

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

6th July 2021

OUTDOOR LEARNING SERVICE  
CHARGES AND FEES SEPTEMBER 2021 – AUGUST 2022

**1.0 PURPOSE OF REPORT**

- 1.1 To approve a trial seasonal fees structure for residential school groups and increase other fees in line with inflation and financial procedures.
- 1.2 To implement these charges and fees should the Council resume residential provision within the year.

**2.0 ISSUES**

- 2.1 The charges and fees for the school year September 2021 – August 2022 were not put forward for approval in September 2020 due to the coronavirus pandemic and the temporary hiatus in the strategic review.
- 2.2 Historically the service has on occasions operated an off peak and standard pricing structure and a differential price structure for in-county and out of county schools, however over the last 3-4 years this has been inconsistently applied.
- 2.3 As part of the strategic review, further work will be completed to consider pricing so that a future charges and fees structure will ensure that the service can meet financial KPIs. This charges and fees structure for future years will be brought to CYPLT for approval in the next annual cycle and will be subject to a decision made by the Executive at a later date.
- 2.4 Whilst the proposed fees and charges structure will provide a basis for the service to cover costs, as has been the case in previous years, it is acknowledged that further scrutiny of the cost base of the service would ensure robust charges are applied across the pricing structure, particularly for the stays / equipment hire which yield lower values of income.

**3.0 PERFORMANCE IMPLICATIONS**

- 3.1 It is acknowledged that this particular round of price increase considerations come at an exceptional point in time as (a) the centres look to recover from the impact of Covid and (b) pricing needs to stimulate usage of the centres during the 21-22 academic year at a point in time when the service is still working through a strategic review process.
- 3.2 Under normal circumstances the prices for any individual academic year would be set in the summer term of the previous academic year (i.e. summer 2020 consideration for 2021-22 academic year) to facilitate communication of prices in advance of inviting bookings.

- 3.3 Whilst the service has broken from that practice for this current academic year as a consequence of Covid, it will be important that
- timely consideration is given to setting charges for the academic year 2022-23 (subject to discussions about the scope of the service offer for that period) and that
  - any changes / trials in pricing policy are appropriately presented to provide maximum flexibility for future price setting
- 3.4 The proposal is that the annual year of residential operation, which makes up the majority of business should be split into three zones, with a focus on setting prices to stimulate additional usage in the mid and low zones.. Analysis of bookings and occupancy made as part of the strategic review have identified under occupied periods within parts of both the mid and low season.
- 3.5

<b>Zone</b>	<b>Half terms</b>
High season	Summer 2
Mid season	Autumn 1, Spring 2, Summer 1
Low season	Autumn 2, Spring 1

#### **4.0 POLICY IMPLICATIONS**

None

#### **5.0 OPTIONS**

- 5.1 To increase fees in line with inflation in accordance with the constitution and financial procedures.
- 5.2 To increase fees in line with inflation and for a trial period of one year concurrent with the strategic review, modify the fees and charges for school residential visits into a three season zoning structure.

#### **6.0 FINANCIAL IMPLICATIONS**

- 6.1 The strategic review work undertaken has taken into account an estimate of 2.5% inflation across the service - and the average rates of increase do comply with the requirement to at least increase the charges in line with inflation.
- 6.2 The analysis of the appropriate discounts for the low price zones, and the level of price elasticity must involve a degree of subjectivity. For modelling purposes, we have assumed that the level of price increases would be:

<b>Zone</b>	<b>Price change</b>	<b>Demand change</b>
High season	+5% of mid season	0%
Mid season	Rise with inflation	0%
Low season	-10% of mid season	10%
All other prices	Rise with inflation	

6.3 It has been assumed that the impact on demand would be as follows:-

Zone	Change
High season	0%
Mid season	0%
Low season	+10%

6.3 Fees are per person and are charged to all young people. For school groups additional adults above prescribed places allocated to groups according to numbers of young people are charged for accommodation and bed and breakfast but make no contribution to the cost of teaching.

Charges and fees for groups which vary outside of the standard arrival and departure dates are considered to be low in number. Authorisation to apply adapted charges will be made by an appropriate senior manager in the Education and Skills Leadership Team.

