

NORTH YORKSHIRE COUNTY COUNCIL
CHILDREN AND YOUNG PEOPLE'S SERVICE
CORPORATE DIRECTOR'S MEETING WITH EXECUTIVE MEMBERS

25 FEBRUARY 2020

COUNTY MUSIC SERVICE FEES 2020/21

1.0 PURPOSE OF REPORT

- 1.1 To seek approval for the scale of fees for parents and schools to apply from the beginning of financial year 2020/21.
- 1.2 The paper sets out three possible options and their potential outcomes for parental fees and two options for schools fees.
- 1.3 The report also seeks to outline some proposals for the service to operate in a more flexible way in order to stimulate uptake.

2.0 MUSIC CENTRE FEES

- 2.1 The Music Service runs six Music Centres across the county and as part of the National Plan for Music Education they fulfil a core role by providing opportunities for pupils to perform in ensembles out of school time.
- 2.2 A 1% increase is proposed for Music Centres due to a slight rise in the cost of lettings in schools where centres are run.

3.0 TUITION FEES

3.1 Option 1

- 3.1.1 Fees are frozen for financial year 2020/21.

- 3.1.2 We need to remain competitive in the market and due to the £50K fall in income in 2019/20 (see 4.1) are close to the maximum that we can currently charge whilst remaining viable for parents. Table 1 shows a comparison with our Music Service neighbours.

- 3.1.3 A freeze on fees would keep us competitive whilst maintaining our commitment to the National Plan for Music Education.

- 3.1.4 Rises in fees do not necessarily increase income as pupils and parents drop out meaning any net gain is negated. Last year's fees increased by 2% but income was down by £50K on predicted. An indication of this is a drop in our continuation rate from free whole class lessons by 16%.

- 3.1.5 Freezing fees may slow down the rate of pupil drop out meaning numbers are maintained and our stats for Arts Council remain buoyant. It may also mean a potential increase in income.

- 3.1.6 Freezing fees may mean that any increases in costs or reduction in grant funding will reduce our surplus.

3.2 Option 2 – recommended option

3.2.1 A 2% rise in tuition fees beginning financial year 20/21.

3.2.2 A 2% rise would partly offset any the proposed 2.6% increase in teaching costs in September.

3.2.3 A 2% rise in fees makes us more expensive than the majority of our neighbours and could lead to more pupils dropping out.

3.3 Option 3

3.3.1 A 2.6% rise in fees beginning financial year 20/21.

3.3.2 A 2.6% rise in tuition fees would make us much more expensive than our neighbours and could result in even more loss off pupils to cheaper private teachers.

3.3.3 A 2.6% rise in fees now may avoid having to raise fees later if there is a reduction in grant funding or income.

3.3.4 A 2.6% rise in fees offsets the increased teaching costs proposed in September.

4.0 REMISSIONS

4.1 It is proposed that for all options remissions for those on working tax credit and Free School Meals remain unchanged.

5.0 CURRENT FINANCIAL AND ARTS COUNCIL POSITION POST 2020

5.1 The Music Service is on course to meet its financial obligation to make a profit. Currently we estimate this to be approximately £82K. Our prediction for income 2019/20 was £1.65 million but this is likely to be £50K less due to pupil dropout rates. However, Arts Council England have commented in our feedback letter that they need more clarity on this position as profit gained as a result of fees on the back of the grant should be ploughed back in to music education (see quote from feedback letter below)

“include a breakdown of local authority recharges within budgets to clearly identify the services provided, and costs charged; -

ensure that any generated income remains in the hub’s budget, and is not retrospectively reclaimed by the local authority, as per funding agreement condition 2.3.”

5.2 Funding from the DfE has been guaranteed for the 2020/21 financial year and this will include funding to cover the cost of increased pension costs. Funding for next financial year will be £739,651K which is a reduction of £3K from last financial year. Currently the increase in pension contributions costs the service approximately £70K per year. Future funding post 2021 has not been agreed yet but the Government is updating the National Plan for Music Education so it is expected that funding will accompany any new policy.

5.3 The Music Hub, of which the Music Service is lead organisation, continues to secure funding from Youth Music and other grants to support projects run by our partners NYMAZ and their associate partners. This year we have been working together to

run brass days that have included opportunities to work with international soloists, the Royal Armoured Corps Band and the Halle Brass Ensemble. Parents associations also support the Music Centres, raising money to buy equipment and run workshops. Our Arts Council feedback letter for 2018/19 places us in the lowest category of risk but highlights some issues we need to address.

The table below highlights key KPIs.

KPI	NYCC Music Service	National Average
Schools engaged in core roles	97%	87%
Pupils engaged in small group lessons	3.5%	3.3%
Pupils engaged in individual lessons	1.1%	2.1%
Pupils engaged in large group tuition	0.1%	2%
Percentage of schools supported through NPME Schools Plan	87.7%	78.6%
Percentage of schools engaged with Singing Strategy	83%	71.5%

- 5.4 The Music Service billing system will be up for renewal or change in April 2021. A BEST plan has been agreed by CYPLT and we are currently investigating upgrading Paritor or purchasing a new system. Funding for a new system would need to be agreed or come from the Music Service budget.

