

# Equalities log template

**Issue: Consultation on proposed increase in Ofsted inspection fees for independent schools from 2019**

**A: Ofsted inspection fees**

## **Part 1: Will the outcome of this decision have a particular impact on any persons who share one or more protected characteristics**

**Yes** – *say which protected characteristics*

Race

Religion or belief

*Say which persons*

The increase in fees will have an impact on proprietors of independent schools excluding academies and will impact on independent faith schools. The increases contained in the draft regulations have a greater proportionate impact on small schools. However, the average faith school inspected by Ofsted is larger than the average non-faith school (the mean in November 2018 was 139 as against 61) so the impact is thereby lessened somewhat. The increase in fees may affect the financial viability or business model of a school. This may indirectly affect those pupils who attend the school, the parents and teachers, if the future financial model of viability is at risk.

In particular, small faith schools used primarily or exclusively by families with that faith who prefer to use them in preference to state schools, often for faith reasons. These pupils will often be of Muslim or Jewish faith, but also Christian and some other faiths as well. Although they will be of varying races even within one school they are more likely to share the protected characteristic of race with other pupils in the school than with the general population.

The families of such pupils.

Staff who are employed at such schools

## **Part 2:**

**Will there be a positive impact on people with the protected characteristics identified above?**

Only indirectly -

the increases in fees are required in order to achieve fuller cost recovery in respect of the cost of inspections. Inspections are required as part of the regulation of schools and maintains standards in schools, to the ultimate benefit of pupils

**Will there be a be a negative impact on people with the protected characteristics identified above?**

Yes, potentially because of increased costs for the schools

## **Justification of conclusion of analysis**

Many of the schools affected by the increase are small faith schools which either charge low fees (typically £2k-3k pa) or rely on donations from their community. This is because their target families who prefer to use these schools are usually of more limited means than most families which send children to independent

schools; the choice of the faith school usually arises because alternative state or other faiths schools are not seen by the families as catering properly for the faith in question. The proposed increase in the fee rates will place a further financial burden on the proprietors of the schools, who may pass the burden on to the families of pupils. Staff employed at the schools, who are known by the department to be often paid very low salaries, may be affected indirectly by the increase in fees as it may put financial pressure on the proprietor.

**Conclusion** (e.g. *impact is positive, go ahead; negative impact, go ahead if justified; negative impact, don't go ahead.*)

The proposed increases in the rates of fees would enable Ofsted to move further to a full cost recovery rate for fees. This will help to ensure that good quality and effective inspections continue to take place, thereby ensuring the regulatory provisions relating to schools are fit for purpose and standards can be maintained. The increase in fees will impact on faith schools, particularly small ones. This could affect the business models and put financial pressure on some proprietors of independent schools who could pass on the burden to parents, or affect staff via staff employment levels. However, the increases are required to achieve cost recovery which is in line with the Spending Review 2015. The fee increases are required in order to ensure that the quality of inspections of and standards in schools are maintained, to the benefit of pupils and their families.

The need to bring in increases gradually to ameliorate the effect on schools and families has influenced the level of proposed fee increase. The move to full-cost recovery is likely to continue in later years (2020 onwards). Ultimately, places are available in the state sector for any child of compulsory school age; if a school could not continue to operate because of financial pressures, the state sector could accommodate those children and their education would not suffer.

The employment prospects of staff in independent schools is not a matter for DfE but in any event there is no over-riding reason to exempt any sub-group of schools from increased charges simply because of the effect on staff employment – that would be disproportionate.

On balance the increases should go ahead. There is no over-riding equalities justification for not bringing in the increases or exempting certain types of school.

**Date when equality conclusion will be reviewed** (e.g., in light of new information; change in circumstances; at a policy review.)

In 2019, when a decision will be taken on fee levels for 2020. The move towards full cost recovery will be a factor in that review