

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer - Resources

Council: 26 August 2021

Subject: Clothing Grants and Scottish Government Funding for Music Tuition and Curriculum Charges

1. Purpose of Report

- 1.1** The purpose of this report is to provide Members with an update in relation to recent changes announced by the Scottish Government to the minimum value of clothing grants from academic year 2021/22.
- 1.2** To provide an update on further Scottish Government funding allocated to fund music tuition and curriculum charges.

2. Recommendations

- 2.1** Council is asked to:
 - (i) note the details of the report and consider the potential approach and costs in aligning the value of clothing grant to all pupils as discussed at June 2021 Council including whether in future years the primary clothing grants should continue to match future Scottish Government values for secondary clothing grants;
 - (ii) note the information on new funding streams linked to ending music tuition fees/instrument hiring charges and curriculum charges; and
 - (iii) consider whether to follow the Scottish Government policy on music tuition fees by ending charges on instrument hire.

3. Background

- 3.1** At the Council meeting on 23 June 2021 an urgent agenda item was approved for consideration by the Provost in relation to expected changes to the value of the Scottish Government minimum value of clothing grants. The issue being urgent as officers would be paying the majority of clothing grants in the summer recess period.
- 3.2** Council agreed that, subject to the Scottish Government advising of the changes to the minimum sums payable for the 2021/22 academic year and confirmation from the Scottish Government that any increase in value was being fully funded, officers could proceed to pay the clothing grants at any increased rates.
- 3.3** In agreeing this Council also agreed the following:

“Council also believes that we should provide parity between primary and secondary school payments and agrees that a report will come to August

Council with costs to allow Members to take a decision on how to fund an increase in the clothing grant for primary school children to £150 with the intention to make the top-up payment in advance of winter.”

4. Main Issues

- 4.1** On 25 June 2021 the Scottish Government issued a letter which advised of an increase to the national minimum school clothing grant from £100 to:
- Primary age pupils £120; and
 - Secondary age pupils £150.
- 4.2** The letter confirmed that the Scottish Government was fully funding the increase in the minimum values by providing £5.8m to all Scottish Councils with the West Dunbartonshire Council share being £0.234m. The letter does not advise as to the reasoning behind the differential minimum values between primary and secondary age pupils. The letter also confirms that future minimum values in subsequent academic years will be increased in line with inflation.
- 4.3** As a result of receipt of this letter and the decision of Council in June 2021 officers have been able to pay clothing grants over the summer at the new rates.
- 4.4** As at 30 July 2021, 1,664 payments have been made to primary age pupils. As is always the case there are always late applicants or applications which required clarification and applications can be received through-out the school year for new pupils therefore, it is anticipated that for the whole of 2021/22 number of payments made will be 2,571.
- 4.5** Based on these figures then it is anticipated that at the current minimum value £0.309m will be paid to primary age pupils. Therefore should Council agree to align the primary value to the secondary values the cost will increase to a projected £0.386m – an increase of £0.077m.
- 4.6** In addition to the projected numbers and values for primary age pupils, as at 10 August 2021, 1,634 payments have been made to secondary age pupils. As per point 4.4, further applications are expected and it is anticipated that for the whole of 2021/22 the number of payments made will be 2,275. Based on these figures, it is anticipated a projected spend to the financial year-end of £0.341m.
- 4.7** As per the Council decision noted at 3.3 above, should Council decide to align primary grants to secondary then officers will process a top-up payment to eligible pupils as soon as possible and prior to winter.
- 4.8** The Council revenue budget for clothing grants for 2021/22 in total is £0.471m – this being based on the existing clothing grant rates at that time. In addition to this the Scottish Government allocation to the Council for 2021/22 is £0.234m giving a total funding available of £0.705m. Based on the information

above, it can be seen that the projected costs at the new rate per Scottish Government is £0.650m. Should the Council agree to increase the primary rate to the same level as secondary then the total cost is projected to be £0.727m.

