

REPORT TO CABINET

25 July 2018

Subject:	Sandwell Residential Education Centres: Charges for the period 1 August 2019-31 July 2020
Presenting Cabinet Member:	Councillor Simon Hackett - Cabinet Member for Children's Services
Director:	Director – Education, Skills and Employment – Chris Ward
Contribution towards Vision 2030:  <i>(Insert all that apply from drop down choice).</i>	     
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC 01/09/2018
Cabinet Member Approval and Date:	Councillor Simon Hackett - Cabinet Member for Children's Services –
Director Approval:	Director – Education, Skills and Employment – Chris Ward – Yes – 18 June 2018 Darren Carter – Yes – 20 June 2018
Reason for Urgency:	Secure forward sales in competitive market.
Exempt Information Ref:	Exempt provisions do not apply
Ward Councillor (s) Consulted (if applicable):	There is no requirement to consult at ward level
Scrutiny Consultation Considered?	This initiative has not been referred for Scrutiny consideration
Contact Officer(s):	Richard Oakes, Manager, Sandwell Residential Education Service Education, Skills and Employment Directorate richard_oakes@sandwell.gov.uk

DECISION RECOMMENDATIONS

1. That Minute No. 120/16 taken by the Cabinet on 27 July 2016 relating to implementing a 2% increase in the level of the charge to Sandwell schools for Sandwell Residential Education Centres be not proceeded with.
2. That the Director - Education, Skills and Employment be authorised to implement term-time charges for Sandwell Residential Education Centres for the period 1 August 2019-31 July 2020 as set out in Appendix A.

1 PURPOSE OF THE REPORT

- 1.1 The Residential Education Centres has operated to a zero-revenue budget since April 2017. Their purpose is to support Sandwell 2030 Vision, by delivering an accessible and high-quality service for as many Sandwell children and young people as possible.
- 1.2 Charges per pupil to Sandwell schools and academy schools were held with no increase for two years even as the centres moved to a zero budget. A 2% increase for 2018/19 was approved by Cabinet but, because of pressures on school budgets, was not implemented. Additional income to keep Sandwell charges low is generated by more work with non-Sandwell groups, weekends, day visits, holiday-time working, and commercial events, in part made possible by Council investment in the properties.
- 1.3 The Centres' business model is a high-volume one, with the centres open all year round. There are currently some lower-demand times. The proposed charges aim to even out the demand throughout the school year.
- 1.4 The proposed low-season charges remain unchanged, and below charges previously approved, but for a shorter period of the year, December and January. This will allow lower-cost access, and reflects low season across the residential centre sector.
- 1.5 The proposed charges introduce a mid-season price band, in the autumn and spring terms but excluding December and January. These represent a slight increase on currently approved charges broadly in line with inflation.
- 1.6 The proposed high-season charges are from April to July when demand is highest.

- 1.7 The proposed charges have been modelled, and indicate an income increase during term-time of 4.6%.
- 1.8 School holiday and weekend charges, to generate additional income and support school courses, will continue to be set at a rate determined by the Service Manager and Centre Heads.

2 IMPLICATION FOR THE COUNCIL'S AMBITION

- 2.1 About 6,000 Sandwell children and young people experience residential visits to the centres each year, and about 2,000 experience day visits.

The Residential Education Service contributes to Council ambitions by:

- Raising aspirations and resilience by introducing participants to new experiences, places and challenges.
- Helping participants be healthier for longer, and safer, by promoting healthy active, enjoyable lifestyles and activities, and teaching how to identify and manage risk.
- Helping young people to have skills for the future, by developing and applying transferable skills, attitudes and values through direct experience.
- Raising the quality of education and learning, by working with schools to enrich the broader curriculum.
- Lowering crime and anti-social behaviour by promoting good citizenship, positive traits and relationships.
- Enhancing Sandwell's reputation for getting things done – retaining four residential education centres, at low cost to the Council and high value for the community, is increasingly recognised regionally and nationally as a success.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 This report seeks approval to implement the charges attached in line with the Residential Education Centres business plan to provide a sustainable, accessible service.
- 3.2 The Centres have successfully managed a four-year transition from a £520,000 budget to zero, whilst retaining high levels of Sandwell pupil attendance.
- 3.3 The proposed charges aim to help to even out demand for the service throughout the year, with a potential increase of 4.6% in term-time income, and take account of sector charges and seasonality.

3.4 The proposal has no increase to low-season charges, introduces a mid-season charge, and implementing a low percentage increase high-season charge.

3.5 The new charges will be effective from 1 August 2019.

4 THE CURRENT POSITION

4.1 A 2% increase for 2018/19 charges was approved by Cabinet but, because of pressures on school budgets, was not implemented to enable the centres to retain goodwill and a strong customer base.

4.2 Additional income to keep Sandwell charges low is generated by work with non-Sandwell groups, weekends, day visits, holiday-time working, and commercial events.

4.3 The centres' income target for 2018-19 is approximately £1.9 million. The centres plan and work to a full cost recovery revenue budget.

4.4 A three-tier charging structure gives Sandwell schools a £60 per pupil per week reduction, and Sandwell academy schools a £30 reduction, in charge compared with non-Sandwell groups.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

5.1 Service managers regularly review the competitive market in residential education to ensure that Sandwell's centres are competitive. They also regularly receive feedback and communicate with Sandwell school leaders and group leaders. Sandwell school attendance remains at roughly the same levels as for the previous four years.

6 ALTERNATIVE OPTIONS

6.1 Keeping charges at current levels does not account for inflation in operating costs, including pay and living wage rises.

6.2 Not addressing seasonality risks centres being empty or underused for more weeks each year, with reduced income and fewer benefits to children.

6.3 Putting charges too high risks reduced uptake of places, with overall reduced income and fewer benefits to children.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The proposed charges support the Residential Education Centres business plan and sustainable, accessible service provision to a zero revenue budget. They also support sustainable positive use of the Council's property assets, capitalising on recent investment.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 There are no legal and governance considerations.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 A screening exercise was completed and found that a full EIA was not required as the report is concerned with maintaining sustainable delivery of an existing service with no discrimination against service users.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 The recommendation has no data protection impact.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 The centres make a positive contribution to citizenship.
- 11.2 Corporate Risk Management Strategy (CRMS) has been complied with to identify and assess risks associated with this decision.
- 11.3 The risks are assessed to be low.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The proposed charges support the business plan, and make it more robust and sustainable. The Centres operate a full cost recovery revenue budget, therefore all expenditure is covered by income generated.

Income is monitored monthly on a centre by centre basis against profiled targets. Attendance figures are also monitored.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 The centres all deliver Sandwell's well-being charter, and provide experiences beneficial to mental and physical health and well-being. They develop an appreciation of adventure and creativity, citizenship, and high aspirations. The centres work with a range of partners within and outside the Council to deliver projects and programmes of social value.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 The recommendations support the Residential Centres' business plan and the sustainable delivery of service from those Council properties.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The Council's four residential education centres deliver residential learning experiences to approximately 6,000 Sandwell children and young people each year, and 2,000 day visits. The centres aim to keep Sandwell attendance at that level or better.

15.2 Charges have not been increased for three years, even though approval was given to do so last year.

15.3 The proposed charges aim to even out some seasonality in service use, whilst keeping low-season charges at current levels and modest increases in high season. A mid-season charge is slightly above previous low-season charges.

16 BACKGROUND PAPERS

16.1 None.

17 APPENDICES:

- A. Proposed term time residential price list for academic year 2019-20.
- B. Comparison of charges 2018-19 to 2019-20.

Chris Ward
Director – Education, Skills and Employment