



Fee Discount Policy 2020-2022

For the purposes of this policy, the following definitions are used:

1. Nursery – references to Nursery relate to Fledglings and Owlets
2. Owls and Robins – references to Owls and Robins relate to Owls and Robins
3. School – references to School relate to Reception and Years 1-6

The School offers the following discounts to fees:

1. **Sibling Discounts:** Greenfield offers sibling discounts which are published on the school's website and in the Admissions policy. Parents with three children at Greenfield School (all concurrent) receive a 10% discount on the third (youngest) child's fees.
2. **Staff Discounts:** Greenfield offers staff discounts; they are not classified as Benefits in Kind (see Appendix). The discounts are at the absolute discretion of the Governors and are currently set as follows:
 - a. Nursery Fees – A member of staff with a child in the Nursery will have two options of discount for their set series of sessions.
 - i. Term time Only (not including inset days) – 10% discount on the fees
 - ii. Full Year (50 weeks) – 33% discount on the fees
 - b. Owls and Robins Fees – A member of staff with a child in Owls or Robins will have two options of discount for their set series of sessions:
 - i. Term time only (not including inset days) – 50% discount on the fees
 - ii. Full year (50 weeks) – 33% discount on the fees
 - c. School Fees – Where a member of staff's child attends School, they are entitled to a 50% discount on the fees.
 - d. In term wrap around care – A member staff with a child attending Owls, Robins or School term time only, will be have 100% discount on wrap

Fee Discount Policy 2020-2022

around care (breakfast club and after school club) for the period whilst they are contracted to work.

- e. Holiday Club - A member of staff with a child attending Owls, Robins or School term time only, will have a 50% discount on Holiday Club for the period whilst they are contracted to work and where the Holiday Club is run by Greenfield School staff.

Where a member of staff wants to book ad-hoc sessions outside of their set series of sessions, this is charged at full rate with no discount applicable.

These levels of discounts are available to all permanent full-time employees of Greenfield School (or Fixed Term contracts of more than a year). Part-time members of staff are eligible to a discount pro rata to the hours they work. For example, if they work 3 days per week, they receive 60% of the 50% discount, i.e. 30% discount on the full fee.

The discounts outlined in 2.a, b and c are not available to staff until they have completed their probationary periods.

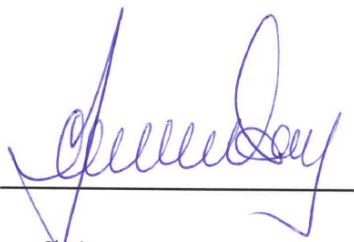
All discounts outlined in 2. are not available to employees employed via Third Parties nor to Peripatetic staff (such as music teachers, dance teachers, club instructors)

3. **Military Discount:** Greenfield offers Discounts to children of serving military personnel. This discount is published on the school's website and in the Admissions policy and the current reduction is 10%.

Only one type of Fee Discount will be available to a child. If more than one type of Fee Discount is applicable, the greater discount of the options available will be applied.

The impact of these discounts will be monitored by the Bursar and reported to the Finance and Capital Requirements Committee annually in the Summer Term and any recommended changes will be presented to the Governors for consideration in the Summer Term. Any changes will then be implemented for the start of the next Academic year in September.

Reviewed September 2020



Chair

Next review September 2022

Appendix A

The current ruling from HMRC is that Staff Discounts on fees do not qualify as a Benefit in Kind, as described below:

- a. The correct basis for determining whether or not a school fee remission gives rise to a taxable benefit-in-kind was established by the Pepper v Hart (1993) case. The Inland Revenue (as it was then known) had been arguing that the value of the benefit was the average cost of educating each pupil in the school, less the actual fee if any paid by the member of the teaching staff. The House of Lords rejected this and ruled that the amount to be used was the marginal cost, in other words the expense that the school would have saved if the benefit had not been provided.
- b. Immediately after the ruling, the Inland Revenue issued a press release. In it they announced that they would in future accept that there was no net benefit where teachers paid 15% or more of a school's normal fees. More recent guidance in HM Revenue & Customs' internal manuals makes no mention of this figure of 15% and merely restates the marginal cost principle. The Employment Income Manual defines the marginal cost as "the expense that the employer would have saved if the benefit had not been provided to the employee" (EIM21110). In practice there have been no reports of HMRC departing from the 15% guideline.