>Council Budget process public engagement</li> <li>Equality monitoring data</li> </ul>
Internal consultation with staff and other services affected.	<ul style="list-style-type: none"> <li>ECS Officers &amp; Support Staff</li> <li>Corporate Business Service Support officers</li> <li>Community Engagement Officers</li> <li>Service Manager, Facilities &amp; Funding</li> </ul>

<p>External consultation (partner organisations, community groups, and councils).</p>	<ul style="list-style-type: none"> <li>• Benchmarking charging proposals with other Local Authorities</li> <li>• External consultations with various community groups were undertaken by Sports &amp; Culture in relation to their revised charging scheme which is mirrored by the Education Lets charging proposals.</li> </ul>
<p>External data (census, available statistics).</p>	<p>Comparator local authority school let charging data.</p>
<p>Other (general information as appropriate).</p>	

Stage 3: Evidence Gaps.	
<p>Are there any gaps in the information you currently hold?</p>	<p>No.</p>

Stage 4: Measures to fill the evidence gaps.		
<p>What measures will be taken to fill the information gaps before the activity is implemented? These should be included in the action plan at the back of this form.</p>	<p>Measures:</p>	<p>Timescale:</p>
	<p>It is expected there will be ongoing consultation with key groups and users prior to and after implementation.</p>	<p>From April 2017</p>

Stage 5: Are there potential impacts on protected groups? Please complete for each protected group by inserting “yes” in the applicable box/boxes below.

	Positive	Negative	Neutral	Unknown
Age – Younger		Yes		
Age – Older		Yes		
Disability			Yes	
Race – (includes Gypsy Travellers)			Yes	
Religion or Belief			Yes	
Gender – male/female		Yes		
Pregnancy and maternity			Yes	
Sexual orientation – (includes Lesbian/ Gay/Bisexual)			Yes	
Gender reassignment – (includes Transgender)			Yes	
Marriage and Civil Partnership			Yes	

Stage 6: What are the positive and negative impacts?

Impacts.	Positive (describe the impact for each of the protected characteristics affected)	Negative (describe the impact for each of the protected characteristics affected)

<p>Please detail the potential positive and/or negative impacts on those with protected characteristics you have highlighted above. Detail the impacts and describe those affected</p>	<p>16-18 year olds will be able to access concession rates under the new proposals.</p>	<p>Young People. Introduction of concessionary charges for 3-5 year olds balanced by retaining means tested concessions and introduction of additional free access to learning opportunities for 3-5 year olds by Learning Services.</p>
		<p>Older People. Removal of automatic age concessionary discount. The concessionary discount will now be means tested and so this will only affect those NOT in receipt of benefits</p>
	<p>All other protected groups will be affected equally. In addition there will be no negative impacts experienced because of protected characteristics</p>	<p>All other protected groups will be affected equally. In addition there will be no negative impacts experienced because of protected characteristics</p>

Stage 7: Have any of the affected groups been consulted?

<p>If yes, please give details of how this was done and what the results were. If no, how have you ensured that you can make an informed decision about mitigating steps?</p>	<p>No direct consultation has taken place with individual groups at this stage. Liaison with Groups will take place before the planned implementation in August 2017.</p> <p>As part of the budget consultation process in 2015, residents were clear that they supported increases in prices where the objective was to sustain services.</p>
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Stage 8: What mitigating steps will be taken to remove or reduce negative impacts?

	Mitigating Steps	Timescale
These should be included in any action plan at the back of this form.	Information will be provided to users to enable them to clearly see the best value access package for their type of use.	April 17
	Price increases will be phased in over three years	Commencing August 17
	Concessions, though restricted – will be targeted at low income groups and will be increasingly generous	August 2017

Stage 9: What steps can be taken to promote good relations between various groups?

These should be included in the action plan.	Publicise improvements to services and changes in packages which provide for fair access to all. Communicate changes clearly and engage with users on a regular basis responding to their concerns.
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Stage 10: How does the policy/activity create opportunities for advancing equality of opportunity?

The paper will ensure that groups and individuals on low incomes will be able to access facilities at a heavily discounted rate.

Stage 11: What equality monitoring arrangements will be put in place?

