

PE1531/D

Ned Sharratt
Assistant Clerk
Public Petitions Committee
The Scottish Parliament
Edinburgh
EH99 1SP



8 December 2014

Dear Mr Sharratt

PETITION 1531 – SCIS response

Thank you for your letter of 29 October seeking our views on Petition 1531 and the discussions at the Committee meeting of 28 October. You asked specifically about community use of school facilities and the means-testing of bursaries, and we seek to answer both of these points below. Our responses refer mainly to mainstream fee-paying independent schools. Although no such distinction was made by the Petitioner, there are also independent Additional Support Needs school members that accept applications from parents as well as local authority referrals – schools that would be affected disproportionately by any alteration to charitable status.

All appropriate information on school financial and community activities, in respect of their charitable purpose, is to be found in the detailed reports¹ on each school tested by the Office of the Scottish Charity Regulator (OSCR) over 8 years, combined with their final report on “*Fee-charging schools, public benefit and charitable status*” published on 8 December.² Section “28” and “33” reports detail benefit which is charged for, not charged for and facilitated access to that benefit – tested against transparency and proportionality. The specific reference to fees and charges and their mitigation, inserted by the Scottish Parliament in 2005, makes the public benefit charity test the strongest of any in the world – a test which 1 in 5 of the schools did not initially pass. OSCR confirms that the schools “*have already been subject to a more rigorous and in-depth scrutiny than any other group of charities*”.

In terms of the discussion at the Committee and the petition itself, there are several key points to make at the outset:

- Schools that exist as registered charities simply cannot operate at, or dispose of, profit. This means that any surplus generated can only be used by the school for their charitable purpose.
- Every cost for the running of independent schools (except those which receive central and local funding for additional support needs or Forces pupils) is met directly from parental fee income. Contrary to the Petitioner’s statement, the vast majority of independent schools charge school fees of £10-12,000 per annum which represents little or no premium to the actual cost of educating a child in the state sector, a cost borne by the taxpayer.
- The Petitioner described means-tested bursary assistance, following the charity test, as “negligible”. For 2014-15, our figures show that means-tested financial assistance amounted

¹ http://bit.ly/OSCR_schools

² http://bit.ly/OSCR_complete

to £27.5 million, up from over £11 million in 2009 as schools have extended means-testing of fee assistance and increased bursary provision overall as a result of the OSCR test. Once added to non-means-tested help, schools will disburse over £45.5 million in assistance this year.

- The Petitioner questioned whether independent schools were “charities” or “schools” at all. They are schools because they provide teaching and learning, they are charities because they advance education. Their commitment to individual child development, sport and music, curricular autonomy, school ethos and pastoral welfare and well-being is beyond question.
- The focus on non-domestic rates (NDR) seeks to separate c.50 registered charities from the remaining 23,700. In terms of rates relief, independent schools constitute 0.3% of registered charities awarded rates relief in Scotland, alongside other educational bodies like Universities and Royal Colleges, as well many new bodies such as local authority. Paying rates at the level of mandatory relief still demonstrates that 20p/£ is being provided as new to the exchequer from external sources – in this case from parental fee income – unlike local authorities, funded through taxation.³

Provision of facilities

Many schools now produce discrete charity/public benefit reports.⁴ It is impossible in the time and space provided to detail the range of activities supported by schools through use of their facilities by clubs, teams and community groups on a weekly basis. This differs depending on the size and location of the school. Equally, an overall figure for number of hours is hard to quantify. Some schools such as preparatory schools, with younger children present and fewer caretaker staff, may not be able to offer facilities to the same extent as larger senior schools (as recognised in OSCR school reports which list school activities in detail). Where facilities are provided they are either for free, at nominal/below cost price or in line with local authority facilities – depending on the group using the facilities.

As an example, one medium-size school calculated that the value of these activities provided free of charge was £38,610 per year while the subsidy given to those activities for which a nominal charge is made was a further £29,153. One small school calculated the annual use of facilities at 426 hours, while one of the largest was able to provide its premises and pitches for the general community for 2,900 hours last year (school campus – 400, sports centre – 1,250, grass pitches – 800, all-weather – 450). In addition to the widespread staff participation in curriculum design and examination development, marking and assessment, staff secondments and the hosting of hundreds of student teachers, we have provided one example per school in an appendix to indicate the range of activity.

Bursaries

The Committee asked for any information available on the income of the parents of those pupils receiving bursaries. No school, or any other body, is permitted to disclose individual family financial details such as income, mortgage, any unearned income or other family members' situations. However, by definition, those pupils in receipt of means-tested fee assistance are not in a position to pay full fees. The OSCR test looks specifically at the range of bursary

³ Covered in detail in “The state of independence”, SCIS 2014, http://bit.ly/SCIS_soi

⁴ See, for example, Merchiston Castle School, http://bit.ly/MCS_oscr

provision right up to 100%, to ensure that those least able to pay have as much opportunity of access as those able to make some contribution, as well as at how that provision is publicised and allocated.

Based on figures compiled by OSCR and SCIS, in excess of 600 pupils, at both day and boarding rates, currently receive maximum 100% means-tested financial assistance alone – the equivalent of a fully-funded medium-sized secondary school. Families of those pupils will have been judged unable to pay any of the fee costs, therefore amongst those most financially disadvantaged in the country. As an example, one school normally awards 100% bursaries to families with an overall income of less than £25k per year. Means-tested assistance below that percentage, from 95%-20%, is currently given to more than 2,300 additional pupils. In addition to this, a further 4,000 pupils receive non-tested assistance such as scholarships, sibling and staff discounts.

Some schools have financial endowments, while others have none and rely solely on current fee income for bursary provision. The number and size of bursaries can vary considerably. The level of fee assistance is determined by the extent of financial need and in keeping with OSCR guidance. To allow this to be assessed, applicants are required to provide information on total income (waged and unearned), benefits, other arrangements such as mortgage, loans, insurances and any assets, as well as details of any other dependent children and other special conditions such as Armed Forces and Diplomatic families, or circumstances such as parental bereavement. Where no financial need can be established, no bursary will be granted.

Bursary awards are usually made available to children in secondary years, although some schools – including preparatory schools – will offer before this. Bursaries are intended primarily to facilitate access for new pupils. Following assessment of the information provided, an application committee or equivalent will decide whether support is appropriate and upon the level of such support. Where the number of applications received exceeds the availability of bursary funds, account will be taken of entrance tests and the degree to which pupils will benefit from the school curriculum. Many schools prioritise and allocate high-value bursaries first, given the impact they can make on an individual.

All such awards are conditional upon the pupil making reasonable academic progress, contributing to school life and maintaining good standards of behaviour and may be withdrawn in the event of consistent breach of school rules or serious misconduct. Where the financial position of a family changes, a school expects notification and this may lead to a review of the amount of the bursary award. From time to time parents of children receiving bursaries may be requested to confirm that there has been no significant change in their financial position.

Summary

It is worth noting that a recent independent report by BiGGAR Economics revealed that members of SCIS deliver a positive economic impact to the Scottish economy of £445.8 million gross value added (GVA) per year and around 11,200 jobs in operational benefits alone. This is comparable to the impact of some of Scotland's top universities. In particular, the report also showed that SCIS member schools generate exchequer benefits to the state worth £263 million annually.

In terms of demonstrable activity, detailed regulation and official policy, the status of independent schools on the Scottish Charity Register is clear, as are the responsibilities and duties that entails. Popular perceptions of what is meant by “charity” may be well removed from broader legal definitions in the 2005 Act and preceding law. However, every school’s founding philosophy or ethos is based on their charitable purpose – the education of the child - not on regulatory compliance or legal definition.

Scottish schools and families have met the challenge presented to them by the Scottish Parliament and by OSCR - no group in Scotland is better able to demonstrate their compliance. This week’s OSCR report confirms that. It would be retrograde and self-defeating to have that work called into question just as the challenge is complete. Many pressing issues occupy Scottish education – the advancement of which is the shared objective of the Scottish Parliament and all independent schools in SCIS.

Schools are always keen to welcome visiting elected members, to help further understanding and awareness. In the meantime, I would be happy to discuss these, or any other related matters, with the Committee should the opportunity arise.

John Edward
Director
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APPENDIX – PROVISION OF FACILITIES (ONE EXAMPLE PER SCHOOL)

1. St Columba's School, Kilmacolm, runs a Duke of Edinburgh Award Leadership Programme for Inverclyde schools; this includes setting up, preparing and evaluating a SCQF level 5 course, providing the leader free of charge for a minimum of 47 hours and learning materials.
2. St Margaret's School for Girls, Aberdeen, provides use of its sports facilities to a local state primary school each week; providing a PE teacher to teach visiting children a range of sports.
3. Loretto School, Musselburgh, provides further education/career guidance to young people by holding a UCAS week at the end of the summer which is open to all local schools.
4. Strathallan School, Forgandenny, provides its pitches and facilities free of charge or for a nominal fee to over 30 community groups and local schools for sport, arts and music.
5. Wellington School, Ayr makes provision for a state secondary pupil to join their Advanced Higher Business Management Course. The course was not run at any state schools in Ayrshire in 2013/14.
6. Dollar Academy hires out or makes available swimming pool, pitches, theatre, auditorium, art department and dining hall and sports hall to numerous local clubs, state schools and the community generally and hosts open summer sports camps.
7. St Mary's School, Melrose, hosts an annual Science Festival which is open to all local schools and the general public, approximately 2,000 people attend the event each year.
8. Gordonstoun School, Elgin, in addition to Community and Rescue services the school hosts the Moray UCAS Convention, a Higher Education and Careers Fair for over 1,000 secondary pupils in Moray and Highland schools, who meet representatives from over 30 universities, colleges and the armed forces. Gordonstoun subsidises travel to this event so that no student is unable to attend.
9. Albyn School, Aberdeen, provides weekly access to its sports field and gym to c.200 children per week including a local primary school and youth football and rugby teams.
10. Merchiston Castle School, Edinburgh, offers pupil mentoring schemes for pupils with support needs in 3 local primary schools and access to school wildlife and biology facilities.
11. Craigclowan School, Perth, established a community garden, allowing children to learn about growing fruit and vegetables from gardeners allocated allotments on the site and provides use of its facilities to local groups including a junior hockey club and ski classes.
12. Morrison's Academy, Crieff, provides regular use of its facilities and grounds to a number of local youth and community groups as well as the local Army Cadet Force and the Association for Science Education who hold an annual two day science conference.
13. Compass School, Haddington, provides student teacher placements as well as work experience visits for local secondary pupils considering a career in education or child care.
14. The High School of Glasgow offers use of its facilities to community and sports groups at a below-market cost or free of charge, including a local youth rugby club, youth music groups, Guides and Scouts and district sporting meetings and tournaments.
15. Edinburgh Steiner School is a partner in a community garden project which allows pupils to learn through working in the garden and attending related events.
16. Kilgraston School, Bridge of Earn, invites the local community to attend arts and science events, provides venue space for examinations and ICT facilities to the elderly.

