

**Finance Committee**  
**Schools Consultation (Scotland) Bill**  
**Submissions Received**

SUBMISSION FROM ABERDEENSHIRE COUNCIL

**Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

YES

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

Please refer to the enclosed report.

3. Did you have sufficient time to contribute to the consultation exercise?

YES

**Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

Please refer to the enclosed report.

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

Aberdeenshire is accepted as being poorly funded through the Revenue Support Grant mechanism and any additional financial costs at all associated with the new legislation should be reflected through this.

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

NO

**Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

Firstly, the additional costs as stated above appear to be underestimated, while the potential savings from closure of rural schools, quite apart from the educational benefits that would flow, are in effect ignored.

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

It is not possible to quantify these costs but they would have to be clearly stated and accounted for, depending on if and when Parliamentary and Ministerial decisions are brought forward.

## **6. The Financial Memorandum**

- 6.1 The Scottish Government estimates that they may have 4 “call-ins” per year and that they will require 10 days of staff time to deal with these. It also estimates that there will be 20 cases per year when 2 x days Government staff time per case will be needed to deal with representations made to Ministers to “call-in”.

Aberdeenshire Council contends that such assumptions cannot be guaranteed, that the procedures surrounding “call-ins” lack detail and that it remains to be seen whether there will be fewer “call-ins” than current referrals (16 per year).

The Financial Memorandum estimates that there will be £61,000 of costs annually to local authorities. Local Authorities will be expected to absorb these costs which will come mainly from publishing the consultation report and advertising this fact. The Financial Memorandum itself suggests that future expenditure estimates has been a difficult process (Para 122).

We contend that it is inevitable that there would be additional expense in an authority such as Aberdeenshire which has a high number of rural schools, some with falling rolls.

The Financial Memorandum states (Para 124) that Local Authorities may argue that failing to close a rural school reduces its scope to make financial savings. It also contends that potential savings are offset for example by increased travel costs and increased “social support” or “regeneration” costs to the “school-less” community.

The Financial Memorandum does not define what these notional costs are. It does not make clear exactly how keeping a school open provides the range of “investment” in a community that the school “represented.”

In Paragraph 126 the Financial Memorandum appears to refute the idea that a school closure would, in fact, provide savings – “Expenditure does not rise; it merely does not fall.” The Financial Memorandum therefore appears to avoid the issue around the potential savings accrued by Education Services through a school closure and attributes an undefined social investment to such a school. The Financial Memorandum does not recognise that the disproportionately high costs of maintaining very small schools open, where there are near by schools able to absorb the pupils, can cause difficulties from other parents and staff in Council areas.

SUBMISSION FROM ASSOCIATION OF DIRECTORS OF EDUCATION IN  
SCOTLAND

ADES were fully consulted on the above Bill and were afforded sufficient time to contribute.

We took into account a range of Authorities and we fully endorse the financial content.

John Stodter  
General Secretary

## SUBMISSION FROM COMHAIRLE NAN EILEAN SIAR

Comhairle nan Eilean Siar submitted a response to the Education, Lifelong Learning and Culture Committee on the Bill, a copy of which is enclosed. That response sets out the points which the Comhairle wishes to make to the Committee regarding the potential costs of implementation of certain aspects of the Bill.

The administrative costs of the proposed consultation processes would not impose any undue financial burden on the Comhairle, which is already committed to the fullest possible consultation measures, in excess of the current statutory minimum.

Please do not hesitate to contact me should any further information be required.

Malcolm Burr  
Chief Executive

## SUBMISSION FROM EAST AYRSHIRE COUNCIL

### **Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

**East Ayrshire Council took part in the consultation exercise, which was endorsed by the Cabinet (17 September 2008). The Council's response did not explicitly refer to financial assumptions other than those relating to setting up a Rural Schools Fund.**

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

**As stated in response to Question 1 the Council did not comment on financial assumption in the consultation exercise.**

3. Did you have sufficient time to contribute to the consultation exercise?

**East Ayrshire believes that sufficient time was available to contribute fully to the consultation.**

### **Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

**The Financial Memorandum reflects the financial implications. The Council believes that a wide variety of views have contributed to the estimation of likely costs arising from the Bill.**

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

**East Ayrshire Council has recently undergone (November 2007 – January 2008) an extensive consultation exercise involving rural schools. This exercise matched the standards set out in the Bill and therefore the Council believes it can meet any costs associated with the Bill.**

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

**Paragraph 133 of the Financial Memorandum reflects the uncertainty associated with estimates, although East Ayrshire**

**believes that the responses from authorities, ADES and COSLA constitute a representative sample of views.**

**Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

**East Ayrshire Council believes that the Financial Memorandum accurately reflects associated costs arising from wider policy initiatives.**

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

**It is impossible to comment on future costs which may arise from, as yet, unknown developments in guidance or subordinate legislation.**

## SUBMISSION FROM EAST LOTHIAN COUNCIL

### **Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

**Response – Yes we took part in the consultation. No we did not comment on the financial assumptions**

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

**Response – n/a**

3. Did you have sufficient time to contribute to the consultation exercise?

**Response – Yes we did**

### **Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

**Response – Yes we do**

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

**Response – Yes we are content that we can meet the associated financial costs.**

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

**Response – Yes we feel it does.**

### **Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

**Response – Yes we do**

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

**Response – We feel that at this point in time we are unable to make such a prediction.**

East Lothian Council.

## SUBMISSION FROM FIFE COUNCIL

### **Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

**Response: Yes, we took part in the consultation exercise and did comment on the financial assumptions.**

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

**Response: Yes.**

3. Did you have sufficient time to contribute to the consultation exercise?

**Response: Yes.**

### **Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

**Response: We consider the additional costs element of the Financial Memorandum to be based on reasonable assumptions in terms of meeting the proposed consultation standards.**

**However, if the effect of the legislative reform is to prevent local authorities from managing the evolution of their school estates, then there will be a significant “lost opportunity” cost. In a Fife context we would estimate this to be £100,000 per annum. This is a conservative estimate based on 4 rural schools having been closed over the last 5 years, each saving between £100,000-£200,000 in revenue.**

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

**Response: See response to 4 above. We would expect to meet the costs of implementing the consultation standards. The costs of “lost opportunity” would inhibit managed evolution of the school estate, reducing capacity to renew and refresh it.**

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

**Response: Yes**

### **Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

**Response: See response to 4 above.**

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

**Response: No**

## SUBMISSION FROM MIDLOTHIAN COUNCIL

### **Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

*Yes, Midlothian Council did take part in the consultation exercise but did not comment on the financial assumptions made.*

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

*Not applicable in view of the above.*

3. Did you have sufficient time to contribute to the consultation exercise?

*Yes, we were given sufficient time to contribute to the exercise.*

### **Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

*Yes, the financial implications to ourselves has been accurately reflected in the Financial Memorandum.*

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

*Yes, Midlothian Council can meet the financial costs associated with the Bill.*

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

*Yes, it does.*

### **Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

*No comment.*

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

*No comment.*

## SUBMISSION FROM MORAY COUNCIL

1. Yes
2. Yes
3. Yes
4. Yes
5. Yes
6. Yes
7. NIA
8. Whilst the costs incurred in undertaking consultations will not, in my view, be significantly different from the current position, it is important to note that the intention of this Bill is to move much closer to a presumption against rural school closure. It is very likely therefore that schools, which might otherwise have been closed, are now much more likely to remain open and whilst this in itself will not increase costs it does lead to a situation where savings cannot be realised through a rationalisation programme.

## SUBMISSION FROM ORKNEY ISLANDS COUNCIL

### Consultation

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?  
**Yes, via ADES and directly with Scottish Government officers.**
2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?  
**Yes**
3. Did you have sufficient time to contribute to the consultation exercise?  
**Yes**

### Costs

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.  
**Yes**
5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?  
**Yes**
6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?  
**Yes**

### Wider Issues

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?  
**Yes**
8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?  
**Don't know**

## SUBMISSION FROM SOUTH LANARKSHIRE COUNCIL

### Consultation

South Lanarkshire Council has previously been consulted with and has had sufficient time in which to comment on the proposed bill.

### Costs

South Lanarkshire Council agrees with the general opinion from information gathered by ADES and COSLA, i.e. that the new procedures will not place a significant additional financial burden on local authorities.

### Wider Issues

South Lanarkshire Council would be happy to comment on the effect of any wider issues/policy changes if further details could be provided.

Lynn Sherry, Finance Manager  
South Lanarkshire Council