

MEETING OF THE SCHOOLS FORUM

Wednesday 7th March 2018 at 8:30am

BETHNAL GREEN CENTRE, 229 Bethnal GREEN ROAD, E2 6AB

AGENDA

1.	Apologies for absence	Chair
2.	Minutes of the meeting on 7 th December 2017 and 21 st February 2018 and matters arising	Chair
3.	Early Years Block Centrally Retained Funding 2018-19	Sailesh Patel
4.	Any other Business	
5.	<ul style="list-style-type: none">• Next meeting 8:30am, 18th April 2018 at the PDC, Bethnal Green	

Dates for the Schools Forum meetings 2017-18:

- Wednesday 18 April 2018
- Wednesday 13 June 2018

MINUTES OF THE TOWER HAMLETS SCHOOLS FORUM
WEDNESDAY, 17th JANUARY 2018

School Members

Governors: Jill Cochrane (Chair), Bob Stevenson, Dave Lake, Veronica Kennard, Pip Pinhorn, Shahanur Khan, Salma Mahbub and Bridget Cass.

Headteachers: Gillian Kemp, Lorraine Flanagan (Vice-Chair), Sarah Helm, Sheila Mouna, Remi Atoyebi, Jemima Reilly, Matthew Rayner, Jill Baker, John Bradshaw, Joanna Clensy, Avril Newman and Esther Holland.

Non School Members:

Terry Bennett (CE Diocese), Alison Arnaud (Tower Hamlets College), Kim Arrowsmith (PVI EYs Providers), Alex Kenny (Trade Union Rep) and Mahmudul Choudhury (Council of Mosques).

Officers in attendance

Debbie Jones (Director of Children’s Services), Christine McInnes (Divisional Director for Education and Partnership), Sailesh Patel (Schools Finance Manager), Hawa Bedwa (Principal Schools officer) and Sharon Bailey (Clerk).

<p>1. Apologies for absence Apologies were received from Jill Cochrane and Shahanur Khan. <i>[In the absence of the Chair, Lorraine Flanagan (Vice-Chair) chaired the meeting].</i></p>	Action
<p>2. Minutes of the meeting on 6th December and matters arising RESOLVED – the minutes were agreed as a correct record Matters Arising <u>Trade Union Facilities Time</u> – item 5, page 3 Alex Kenny reported that Atia Williams was the new LBTH HR Project Manager replacing Mark Keeble. Any issues around de-delegation will be picked up at the next consultation. <u>Any Other Business</u> – item 6, page 4 Debbie Jones said that a meeting between the Mayor and Heads regarding Free Schools was being arranged.</p>	AK
<p>3. School Budget 2018/19 Update (paper circulated) Sailesh Patel presented an update from the DSG budget 2018/19 which also needed to be agreed. The report informed the Schools Forum of the DSG allocation for the 2018/19 financial year. Updated allocations were supplied on the 21st</p>	Action

December 2017.

The report includes the analysis of the proposed National Funding Formula (NFF) budgets and comparisons to the Local Funding Formula (LFF) with the options on supporting the approach for the affordable option 2 i.e. cash increase of 0.5% on AWPU and reducing the MFG to -1.0% from -1.5%. Agreeing the formula itself – based on the 2018/19 schools block settlement.

Schools Forum is invited to note and comment on the contents of this report and to endorse the associated Proforma for the DfE 2018/19 submission including approving the DSG budget 2018/19.

DSG Allocation

1.1-Hard

He stated that Primary legislation was not in place for the 2019 timetable. However, the deadline was the year 2021. The government still says it is their "intention" to implement a "hard" formula. Whether it actually happens – in particular given that this change would require primary legislation to pass through parliament before 2019-20.

1.4 Schools Block DSG.

Previously there had been 3 blocks of funding for the year 2017/18. This was now split between 4 blocks. However, the schools block was ring-fenced.

1.7 Central Services Schools Block

The Chair requested that 'staff costs supply and cover behaviour support services' be removed and replaced with 'trade union facilities'.

1.8 High Needs

The current position was that DSG in Table 1 was announced on the 20th December 2017, however the ESFA are yet to advise on any further changes that effect the High needs allocation for 2018-19

Sailesh Patel was to circulate the following Appendices:

App B (i) & B (ii) – Comparisons of budget and MGF movements and resulted impacts.

