

## REPORT TO CABINET

17 July 2019

<b>Subject:</b>	<b>Sandwell Residential Education Centres: Charges for the period 1 August 2020-31 July 2021</b>
<b>Presenting Cabinet Member:</b>	<b>Councillor Joyce Underhill - Cabinet Member for Best Start in Life</b>
<b>Director:</b>	<b>Director – Education, Skills and Employment – Chris Ward</b>
<b>Contribution towards Vision 2030:</b> 	     
<b>Key Decision:</b>	Yes
<b>Forward Plan (28 day notice) Reference:</b>	SMBC03/07/2019
<b>Cabinet Member Approval and Date:</b>	Councillor Joyce Underhill - Cabinet Member for Best Start in Life 13/06/19
<b>Director Approval:</b>	Director – Education, Skills and Employment – Chris Ward: 13/06/19
<b>Reason for Urgency:</b>	Secure forward sales in competitive market.
<b>Exempt Information Ref:</b> <i>(if applicable please contact DSU for advice)</i>	Exempt provisions do not apply
<b>Ward Councillor (s) Consulted (if applicable):</b>	There is no requirement to consult at ward Level
<b>Scrutiny Consultation Considered?</b>	This initiative has not been referred for Scrutiny consideration
<b>Contact Officer(s):</b>	Richard Oakes, Manager, Sandwell Residential Education Service <a href="mailto:richard_oakes@sandwell.gov.uk">richard_oakes@sandwell.gov.uk</a>

### DECISION RECOMMENDATIONS

**That Cabinet:**

1. Authorise the Director - Education, Skills and Employment to implement term-time charges for the period 1 August 2020-31 July 2021 as shown in Appendix A.

## **1 PURPOSE OF THE REPORT**

- 1.1 The report seeks to set charges sufficient to enable sustainable high-quality service provision in support of Sandwell Vision 2030, whilst keeping the centres accessible to Sandwell children and schools.
- 1.2 The report recommends continuing with the three-season charging policy approved by Cabinet in July 2018 (Key Decision Ref. No. SMBC01/09/2018 refers).
- 1.3 The report recommends increasing charges to Sandwell schools and Sandwell Academy schools by 2% in line with inflation and increasing charges to non-Sandwell schools by 3%.
- 1.4 The report recommends that school holiday and weekend charges, to generate additional income and support Sandwell school courses, will continue to be set at a rate determined by the Service Manager with centre heads.

## **2 IMPLICATIONS FOR VISION 2030**

- 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 the Council's 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 proposed charges are for a 2% increase to Sandwell schools and academy schools in line with inflation, and a 3% increase for non-Sandwell schools, with a resulting overall 2.4% increase in term-time income in 2020/21.
- 3.3 The Residential Education Service operates in a competitive market, with a zero-revenue budget since April 2017.
- 3.4 Centres have to generate sufficient income to cover all revenue costs of approximately £2 million, including meeting pay awards.
- 3.5 A 2.5% overspend was reported in 2018/19. This follows a decision taken in 2017 not to implement a proposed 2% increase in charges because of valid concerns about proposed school budget reductions. The three-season charging structure and charges agreed by Cabinet in July 2018 are projected to generate an additional 4.6% income in 2019/20.
- 3.6 The new charges will be effective from 1 August 2020.

### **4 THE CURRENT POSITION**

- 4.1 The current and proposed charges are competitive, especially for Sandwell schools and academy schools.
- 4.2 Additional income to enable subsidised Sandwell charges 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.
- 4.3 Sandwell academy schools are currently charged about 20% less, and Sandwell maintained schools 40% less, than non-Sandwell schools.

## **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 has declined over the last two years, and the three season, limited charge increase, with a focused plan to engage more Sandwell schools, seeks to address this.

## **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.
- 7.2 A 2.5% overspend was reported in 2018/19. This follows a decision taken in 2017 not to implement a proposed 2% increase in charges because of valid concerns about proposed school budget reductions. The three-season charging structure and charges agreed by Cabinet in July 2018 are projected to generate an additional 4.6% income in 2019/20.
- 7.3 The proposed charges are for a 2% increase to Sandwell schools and academy schools in line with inflation, and a 3% increase for non-Sandwell schools, with a resulting overall 2.4% increase in term-time income in 2020/21.

## **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 The Corporate Risk Management Strategy (CRMS) has been complied with – to identify and assess the significant risks associated with this decision/project. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.

Based on the information provided, the risks are assessed to be low, no significant risk has been identified.

## **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 Education 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, in support of Sandwell's Vision 2030.

15.2 The recommendations will enable the centres to continue to generate sufficient income to operate an efficient high-quality service with subsidised places for Sandwell children.

**16 BACKGROUND PAPERS**

16.1 None.

**17 APPENDICES:**

A. Proposed term time residential price list for academic year 2020/21.

**Chris Ward**

**Director – Education, Skills and Employment**