These should be included in any action plan (for example customer satisfaction questionnaires).	There will be ongoing user consultation once the new prices are implemented.
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Stage 12: What is the outcome of the Assessment?	
Please complete the appropriate box/boxes	1 No negative impacts have been identified –please explain.
	Not relevant
	2 Negative Impacts have been identified, these can be mitigated – please explain. * Please fill in Stage 13 if this option is chosen.
	Not Relevant
	3 The activity will have negative impacts which cannot be mitigated fully – please explain. * Please fill in Stage 13 if this option is chosen
	A range of negative impacts have been identified, caused primarily as a result of certain groups having to pay increased price for access to facilities.  This is particularly pertinent to: Older people – who will no longer obtain a concession based purely on age.  Younger people – who will obtain a reduced level of concession, this is especially pertinent to the very young and their families as 3-5 year olds will no longer get free access.

\* Stage 13: Set out the justification that the activity can and should go ahead despite the negative impact.

Whilst not all negative impacts can be fully mitigated – it is highlighted that there are some mitigating factors possible and where individuals are evidenced to be on low incomes – a generous concession rate will be applied.

Wider community consultation on the budget has already highlighted that when given a choice between paying more to retain services or keeping prices the same and reducing services – the public advocate the former.

Stage 14: Sign off and authorisation.			
Sign off and authorisation	1) Service and Team	Education Children's Services	
	2) Title of Policy/ Activity	Education Lets	
	3) <b>Authors:</b> I/We have completed the equality impact assessment for this policy/activity	Name: Edwin Duncan Position: SM Business Support & Development Signature:	Name: Craig Clement Position: Head of Service Date: Signature:
		Name: Position: Date: Signature:	Name: Position: Date: Signature:
	4) Consultation with Service Manager	Name: Tim Stephen, Facilities & Funding Manager Date: 20 February 2017	
	5) Authorisation by Director or Head of Service	Name: Maria Walker Position: Director of ECS Date: Feb 2017	Name: Position: Date:
	6) If the EIA relates to a matter that has to go before a Committee, Committee report author sends the Committee Report and this form, and any supporting assessment documents, to the Officers responsible for monitoring and the Committee Officer of the relevant Committee. e.g. Social Work and Housing Committee.		Date: Feb 2017
	7) EIA author sends a copy of the finalised form to: eia@abdshire		Date:
(Equalities team to complete) Has the completed form been published on the website? YES/NO			Date:

## Appendix 2

### Appendix 2 - Current Education Let Concession Policy and Proposed Changes

Current Concession/Discount Category	Current Discount Rate off the full standard price	Proposed change to discount rate
<b>Age Related</b>		
Junior Rate 0 – 5	Free	Change to 0 – 2 Free
Junior Rate 5 - 18	50%	Junior Rate Age 3– 18 implement a new discount rate to 30% off the full adult price i.e. pay 70% of the adult price
Junior Concession	50 % of Junior Rate i.e. 75% of adult rate	REMOVE Junior concessionary discount rate and include as Junior Rate only.  Young people in low income households will qualify for a low income concession.
Age 60 or over	50% of adult rate	REMOVE the concessionary discount for ALL 60+ and link to receipt of income related, means tested benefits as listed below
Young Scot card holders (16 – 25 yr olds)	50% of adult rate	REMOVE
Students in Full Time education	50% of adult rate	REDUCE the concessionary discount to 30% off the full adult price i.e. pay 70% of the adult price. Only eligible to those under 25
<b>Status Related</b>		
Carer (in receipt of Carers Allowance)	50% of the usual rate( unless when accompanying their cared for person which is free)	INCREASE the discount to 60% off the full adult price i.e. pay 40% of the adult price.
Widowed Mother Allowances and Widows Pension	50% of the standard rate for adults and children in household	REMOVE
Severe Disability Allowance	50% of the adult or child rate for the recipient of the allowance only	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price. However to be eligible recipients must also be in receipt of council tax reduction
Industrial Injuries Disablement Allowance	50% of the adult or child rate for the recipient of the allowance only	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price. However to be eligible recipients must also be in receipt of council tax reduction
<b>Income Related</b>		
Families where at least one child is in receipt of free school meals	50% of the standard rate for adults and children in the household	REMOVE – this is covered by eligibility for other concessions elsewhere
People in receipt of Housing Benefit	50% of the usual rate for adults or children in the household	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price
Income Support	50% -In order to be eligible for a family membership at the concession price, both adults must be in receipt of the benefit	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price.
Working Tax Credit	50% of the standard rate for adults and children in the household	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price. However to be eligible recipients must also be in receipt of council tax reduction

