

AGENDA MANAGEMENT SHEET

Name of Committee Cabinet

Date of Committee 28 January 2010

Report Title Future of Maintained Nursery Schools in Warwickshire

Summary This paper outlines some options for the future of nursery schools in Warwickshire and seeks permission from Cabinet to go out to formal consultation on them.

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Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision] No

Background papers Cabinet Report 17.12.09 - Bedworth Early Years Children's Centre and Nursery School and St Michael's C of E (Voluntary Aided) Primary School, Bedworth

CONSULTATION ALREADY UNDERTAKEN: Details to be specified

- Other Committees
- Local Member(s) Not applicable
- Other Elected Members CYP&F O&S Chair and Vice-Chair for information:
Cllr John Ross
Cllr Carolyn Robbins
- CYP&F O&S Spokespersons for information:
Cllr Jerry Roodhouse on behalf of Cllr Balaam
Cllr Tim Naylor
Cllr Carolyn Robbins

- Cabinet Member Cllr Izzi Seccombe
- Other Cabinet Members consulted Cllr Martin Heatley
- Chief Executive
- Legal Victoria Gould *"no comments"*
- Finance David Clarke, Strategic Director of Resources
"comments incorporated into report"
- Other Strategic Directors
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals

FINAL DECISION **YES**

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee
- To an Area Committee
- Further Consultation

Cabinet – 28 January 2010

Future of Maintained Nursery Schools in Warwickshire

Report of the Strategic Director for Children, Young People and Families

Recommendation:

That Cabinet gives approval to the Strategic Director for Children, Young People and Families to conduct formal consultation with individual nursery schools' governing bodies and stakeholders on the future of nursery schools in Warwickshire, beginning with those nursery schools where there is currently no permanent Headteacher in post.

1. Background

- 1.1 The purpose of this report is to seek approval to hold formal consultation with Nursery Schools and stakeholders on the future of early years provision in these communities. The Authority's intention is to maintain and secure high quality and coherent early years provision for the future, at a time of rapid change and potential turbulence in the sector.
- 1.2 There are currently seven maintained Nursery Schools in Warwickshire, each with its own Department for Children Schools and Families (DCSF) number and its own Governing Body. Cabinet authorised formal consultation at its meeting on 17 December 2009 to essentially transfer the existing Nursery School and Children's Centre provision from Bedworth Early Years Children Centre and Nursery School to St Michael's C of E (Voluntary Aided) Primary School, (the School) Bedworth, conditional upon the Governing Body of the School changing its age range from 4 -11 years to 3 - 11 years.
- 1.3 In all but one of the current Nursery Schools, leadership and governance includes the responsibility for an on-site Children's Centre. The Headteachers in these schools have an additional contract covering the responsibility for the leadership of the Children's Centre. All of the Nursery Schools manage their own budgets and are currently funded on capacity, rather than occupancy.
- 1.4 As at September 2009, two Nursery Schools are without Headteachers and the Governors were asked by the Local Authority to consider the implications of making a permanent appointment, given the changing national agenda. Governors agreed to make temporary appointments for the 2009/10 academic year, after which it was expected that there would be a clear direction of travel.

1.5 Provision for early years and childcare in all sectors is facing challenges because of the introduction of the increased Flexible Free Entitlement for three and four year olds and the Early Years Single Funding Formula¹. These changes will have an impact on all sectors for different reasons. However, the move to the Early Years Funding Formula will have a significant impact on those nursery schools where occupancy is low. This is because one of the statutory requirements of the new formula is to base funding on actual participation, not capacity.

2. Current Patterns of Provision

2.1 Historically in Warwickshire maintained sector Nursery Schools and classes have offered part-time places, i.e. 5 morning or afternoon sessions of 2.5 hours each. In contrast, the PVI sector has operated more flexibly, offering a mixed pattern of full-time and part-time sessions across a week. This has placed some providers within the PVI sector in a stronger position in being able to respond to the needs of working parents. For example: day nurseries are able to offer “wrap-around” provision, for which a charge is made directly to parents, in addition to the “free” entitlement.

2.2 The statutory staffing requirement within the maintained sector has meant that it has not been able to provide the same level of flexibility, although school Governing Bodies are able to set up their own ‘wrap-around’ provision under Community Facilities Powers or through working in partnership with a PVI setting on the school site. However, not all schools have the physical space to do this. Lack of space and lack of flexibility in staffing has meant that the maintained sector has not been able to respond as easily to the needs of working parents and as a consequence some of the Nursery Schools and classes have experienced difficulties in filling places.