Year	5 day / 4 night	% increase	3 day / 2 night	% increase
2015/2016	£269		£161	
2016/2017	£275	2%	£165	2%
2017/2018	£299	9%	£175	6%
2018/2019	£325	9%	£189	8%
2019/2020	£339	4%	£210	11%
2020/2021	£349	3%	£215	2%
2021/2022 (Mid)	£358	2.5%	£220	2.5%

6.5 Modular components with current and two proposed options.

Component	2020/2021	2021-2022 Mid (where applicable)
One night residential	£125	£128
<b>Two night residential</b>	<b>£215</b>	<b>£220</b>
Three night residential	£289	£296
<b>Four night residential</b>	<b>£349</b>	<b>£358</b>
Accommodation	£22	£23
Breakfast	£6.80	£7
Lunch	£5.80	£6
Dinner	£11	£11
Three successive meals	£23.60	£24
Administrative charge	£22	£23
Non –residential per group of 12		
Full day activity	£345	£354
Half day activity	£195	£200

6.6 Staff training courses.

Analysis of staff training course costs has indicated that a variable increase in costs should be implemented in excess of inflation. These is due to three reasons:

a) external registration fees payable through the service

- b) additional time required to process award verifications or other preparation time
- c) an increase where market prices will allow, and due to smaller delegate numbers, specialist courses can be run sustainably.

Course	2020/2021	2021/2022 Proposed	% increase
Forest School (3 day)	£240	£270	12.5
Forest School Level 3 (5 day)	£400	£425	6
Open Award Registration	£72	£150	208
Forest School Complete	new	£800	-
Mountain Leader (5 day)	£340	£475	40
Hill & Moorland Leader (3 day)	£210	£220	5
Lowland Leader (2 day)	£160	£190	18
Other National Governing Body courses would follow the same pricing structure for 5, 3 and 2 day courses, some courses require additional registration fees bespoke to the awarding body, but paid directly to them by the delegate.			
MiDAS (full day 4 candidates)	£360	£420	17

- 5.7 All of this income generates the overall position in the table below – which indicates an increase of 3.3% across the service (above the rate of inflation). The forecast is based on occupancy as per the last unaffected year; however it should be noted that the impact of the pandemic and resultant demand for outdoor learning residential visits is not yet fully understood.

Aggregate Position £'000			
	Bewerley Park	East Barnby	Total
Base	1182	854	2036
Forecast 21-22	1214.5	889	2103.5
% Growth	1,028	1,041	1,033

- 6.8 As discussed above one risk is that the price structure for low price zone do not generate any additional demand and the consequence of the pricing policy is simply that the service generates less income on the same level of usage.
- 6.9 Modelling has been undertaken to test the potential scale of this risk and that scenario indicates that the income level would be circa £42k lower than the scenario that assumes price discounts generate increases in demand / usage. Under this scenario the aggregate level of income across the service would increase slightly between 20-21 and 21-22.

- 6.10 Secondly it will be important that the revised pricing structure is communicated as being a pilot pricing policy - to minimise the risk of customers being dissatisfied if the policy is not continued into 2022-23
- 6.11 Whilst a detailed exercise to review the break-even position in the service has not been undertaken as part of this review exercise (given the intense work being undertaken in the strategic review), and given that the service does operate at close to break even, it is considered that the pricing proposals under discussion in this paper would not jeopardise that position.
- 6.12 It does however need to be acknowledged that no work has been undertaken to assess the benchmarking position this year. Detailed work was undertaken last year and it is proposed that this is reviewed again more fully in any consideration of charges for the 2022-23 academic year.

## **7.0 LEGAL IMPLICATIONS**

- 7.1 Proposals are in line with the constitution and financial procedures.

## **8.0 CONSULTATION UNDERTAKEN AND RESPONSES**

None

## **9.0 IMPACT ON OTHER SERVICES ORGANISATIONS**

None

## **10.0 RISK MANAGEMENT IMPLICATIONS**

None

## **11.0 HUMAN RESOURCES IMPLICATIONS**

None

## **12.0 EQUALITIES IMPLICATIONS**

None

## **13.0 ENVIRONMENTAL IMPACTS/BENEFITS**

None

## **14.0 COMMUNITY SAFETY IMPLICATIONS**

None

## **15.0 REASONS FOR RECOMMENDATIONS**

- 15.1 To allow a trial period of seasonal pricing to provide supporting evidence for the strategic review.
- 15.2 To propose an increase of at least inflation for the forthcoming school year in line with financial procedures.

## **16.0 RECOMMENDATION**

- 16.1 To approve the charges and fees as listed for the Outdoor Learning Service for September 2021 to August 2022 which will be enacted should the Council recommence residential provision within the year.

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

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