17. The Edinburgh Academy provides free use of classroom and theatre facilities to City of Edinburgh Council Adult Education Department for Lifelong Learning, and funds a Youth Development Officer who teaches PE in five local primary schools.
18. St Leonards School, St Andrews, offers foreign language workshops and conversational classes in local secondary and primary schools, in addition to science and creative writing conferences.
19. Ardvreck School, Crieff, hosts an annual primary school chess tournament, a singing workshop, a rugby coaching session, a film-making event and facilities for arts organisations from other schools.
20. Moray Steiner School, Forres, permits a number of groups to use its facilities for nominal cost, including a Bushcraft group which runs classes for up to 15 children from the local community over Summer and Autumn, and a community choir of around 15 members.
21. Lomond School, Helensburgh, provides use of Games Hall, PE teaching and transport for 6 local primary schools, and has integrated the local youth rugby team with Lomond School teams to allow compliance with SRU rules, provision of transport and facilities
22. Belmont House School, Newton Mearns, provides access to its facilities to a Soccer School.
23. George Watson's College, Edinburgh, provides sports facilities to Cubs, Brownies and Rainbows as well as local swimming, netball and football clubs – amounting to more than 800 children and young people on a weekly basis.
24. Hutchesons' Grammar School, Glasgow, provides Advanced Higher tuition in Drama, Physics and other subjects to pupils of state secondary schools where these subjects are not taught and joint environmental projects with local schools.
25. Glenalmond College hires out or makes available its facilities (including swimming pool, pitches and sports hall and rescue boat) to numerous local clubs, a state school and the community - covering a substantial range and number of beneficiaries.
26. Robert Gordon's College, Aberdeen, hosts and organises an annual cross country event for schools in Grampian involving approximately 2,000 participants from many local schools.
27. Fettes College, Edinburgh, offering support to pupils from local schools by organising careers and higher education fairs and providing trial interviews for Oxbridge candidates, as well as an sporting talent day to allow children to try new sports and activities and receive expert tuition.
28. Lathallan School, Johnshaven, organises and hosts events open to other schools and groups including a mini-highland games, pipe band competitions, cross-country races, rugby 7's and choir days.
29. The Glasgow Academy contributes £5,000 annually to the salary of a Rugby Community Development Coach, who visits 15 State Primary and 3 Secondary Schools in the West End of Glasgow.
30. International School of Aberdeen provides access to its swimming pool to various swimming groups and over 1000 swimmers per week for nominal charge.
31. Beaconhurst School, Bridge of Allan, offers pupils from local schools involvement in debating events and participation in an eight-week long extra-curricular introduction to higher education.
32. Erskine Stewart's Melville Schools, Edinburgh, manage and maintain the Arboretum Playing Fields, through a partnership agreement with the Local Authority. The school invested over £450,000 to rebuild a derelict pavilion to provide new changing facilities for all users including two local schools for rugby and football fixtures and a local community youth football team.

33. Craigholme School, Glasgow, hosts author visits in partnership with a bookstore to which pupils from local primary schools also attend and provides facilities as a presenting centre for external pupils for Trinity College Music Examinations.
34. St Aloysius College, Glasgow, operates the Centre for Social and Environmental Justice which holds an annual conference for schools and series of public lectures, while pupils participate in the Arrupe programme of service to others which involves volunteering within various community groups, organisations and other charities.
35. St George's School for Girl's, Edinburgh, organises special educational events involving teachers delivering lessons and workshops to around 140 external pupils from local schools including Modern Languages day, Junior Schools Thinking day and Nutrition day.
36. Belhaven Hill School, Dunbar, provides school minibuses free of charge to a local primary school.
37. Clifton Hall School, Newbridge, provides games hall, grounds and swimming pool to community groups including Currie Rugby Club, local Scouts and a scuba diving club.
38. George Heriot's School, Edinburgh provides free use of grass and astro pitches to the junior sections of community rugby and cricket clubs and offer facilities to local schools for S6 students to study Advanced Higher subjects not being provided in that school.
39. The High School of Dundee hosts the Dundee Choral Union, Associated Board of the Royal Schools of Music, National Youth Choir of Scotland –Tayside, the CLIC Choir and other charity events.