Child tax Credit	50% of the standard rate for adults and children in the households	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price. However to be eligible recipients must also be in receipt of council tax reduction
Universal Credit	NEW	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price. However to be eligible recipients must also be in receipt of council tax reduction
Job Seekers Allowance/New Deal	50% -In order to be eligible for a family membership at the concession price, both adults must be in receipt of the benefit	REMOVE & REPLACE Job Seekers Income Based benefit – NOT CONTRIBUTION BASED BENEFIT
Job Seekers Income Based benefit	NEW	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price.
Employment and Support Allowance	50% of the adult or child rate for the recipient of the allowance only	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price.
Pension Credit – Guaranteed Credit only	NEW	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price.
Disability Living Allowance (PIP)	NEW	INCREASE the discount to 60% off the full adult price for the recipient only i.e. pay 40% of the adult price. However to be eligible recipients must also be in receipt of council tax reduction
<b>FREE USE</b>		
Looked After Children	Free Use	Free use
Carer (only when taking the charge into the pool)	Free access when the carer is swimming with the person they are assisting	Remain the same
0 – 5 year olds	Free access within the adult /child under 8's admission policy	Change to 0 -2 3 -5 included in Junior rate – 30% discount

### Concessionary discount rates

Where regular lets provide services to groups primarily eligible for concessions, they would be eligible for the concession rate. It is not proposed to change this - however groups that previously were eligible for concessions and no longer qualify (for example people over 60) would not obtain this rate.

### Standard rate

No changes are proposed for this rate other than a 30% reduction will be applied for groups that deliver services exclusively to young people (a junior standard rate)

### Commercial rates.

There are currently three commercial rates designed to apply to a range of providers ranging from (as examples) sole traders delivering martial arts to groups booking rooms for commercial sales purposes. Whilst these do allow officers to differentiate between providers delivered a community benefit and outright commercial enterprises – feedback has been that the rates are confusing and subject to different interpretation.

It is therefore proposed to have one commercial rate – set at 100% of the standard rate. Where commercial groups deliver services exclusively to young people (for example martial arts schools) – they will be eligible for a 30% discount (Junior commercial rate). This junior discount rate is not available for users of swimming pools.

#### Development rate (and Development concession rate)

Development Rate (25% discount) and Development Concession rate (62.5% discount). These rates were offered for an initial period, usually towards individuals setting up new classes or clubs. It is proposed to withdraw these rates, but to offer local managers a development fund to promote more generally new classes and activities, adding professional support to the financial support with a view to providing a more sustainable package.

#### Reductions for condition of building and staffed status of building

It is proposed to cease the practise of offering reductions of between 5 and 20% depending on the building condition and staffing arrangements.

**Appendix 3**

**Standard and Junior**

Grade of Facility	16/17 base rate	17/18 proposed (std)	17/18 phased St Jnr	18/19 std Junior	19/20 std Junior
A - Meeting rooms and classrooms	£6.50	£7.50	£3.90	£4.85	£5.25
B - Small halls (up to 145 Sq M)	£8.70	£10.00	£5.22	£6.53	£7.00
C - Medium Halls (146 - 290 Sq M)	£17.40	£20.00	£10.44	£13.05	
D - Large Halls (291 - 435 Sq M)	£26.10	£30.00	£15.66	£19.58	
E - Very large Halls	£34.80	£40.00	£20.88	£26.10	
All Weather Pitches	£34.80	£45.00	£20.88	£26.10	

**Concession for 60+ groups \*/\*\***

Grade of Facility	16/17 rate	17/18 proposed (std)	17/18 phased Snr rate	18/19 snr	19/20 snr	20/21 snr
A - Meeting rooms and classrooms	£6.50	£7.50	£3.90	£4.85	£5.85	£7.50
B - Small halls (up to 145 Sq M)	£8.70	£10.00	£5.22	£4.85	£7.83	£10.00
C - Medium Halls (146 - 290 Sq M)	£17.40	£20.00	£10.44	£4.85	£15.66	£20.00
D - Large Halls (291 - 435 Sq M)	£26.10	£30.00	£15.66	£4.85	£23.49	£30.00
E - Very large Halls	£34.80	£40.00	£20.88	£4.85	£31.32	£40.00

\*This concession applies to over 60s not eligible for low income concession

\*\*The phasing is over a three year period with full implementation in year 4.