2.3 The PVI providers have also been able to admit rising three year olds, within the conditions of their Ofsted registration, although parents have to pay for such places. These early entry arrangements have been popular with parents giving them an advantage over the maintained sector where admission was restricted to the September after the child’s 3rd birthday. In order to compete with the PVI sector, maintained schools were granted permission to admit children at the start of each term following their third birthday, providing that there was spare capacity and the school could demonstrate that they could meet the needs of younger children, a wider age group and two or three term entry to the same class.

2.4 From 1 September 2008, Section 7 of the Childcare Act 2006 placed a duty on Local Authorities to secure early years provision, rather than nursery education. This change followed the introduction of the Early Years Foundation Stage (EYFS). In addition, Local Authorities have a statutory requirement to ensure

¹ Legislation was passed in November to make the implementation of a Single Early Years Funding Formula a statutory requirement from April 2010. However, in December the Minister for Children and Young People announced the potential to delay the implementation of the Early Years Funding Formula until April 2011, if Local Authorities were not ready. If Authorities are ready to proceed with implementation from April 2010, there is an additional requirement to apply to become a pilot. As Warwickshire has consulted and approved a Funding Formula, the Authority is currently applying to become a pilot and implement from April 2010.

access to provision for all three and four year olds to a flexible 15 hours a week over a minimum of 38 weeks per year by September 2010. (Settings in the 25% most disadvantaged areas of the County have been invited to offer the increased flexible free entitlement from September 2009. This includes the Nursery Schools).

2.5 Funding to support the **extension** to the free entitlement is available through the Standards Fund until 2010-11.

3. Options for the Local Authority to Consider for the Future Development of Nursery Schools

3.1 In considering school organisation proposals, it is important that proposals should be considered against clear criteria which are designed to achieve:

- **The best possible provision for children and families living within the area;**
- **Collaborative working that improves ability to address local community needs;**
- **Greater continuity and progression for pupils and families;**
- **Delivery that is based on a sustainable business model better positioned to respond to a fast changing policy area;**
- **Value for money and an emphasis on front line services.**

3.2 Each option will be considered against these criteria:

3.3 Option 1: Amalgamate the Nursery School with a Local Primary School

In effect this would create a nursery class within a Primary School, providing an opportunity to establish an Early Years Foundation Stage unit for three-to-five year olds, incorporating nursery and reception classes.

This option would require consultation on the closure of a Nursery School and the extension of the age range for the Primary School.

The best possible provision for children and families living within the locality

The Warwickshire Primary Strategy for Change sees children being 'at the heart of inclusive learning provision engaging with a dynamic and innovative curriculum which is personalised to meet their needs and enables them all to achieve personal excellence. It is our aim that wherever possible we will create all through primary facilities for children from birth to 11 years which will help to eliminate barriers to learning by providing continuity of experiences, aligning the supply of places to demand'. This option would provide the foundation for delivering the objectives set out in the Warwickshire Primary Strategy for Change.

Collaborative working that achieves improved ability to address local community needs

All schools are organised into clusters and are likely to increase the amount of joint working they undertake and become commissioners of services in their own right. Schools are vital centres of their community and this option would enable them to achieve more easily a joined-up approach in responding to community need. Creating a single school with unified governance arrangements could significantly improve this position, allowing for better community engagement. The Children's Centre element of the provision within the school would be able to provide all of the services outlined in paragraph 3.4 below but would be able to integrate these services with a co-ordinated offer to parents/carers in the area.

Greater continuity and progression for pupils and families

The creation of a Foundation Stage unit with a Primary School would enable a more flexible curriculum to better meet the individual needs of children as they develop and provide an opportunity to avoid any dip on transfer and maximising the benefits to children's learning. This is in line with best early years education practice.

Delivery that is based on sustainable business model better positioned to respond to a fast changing policy area

Creating a single school would allow for economies of scale and result in a more financially robust and viable institution. A single management and governance structure with funding aligned more closely to staffing levels would place the emphasis on front line delivery rather than management costs.

Value for Money

Funding for schools is becoming increasingly limited. National projections are suggesting very limited growth for schools. Amalgamating Nursery Schools with Primary Schools would give these schools greater opportunity to manage their overall costs to their budget allocation whilst also releasing funding to benefit all Warwickshire schools.