Table 1 – Comparison fees with some of our neighbours

Local Authority or Trust	Tuition rates	School Charges
Leeds	£69 per term	£41.95 to £48 p/h
East Riding	£35 per term	£35 p/h
Kirklees	£60 to £78 per term	No info.
Lancashire	£65 per term	£43.75 p/h
Teeside	£66 per term	No info.
North Yorkshire	Currently £69.80	£44 to £50 p/h

Option 2 -The table below shows the proposed increases in termly fees of 2%

Service	2019/20	2020/21	% Increase	Approximate Income generated based on 2019/20
Tuition in a group	69.80	71.20	2%	£318K
Individual tuition – 20 min	136.50	139.20	2%	£336K
Group of two – 30 min	136.50	139.20	2%	Added in to individual tuition
Individual tuition – 30 min	191.50	195.20	2%	Added in to individual tuition
Instrument Hire	£19-£34	£20-35	Variable in	£5.5K

			line with value of instrument	
Music Centre – 2 sessions (full morning)	59.20	60.40	2%	£102K across all MC sessions
Music Centre – 1 session (part morning)	47.40	48.40	2%	

Option 3 - The table below shows the proposed increases in fees of 2.6%

Service	2019/20	2020/21	% Increase
	£	£	%
Tuition in a group	69.80	71.60	2.6%
Individual tuition – 20 min	136.50	140.0	2.6%
Group of two – 30 min	136.50	140.00	2.6%
Individual tuition – 30 min	191.50	196.00	2.6%
Instrument Hire	£19-£34	£20-35	Variable in line with value of instrument
Music Centre – 2 sessions (full morning)	59.20	60.60	2.6%
Music Centre – 1 session (part morning)	47.40	48.60	2.6%

Category	Remission Award	Proposed Change
FSM	Free group lessons	No change
Working Tax Credit	30%	No change

6.0 SCHOOL CHARGES

6.1 The Music Service, as part of its core delivery for the National Plan for Music trades directly with schools.

6.2 Whole Class instrumental lessons have to be subsidised by a third, ensuring our commitment for one terms worth of free tuition. Whole Class Tuition is a key statistic when reporting back to Arts Council so it is vital that to remain in the low risk category we allow as many schools as possible to take this up. A moderate increase of 1% is therefore proposed this year.

6.3 The other packages we offer to schools are to support the National Plan for Music but are not necessarily core roles of the service, so fees are set accordingly. The majority have no change as they are not subsidised and already cover the cost of delivery. Music Curriculum lessons and GCSE lessons are more expensive as they can only be delivered by a qualified teacher.

6.4 The table below show last year's fees and this year's proposals for fee changes

6.5 Income from schools totals approximately 187K with a 50/50 split between Whole Class Instrumental programmes and the rest of the offers.

Option 1 = Majority static with 1% Increase on Whole Class and Large group Ensemble

Package	Pricing	2020/21 Price - Maintained Primary	2020/21 Price - Primary Academy	2020/21 Price - Maintained Secondary	2020/21 Price - Secondary Academy	Increase from 2019
Cluster Group	Per hour	50.00	50.00	50.00	50.00	No change
Groups of 8	Per hour	48.00	48.00	48.00	48.00	No change
Instruments Only	Per hour	145.00	145.00	145.00	145.00	No change
Large Group Instrumental Ensemble Sessions	Per hour	46.00	46.00	46.00	46.00	1%
Whole Class Music Curriculum Sessions	Per hour	50.00	50.00	50.00	50.00	No change
Whole Class Instrumental NPME GCSE Tuition	Per Academic Year	1060	1060	1060	1060	1%
	Per Hour	NA	50.00	50.00	50.00	No change

Option 2 – An increase in some areas of 2.6%

Package	Pricing	2020/21 Price - Maintained Primary	2020/21 Price - Primary Academy	2020/21 Price - Maintained Secondary	2020/21 Price - Secondary Academy	Increase from 2019
Cluster Group	Per hour	51.50	51.50	51.50	51.50	2.6% rounded up
Groups of 8	Per hour	49.00	49.00	49.00	49.00	2.6% rounded down
Instruments Only	Per hour	149.00	149.00	149.00	149.00	2.6% rounded up
Large Group Instrumental Ensemble Sessions	Per hour	47.00	47.00	47.00	47.00	2.6% rounded down
Whole Class Music Curriculum Sessions	Per hour	50.00	50.00	50.00	50.00	No change

Whole Class Instrumental NPME GCSE Tuition	Per Academic Year	1060	1060	1060	1060	1%
	Per Hour	NA	50.00	50.00	50.00	No change

7.0 RECOMMENDATION

It is recommended that for the financial year 2020/21:

Proposals for fees and remissions set out in the paper be agreed – Option 2 is recommended.

The effective date of the fees change should be April 2020

STUART CARLTON
CORPORATE DIRECTOR – CHILDREN AND YOUNG PEOPLE’S SERVICE

Report prepared by Ian Bangay
Head of Music Service

Consulted:Executive Member

Date:

Agreed:.....Corporate Director - Children and Young People’s Service

Date: