

**Notice of decision on individual review of charitable status
SC002109 Edinburgh Steiner School Trust Limited**

1. Decision

Following an inquiry under section 28 of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), we confirm that Edinburgh Steiner School Trust Limited meets the charity test and therefore continues to be eligible to be registered as a charity in Scotland.

2. Summary of assessment against the charity test

Edinburgh Steiner School's purposes are set out in Clause III (1) of the Memorandum and Articles of Association (dated 27 August 1947) and we are satisfied that:

- these purposes are charitable;
- the charity's activities provide public benefit in furtherance of those purposes;
- there is no evidence of any significant private benefit or disbenefit arising in consequence of the charity exercising its functions; and
- the conditions on accessing the benefit are not, on balance, unduly restrictive.

In assessing Edinburgh Steiner School against the charity test, we have had particular regard to the benefit it provides in furtherance of its purposes (both that which is charged for and that which is not) and the conditions on accessing that benefit, primarily the fees it charges its beneficiaries.

a) Benefit which is charged for

Edinburgh Steiner School is an all through, co-educational day school for pupils aged six to 18 years. It also has a preschool for boys and girls aged three and a half to six years. During the financial year 2011-12 (which formed the basis of our assessment, as it was the most recent financial year for which complete financial information was available), it had a school roll of 203 pupils with a further 43 nursery pupils. The school's unrestricted gross income during the year was £1,469,651; we have used this figure for the purposes of our assessment.

In 2011-12, the school's annual nursery fees ranged from £1,683 (2 sessions per week) to £3,255 (4 or 5 sessions per week) and its annual school fees ranged from £5,027 (average junior fee) to £7,103 (average senior fee). The school's junior and senior fees were considerably lower than the average fees for Scottish Council of Independent

Schools (SCIS) day schools in 2011-12¹ (£3,001 and £2,851 lower respectively). Nevertheless, these fees still represent a restrictive condition on accessing the benefit provided by the school. In order for public benefit to be provided, there must therefore be some form of mitigation of these fees in place.

Edinburgh Steiner School provides benefit to its pupils which is charged for. In terms of educational benefit, the preschool offers a play and activity-based kindergarten. In the junior and senior school, pupils follow a core 'main lesson' programme for up to two hours each day. Main lesson subjects include Building, Ancient Greece and Geology. These lessons are introduced at specific ages and provide a context for learning key skills in reading, writing, science and maths. Within each subject, lessons can include kinaesthetic, artistic, musical and academic activities. National exams are taken in the senior school, with a mixture of English and Scottish qualification board examinations offered.

b) Benefit which is not charged for

In addition, the school has provided evidence of a limited level of benefit for which it makes little or no charge. These activities provide some benefit to the wider public in furtherance of the school's purposes by providing access to its services and facilities. For example, the school:

- Contributes to professional development of teachers, probationary teachers, early years' practitioners and those with a general interest in taking up teaching as a profession by providing work experience and training events and hosting student teachers from abroad.
- Is a partner in a community garden project which allows pupils to learn through working in the garden and attending related events.
- Provides use of its facilities to local groups such as an acrobatic club and an orchestra. It has also hosted a story-telling event which was open free of charge to local children.
- Was closely connected to the British Council's Comenius Programme which facilitates exchanges of staff, pupils and experiences between schools in Europe.

In assessing the benefit offered by the school which is not charged for, we have had particular regard to the relatively small size of the school and the fact that its resources will consequently be limited. The school has advised that its facilities are required for normal school activities throughout the day as well as after school activities for pupils in the evenings, thus further reducing the opportunity to offer the facilities for external use.

Although the benefit for which there is little or no charge is relatively limited, we conclude that it is nevertheless of an acceptable level, taking into account the context in which this particular school operates (particularly the size of the school and the

¹ *Indicative average fees for SCIS schools analysis at August 2011*, www.scis.org.uk
(Note: comparison has been made with average day fees charged by day schools)

comparatively low level of its fees). This type and level of activity mitigates to an extent the restrictive nature of the fees charged by the charity for part of the benefit it provides.

c) Facilitated access to benefit

In addition to the benefit provided for which there is little or no charge, the school mitigates the impact of the fees it charges by offering both means-tested and non means-tested fee remissions to its pupils. Means-tested access arrangements have the most significant impact on opening up access that is restricted due to the fees charged, as these awards are primarily focussed on addressing financial need. However, our assessment has also had regard to the impact of non means-tested awards and discounts offered by the school.

The school spent 4.6% of its unrestricted gross income in 2011-12 on means-tested bursary provision. In total, 30 pupils, or 12.2% of the school's roll (excluding the nursery pupils), were in receipt of a means-tested bursary award from the school which is a relatively high figure.

The bursaries awarded by the school are generally offered at set levels of 33% or 40% fee remission. In exceptional circumstances, higher value awards are offered and in the year reviewed there were a small number of pupils in receipt of remissions of 75% due to their specific circumstances. Seven pupils were in receipt of funding from external sources to a total value of £21,960. When added to the school's bursaries, this amounts to 15% of the main school roll in total being in receipt of means-tested assistance.

Additionally, the school facilitates the access to the benefit it provides by offering non means-tested fee remissions to its pupils. In 2011-12, the school spent 0.3% of its unrestricted gross income on non means-tested discounts which were awarded to 2% of the school's roll (again, excluding the nursery pupils). This type of fee remission is offered from the school's Families Support Fund which provides financial support to families of existing pupils where a change of circumstances arises may jeopardise the pupils' ability to remain at the school.

d) Conclusion

On balance, we conclude that Edinburgh Steiner School has provided sufficient evidence that the impact of the fees charged by the school is mitigated by the provision of means-tested facilitated access and limited benefit for which there is little or no charge.

In reaching our conclusion, we have had particular regard to the fact that the fees charged by the school are considerably lower than the sector average. While the school's expenditure on means-tested assistance is comparatively lower than other schools we have reviewed, we have particularly considered the principle that lower fees will require proportionately lower levels of mitigation to ensure that access to benefit is not unduly restricted.

Additionally, we note that the benefit provided by the school for which there is little or no charge is relatively limited. However, we are of the view that this activity is of a reasonable level given the context in which the school operates; the relatively small size of the school means that its resources will consequently be limited.

On balance, we conclude that these measures cumulatively serve to mitigate the impact of the fees charged by the school. We therefore do not consider that there are any unduly restrictive conditions on accessing the benefit provided by the school and public benefit is provided. Edinburgh Steiner School continues to meet the charity test.

10 January 2013