

**Notice of decision on individual review of charitable status
SC005753 Beaconhurst Grange Ltd**

1. Decision

Following an inquiry under section 28 of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), we confirm that Beaconhurst Grange Ltd 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

Beaconhurst Grange's purposes are set out in Clause Three of the Memorandum of Association (as amended on 8 December 1994) 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 Beaconhurst Grange 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

Beaconhurst Grange is an all-through, co-educational day school for pupils aged five to 18 years. It also has a nursery for boys and girls aged three to four 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 334 pupils with a further 41 nursery pupils. The school's gross unrestricted income during the year was £3,121,562; we have used this figure for the purposes of our assessment.

In 2011-12, the school's annual nursery fees were £6,705 (full-time) and its annual school fees ranged from £8,942 (average junior day fee) to £10,264 (average senior day fee). The school's average junior and senior day fees were moderately higher than the average fees for Scottish Council of Independent Schools (SCIS) day schools in

2011-12¹ (£914 and £310 higher respectively). These fees are substantial and represent a restrictive condition on accessing the benefit provided by the school. In order for public benefit to be provided, there must therefore be significant mitigation of these fees in place.

Beaconsfield Grange provides benefit to its pupils which is charged for. In terms of educational benefit, the nursery (Junior Start Department) follows the Curriculum for Excellence - Early Stage. Pupils in the school work towards qualifications in Standard Grade, Intermediate 1 & 2, National 4 & 5, Highers and Advanced Highers, with specialist tuition as appropriate.

The school also offers a number of non-certificated courses including leadership skills, an introduction to further education course, IT applications, expressive arts and personal, social and health education. In addition, pupils may take part in co-curricular activities including numerous sporting activities, outdoor education, arts and craft clubs, debating, Spanish and musical instrument tuition and junior and senior choirs.

b) Benefit which is not charged for

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

- Provides regular access to its facilities to groups whose purposes include the advancement of education of young people, such as the Brownies (weekly) and the Parent Teacher Association.
- Offers learning and development opportunities to pupils from local schools, including involvement in debating events (six events having taken place and four more planned) and participation in an eight-week long extra-curricular introduction to higher education course (15 pupils currently benefit, the majority of whom are not pupils of Beaconsfield Grange).
- Contributes to national educational improvement and development by encouraging staff to participate in educational forums and committees, marking national examination papers and hosting placements for foreign student teachers.
- Organises sporting events, including termly sports festivals involving state school pupils and regular mini tennis tournaments in the summer. The school has also hosted a touring hockey team from overseas, benefitting 40 pupils.
- Advances education generally, for example through a historical research project for an online database of World War 1 victims and a community exhibition of pupils' work at a local museum.

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)

It is clear that these activities are regular, scheduled and provide benefit for little or no charge to a wide range and high number of beneficiaries. These types of activities mitigate 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 a considerable sum in 2011-12 on means-tested bursary provision; this amounted to 9.9% of its gross income. In total, 74 pupils, or 22.2% of the main school roll (excluding the nursery pupils), were in receipt of a means-tested bursary award from the school which is a very high proportion.

The bursaries awarded by the school were of varying values, with the main focus being on bursaries of 60% and more and the highest number of awards being in the 61-80% bracket. Means-tested bursaries offered by the school are available up to 100% of fee remission and, in the year reviewed, 13 pupils (3.9% of the school's roll) were in receipt of a 100% award. The school also advised us that two pupils received grant funding from educational charitable trusts outwith the school and that a further pupil benefited from assistance from a charitable trust related to parental service in the armed forces. We do not have details of the value of these awards.

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 0.8% of its gross income on non means-tested discounts which were awarded to 4% of the school's roll (again, excluding the nursery pupils). This type of fee remission was in the form of scholarship awards. Although the school does offer limited non means-tested facilitated access arrangements, it is clear that its main focus is on opening up the opportunity to access the benefit it provides to those who are unable to pay the full fee and particularly on those on the lowest incomes. This has the most impact on reducing the restrictive nature of the fees charged.

The school is also a nursery partner provider, meaning that children who are eligible will receive part of their nursery fee from the local authority (up to a maximum of five sessions per week). Although we do not have details of the cumulative financial value of these grants, we note that the majority of the nursery pupils are likely to benefit to some degree as they fall within the eligible age group. Further, the school also accepts

childcare vouchers; this is a scheme which enables parents to make tax savings on their childcare costs. Both of these initiatives serve to facilitate access to the benefit provided by the school, albeit they are not primarily directed at those in financial need.

d) Conclusion

On balance, we conclude that Beaconhurst Grange 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 a considerable level of benefit for which there is little or no charge.

In reaching our conclusion, we have had particular regard to the proportion of its income the school dedicates to means-tested support, the number of pupils in receipt of such support, and its focus on opening up access to benefit for those in greatest need through offering high-value bursaries and prioritising means-tested assistance over that which is not means-tested.

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. Beaconhurst Grange continues to meet the charity test.

10 January 2013