3.4 Option 2: Develop Nursery Schools Primarily as Children's Centres

An alternative option would be to develop the Children's Centre with a nursery attached. At an appropriate time, as Headteacher posts are vacated, they would be replaced by Heads of Centre who would hold National Professional Qualification in Integrated Centre Leadership (NPQICL).

This option would require consultation on the closure of the Nursery School and a re-designation as a Children's Centre with integrated provision for children from birth-to-five.

The best possible provision for children and families living within the locality

Children's Centres are required to serve a target reach area that includes an optimum number of 800 children under five. They are required to provide access to early education as well as to health information and access to information on training or employment opportunities for parents. This means that the early education that children receive can be matched with support for

parents that will, in turn, enhance children's learning. The quality of the early learning will be regulated by Ofsted, with an inspection regime specifically designed for Children's Centres. The outcomes upon which judgement is made is the same as those for schools and Nursery Schools.

Collaborative working that achieves improved ability to address local community needs

Because Children's Centres are required to work in partnership with other agencies, notably Health and Job Centre Plus, they are in a strong position to further community cohesion. As well as the core offer that they must deliver (access to early learning, health information and advice, access to Job Centre Plus and general support and guidance for parents and carers) they may also deliver any services for families with children under five that those families need or want. This could include the provision of a food co-op, basic skills training, home budgeting sessions, debt counselling and ostensibly social activities that enhance confidence or well being for parents/carers and children.

Greater continuity and progression for pupils and families

In Children's Centres continuity can be established from before the birth of a child until the point when he or she starts school. Attendance at Health Visitor development sessions, clinics of various kinds, stay and play sessions and early learning sessions, (whether on site or at a linked facility or childminder) can all be co-ordinated and managed through the Children's Centre. However, the continuity should not stop when a child reaches school age as the Children's Centre will have links to the schools within its 'cluster' and should be involved in the transition to reception class. Children's Centre Family Support Workers will also have an ongoing relationship with the Family Support Workers in schools and can liaise with them on a hand over of casework if it is required. However, the extent and consistency of continuity cannot be guaranteed in all settings as they are dependent on a range of factors, including eg. the governance arrangements of the Children's Centres and the relationships between Children's Centre and schools.

Delivery that is based on sustainable business model better positioned to respond to a fast changing policy area

Children's Centres are now a statutory entity following the Royal Assent of the Apprenticeships, Skills, Learning and Children Bill in November 2009. This means that they have a similar position to that of schools in that they cannot be closed or altered without going through a statutory process that involves local consultation and DCSF approval. However, as this is a new piece of legislation its effectiveness has not yet been tested and sustainability, therefore, cannot be guaranteed.

Children's Centres are funded at present through the Sure Start Early Years Grant and, as a condition of that funding, must prepare and follow a business plan to ensure that services are delivered and monies spent appropriately. Expenditure is monitored by the Early Years and Childcare Team and each Centre may also be audited by District Auditors who have responsibility for monitoring the whole Sure Start Early Years Grant.

Value for Money

In this option the Children's Centre would become a legal entity in itself and would need to have a form of governance that is similar to those of the PVI sector, e.g. company limited by guarantee or charitable trust. Funding for the Early Learning component of the Children's Centre provision would come from the Early Years Single Funding Formula, and would be based on take up of places per term. The rate of funding would be that of the others in the PVI sector, i.e. the proposed rate of £3.45 per child per hour, which would be a minimum cost option.

3.5 Option 3: Develop Nursery Schools as Centres of Excellence

There is scope within Warwickshire to maximise the potential of a Nursery School to play a leading role in the pursuit of high quality provision for all children within a locality. Warwickshire's Quality Improvement Support Policy is based on the principles of excellence, autonomy, partnership, respect and transparency and the Local Authority's vision of high aspiration for all children and their families. The aim is to support all early years settings to help them move towards this goal.

Evidence from the Effective Provision for Pre-School Education (EPPE) Project is supported by Ofsted reports that provide regular and persuasive evidence of the distinct contribution made by Nursery Schools to providing quality experiences for young children.

Moreover this proposal would require a Nursery School to take on additional responsibility for delivering training and supporting other provision, including other Children's Centres. It would be responsible for providing the leadership in the early years sector by demonstrating and disseminating quality across the early years sector.