- 4.9** It is anticipated that the Scottish Government will issue a letter on an annual basis advising of the new inflated minimum values and the Council decision in June 2021 allows officers to process payments at these new rates, however should Council decide to align primary clothing grant values with the secondary rate then Council should consider whether to agree that in future primary age grants continue to be aligned to the secondary age minimum values and this can be built into future revenue budgets.
- 4.10** The change to the minimum value of clothing grants was part of the SNP's Manifesto and as laid out in their "First 100 Days" Plan. Another issue covered in this plan was the abolition of fees for music and arts education, including instrumental music tuition in schools. The Scottish Government has now, following approval at COSLA Leaders meeting in June 2021, advised of funding distribution for these purposes.
- 4.11** In relation to music tuition West Dunbartonshire does not charge fees for this service, though does charge a rental for musical instruments with a budget for 2021/22 of £0.031m. The Scottish Government has advised of funding for 2021/22 aligned to this national policy of £0.059m and a further £0.030m in 2022/23 (these sums intended to cover the loss of income over academic year 2021/22 which runs to the end of June 2022). For 2021/22 therefore it is anticipated that the funds from the Scottish Government for this policy will be £0.028m more than the lost income. Current Council policy is to charge for the hire of musical instruments and in order to follow the Scottish Government policy Council would need to agree to remove this charge.
- 4.12** In relation to the Scottish Government funding aligned to ending curriculum charges, the Council, via secondary schools, does charge for resources required for a number of subjects in the curriculum and funding from Scottish Government aligned to this aspect of national planned policy change is anticipated to be required to compensate schools for lost income. These curriculum charges are levied locally in different ways by all of the Council's secondary schools and there is no specific Council-wide policy on this as this is at the discretion of Head Teachers. Costs for such materials for pupils eligible for free school meals are funded from the Pupil Equity Fund.
- 4.13** Curriculum charges cover expenses of £0.114m per annum. The Scottish Government has allocated £0.071m for 2021/22 academic year and a further £0.036m for the 2022/23 academic year, equating to £0.107m over the academic year 2021/22. Assuming the £0.114m is spent pro-rata to the Scottish Government funding then in 2021/22 the Scottish Government funding will be around £0.005m short of the current costs, and £0.002m short in 2022/23 (summer term 2021/22).

4.14 The following table summarises the position of projected costs compared to Scottish Government funding for financial year 2021/22 in relation to the issues described above in two scenarios:

- Scenario 1: With clothing grants in 2021/22 paid at Scottish Government minimum rate:

	Funding Available (£m)	Projected Costs (£m)	Difference (£m)
Clothing Grants	0.705	0.650	0.055
Music Tuition fees/ Instrument hire	0.059	0.031	0.028
Curriculum charges	0.071	0.076	-0.005
Total	0.835	0.757	0.078

Should Council decide to retain clothing grant levels in line with Scottish Government minimums and agree to remove instrument hire charges then the available funding is £0.078m more than projected costs.

- Scenario 2: With clothing grants paid with Primary and Secondary rates level:

	Funding Available (£m)	Projected Costs (£m)	Difference (£m)
Clothing Grants	0.705	0.727	-0.022
Music Tuition fees/ Instrument hire	0.059	0.031	0.028
Curriculum charges	0.071	0.076	-0.005
Total	0.835	0.834	0.001

Should Council agree to implement a level Clothing Grant across all pupils and agree to remove instrument hire charges then there is sufficient funding available from within existing budgets and the additional Scottish Government funding.

5. People Implications

5.1 There are no people implications.

6. Financial and Procurement Implications

6.1 As detailed above should Council decide to align primary grants to secondary grants it is projected that there will be an additional cost in 2021/22 of £0.077m. In making such a decision Council will also require to agree how this should be funded.

- 6.2** As detailed above the projected total spend at the minimum values advised by the Scottish Government is anticipated to result in an underspend compared to the total funding available (Council budget and funding provided by the Scottish Government) of £0.055m.
- 6.3** Based on the above analysis of the Scottish Government funding for ending of charges for music tuition/instrument hire and curriculum equipment then it would result in an underspend of £0.023m.
- 6.4** In order to fund the projected additional cost arising from a Council decision to align the clothing grants values Council it would be possible to fund the resulting shortfall in funding of £0.22m from the underspend generated from the Scottish Government funding linked to music tuition/instrument hire and curriculum charges of £0.023m.

Alternatively, if that option was not agreed, then Council would need to agree to make offsetting cost reductions to maintain a balanced budgeted position for 2021/22; or Council could agree to utilise free reserves to fund the impact in 2021/22.

- 6.5** As advised above the financial projections are based on projections of final uptake and cost of clothing grants and if Council agrees to level the values for primary pupils to those of secondary pupils ongoing spend will be monitored and any variance reported via budgetary control processes.
- 6.6** Depending on the Council decision any ongoing financial impact of will be built into future revenue budgets.
- 6.7** There are no procurement implications arising from this report.

7. Risk Analysis

- 7.1** There are no risks associated with this report other than the potential financial implications identified above.

8. Equalities Impact Assessment (EIA)

- 8.1** An Equalities Impact Assessment has been carried out on this report and the potential change in payment values for clothing grants, together with the removal of fees. The EIA identified potentially positive equalities impacts from both the potential change to clothing grant levels and the removal of fees for instrument hire and curriculum materials.

9. Environmental Sustainability

- 9.1** No assessment of environmental sustainability was required in relation to this report.

10. Consultation

10.1 Legal and Financial Officers have been consulted in preparing this report.

11. Strategic Assessment

11.1 The payment of clothing grants is expected to contribute assist with supported individuals, families and carers living independently and with dignity.

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Date: 10 August 2021

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Appendix: None

Background Papers: Minute of Council meeting – 23 June 2021; and
Equality Impact Assessment

Wards Affected: All wards