

Leicestershire Music Hub Charging & Remission Policy

V.1 Aug 2023

Charging Policy

Leicestershire Music is a not-for-profit organisation and the income that it generates through trading, grants or other income sources is ringfenced for the delivery of music education within Leicester and Leicestershire. The more income that LM can generate means that there is more funding available to deliver its aims and objectives.

Leicestershire Music operates 3 different approaches to charging depending on the aims and objectives of the activities being delivered:

- Delivery unit costs covered by fees
- Delivery unit cost subsidised
- Delivery unit cost not covered - Provision offered for Free

When deciding upon the fees to charge the following key considerations are made:

- How important is delivering the activity to meeting aims and objectives?
- Who is the end user and is cost / finance a potential barrier to participation?
- How engaged is the end user - is this a loss-leader activity to encourage future participation?
- What is the elasticity of demand? What is the ceiling cost for the end user?
- What are competitors charging?

Depending on the answer to these considerations one of the above three charging approaches will be used.

Provision is generally only offered for free as a loss leader and where LM are looking to engage a previously unengaged end user with the services it has to offer to make them aware of the high quality of LM's services and products. The aim of using this approach is therefore to introduce the end user to LM with a view to them either buying into a range of alternative services in future, (e.g., schools) or, to continue to buy into the same service for longer (e.g. free trial with a view to pay in future).

Where there is high strategic importance to encourage maximum participation, to secure high engagement rates, then the charging model selected is likely to be one of subsidy. i.e. part of the unit costs of delivery are recovered through the fees charged. For example, the cost of delivering the Whole Class Instrumental Teaching programme to schools is subsidised as the school budgets would likely be prohibitive to paying the true cost of delivery, which would mean that many more children and young people would miss out on this opportunity to learn to play an instrument through this programme.

Full recovery of the unit cost of delivery is used where there is more elasticity of demand and where the fees are competitive with other providers in the marketplace. LM

understand that this may create some barriers to participation, particularly where the delivery relationship is directly with parents and carers of children and young people. Therefore, these activities are eligible for fee remission in line with the remission policy.

Remission Policy

Leicestershire Music offer fee remission to participants of the following activities:

- LM Music Group Membership fees - 100% discount available
- Instrument Hire - 100% discount available
- Instrumental Lessons - 50% discount on Paired & Group lessons only (or 100% discount for Children Looked After). Please note that we are not currently able to offer discounts on individual lessons.

Eligibility for fee remission is based on the Free School Meal eligibility criteria with the addition of an extra criteria based on discretionary.

To qualify, the participants has to be in receipt of at least one of the following benefits or meet the criteria:

1. Evidence of Child in receipt of Free School Meals
2. Universal Credit with an annual net earned income of no more than £7,400.
3. Income Support
4. Income-based Jobseeker's Allowance
5. Income-related Employment and Support Allowance
6. Support under Part 6 of the Immigration and Asylum Act 1999
7. The guarantee element of Pension Credit
8. Working Tax Credit run-on (paid for the four weeks after you stop qualifying for Working Tax Credit)
9. Child Tax Credit (with no Working Tax Credit) with an annual income of no more than £16,190
10. Looked after Child
11. Discretionary

Discretionary claims are reviewed by a panel and discussed. If the panel has a majority vote in favour of approving the claim, then this is accepted and applied to all invoices.

All claims for fee remission must be made through the SpeedAdmin database with supporting evidence uploaded.

Generally, fee remission is applied for the entire Academic Year and must be reapplied for ahead of the following Academic Year to safeguard against any changes in circumstances.

Information about fee remissions is made as visible as possible throughout the registration process for new pupils.

- Our fee remission rates are made available for public viewing on our website (<https://leicestershiremusichub.org/hire-fee-remission>).
- Links to our fee remission webpage are included on all promotional activity for parent paid instrumental tuition.
- Our main activities registration page includes information about available fee remissions along with the link to apply for fee remission.

VAT Purchase Scheme

As Leicestershire Music is part of **Leicestershire** County Council a VAT purchase Scheme is able to be offered to qualifying pupils to support them with reductions of 20% (VAT element) when purchasing their own instruments.

Bursaries

Leicestershire Music are not able to offer bursaries to children and young people but do signpost to charitable organisations locally, regionally and nationally that may be able to support applications for further financial support.

Policy signed off by Leicestershire Music Hub Executive Board

Hub Chair:  Mike Griffiths

Next Review Date: 31st August 2024