This option would require additional funding, which would be generated through the termination of the Early Years Foundation Stage Partnership Scheme. *(This scheme currently funds qualified teacher support for approximately 50 PVI settings on school sites at a cost of £60K per year.)* This scheme has been established for a number of years and has been very successful in promoting quality in different parts of the County.

The best possible provision for children and families living within the locality

In this option the quality of Nursery Schools which has been highly commended both within the Authority and by Ofsted, can be utilised to its best effect. Although the Nursery Schools themselves serve a limited catchment area, they would be expected to share their knowledge and expertise with other providers in both the maintained and non-maintained sectors by providing an advisory service and a model of excellence that can be used on a work or observation placement basis.

The existing Nursery Schools for which this may be an option would be expected to widen their geographical area in order to provide an even and consistent spread of opportunity for the other providers. In this way, all children

in the county would have the opportunity to access the highest quality of provision.

Collaborative working that achieves improved ability to address local community needs

The only way in which this model could work is to adopt a collaborative approach to providing the highest quality of provision. The needs of each community have to be recognised and the level of support tailored accordingly. This is particularly important in attempting to narrow the gaps between the highest and lowest achievers.

Greater continuity and progression for pupils and families

The Nursery School as Centre of Excellence would still have a Children's Centre either within their management or attached and run by another organisation. Therefore, all the benefits of option 2 above would apply here.

Delivery that is based on sustainable business model better positioned to respond to a fast changing policy area

Although the cost per child per hour is higher at a Nursery School, the business case for this option is that the investment in quality will extend beyond the Nursery School itself to the other providers of childcare in the whole county, reducing the necessity for some of the Early Years Foundation Stage Partnerships that are in place at present. It would also provide a sound base from which to lead new initiatives as and when they are introduced. Governance arrangements would remain as they are now.

Value for Money

Although the cost per child is highest in this option, it provides the greatest opportunity to ensure that provision is of the highest standard and that all childcare providers in the county can be supported to achieve the same high standard.

4. DCSF Guidance

- 4.1 The Department for Children, Schools and Families' Decision Maker's Guide for Local Authorities makes it clear that, because of the general high quality of Nursery School provision, there is a presumption against closing a Nursery School unless:
- a. the Local Authority is consistently funding numbers of empty places;
 - b. full consideration has been given to developing the school into a Sure Start Children's Centre, and there are clear, justifiable grounds for not doing so, for example: unsuitable accommodation, poor quality provision and low demand for places;
 - c. plans to develop alternative provision clearly demonstrates that it will be at least as equal in terms of the quantity and quality of early years provision provided by the nursery school with no loss of expertise and specialism; and that
 - d. replacement provision is more accessible and more convenient for local parents.

4.2 However, as the Education and Inspections Act 2006 states that Decision Makers need only have regard to the content of the guidance, the County Council is permitted to conclude that it is appropriate to consider closing Nursery Schools, providing that it has sound reasons for such a decision.

5. Financial Implications

5.1 Nursery schools are funded by the Dedicated Schools Grant and Children's Centres are funded through the ring-fenced Sure Start Grant. So none of the proposals being considered would impact directly on Council Tax levels. The paper has already highlighted the financial and value for money implications of each option. In addition, funding for a place in a Nursery School is 60% more expensive than the Private, Voluntary & Independent (PVI) sectors and 40% more than a place in a maintained nursery class:

	<u>Basic rate (£ per child per hour)</u>
Nursery School	£5.39
Nursery Class	£3.78
PVI	£3.45

6. Consultation

6.1 As part of the statutory consultation process it will be necessary to consult key stakeholders including staff, existing parents and the parents of prospective pupils, local schools, Diocesan Authorities, other local admission authorities, Borough and District Councils, neighbouring Local Authorities, trade unions, the Warwickshire Early Years Childcare Team, children's centre partners and the local Elected Members at all levels and MPs for the areas concerned.

6.2 It is envisaged that there will be separate consultation for each nursery school on a prioritised programme, starting with those where there is no permanent Headteacher.

7. Conclusion

7.1 The Authority's policy on Nursery Schools has not been considered for a number of years and there is an opportunity now in the light of changes in the delivery of early education and Warwickshire's Primary Strategy for Change. Consideration should be given to the best approach to delivering high quality early years education that is consistent with longer term outcomes.

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14 January 2010