Table 2 Converting to NFF

The overall net loss to the Local Authority was £30 million. There will still have to be a minimum funding guarantee. However, this will decrease. Transitional funding will still have to be given. The £30 million loss will decrease gradually.

Alex Kenny stated that a schools funding cut campaign was being coordinated with new figures along with a Fair Funding campaign plan. The Mayor will be contacted with a view to working together with the union. He added that the union would not however support individual political parties.

Item 6 Headroom

Sailesh Patel reported that quantitative figures had not been produced. The PFI figures were to be included in the quantitative figures. The PFI amount was included in table 1 –DSG Allocation as part of the £9,998 schools block – growth fund & Premises figure.

The Chair thanked Sailesh Patel

AGREED the DSG allocation and formula for 2018/19 (table1)

4. Central Services Block 2018/19 (report circulated)

Sailesh Patel presented the report on Central Services Block 2018/19 which needed to be agreed.

The report circulated deals with the approvals required for the Central service block, De-delegation of the 5 specific services and the Growth fund for expanding schools.

The DfE also identified a number of specific services, the funding for which can be centrally retained with the agreement of the schools forum.

These specific services can be broken down into 6 main categories and in 2017/18 total £4.880m. This represents the 2017/18 baseline for the new central school services block (CSSB).

Although now part of the schools block, details of the pupil growth fund need to be approved by the Schools Forum.

Schools Forum is invited to:

- 1) Approve Central Schools Service Block (CSSB)
- 2) Decide for Primary Schools de-delegation (primary maintained SF representatives only) (Table 1)
- 3) Decide for Secondary Schools de-delegation (Secondary maintained SF representatives only) (Table 1)
- 4) Decide whether the provision of £2,460k for pupil number growth contingency and the criteria for accessing it (Appendix A) is agreed.

AGREED that the Central Services block 2018/19 was retained as presented

2018/19 De-delegated Services (report circulated)

The following 5 items were discussed and agreed separately by representatives from the primary schools and secondary schools. Nursery schools and special schools were exempt/excluded from voting.

The following items were discussed:

1. School Specific Contingency

AGREED – unanimously (6 primary) and (4 secondary)

<p>2. Free school Meal Eligibility Assessment</p> <p>AGREED – unanimously (6 primary) and (4 secondary)</p> <p>3. Licenses and Subscriptions</p> <p>AGREED – unanimously (6 primary) and (4 secondary)</p> <p>4. Staff Supply costs</p> <p>AGREED – unanimously (6 primary) and (4 secondary)</p> <p>5. Behaviour Support and Anti-Bullying</p> <p>AGREED – unanimously (6 primary) and (4 secondary)</p> <p>The Chair thanked the Alex Kenny, the union representative, for his involvement.</p> <p>2018/19 Pupil Growth Fund</p> <p>AGREED to set aside £2,460k allocation for pupil number growth fund.</p>	
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<p>5. Early Years Block 2018-19 (circulated)</p> <p>Sailesh Patel presented the report Early Years Block 2018-19 which needed to be agreed.</p> <p>This report sets out the proposed plan for the development of the early years funding formula for 2, 3 and 4 year olds in 2018-19. Approving the agreed reduction in the centrally retained budgets to 5% in 2018/19 and meeting the minimum criteria required by the ESFA.</p> <p>Schools Forum is invited to discuss and comment on any of the issues raised in the report, and to:</p> <ul style="list-style-type: none"> • To note the contents of the report • To note the proposed changes in funding rates for 2018/19 • To approve the Central retained Budget within the Early Years Block under Section 4 <p>Debbie Jones updated the Forum on rationalisation. The consultation on day nurseries was to be reported via a statement in the next Mayor’s report to Council.</p> <p>Further work on affordability issues were raised but the decision had been deferred.</p> <p>Currently significant funding was given to parents/carers who are working.</p>	<p>Action</p>
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<p>The overall response to the consultation raised some concerns especially the lack of funding for vulnerable parents. The biggest issue was affordability which was the basis for the decision being deferred. However, this did not mean that the proposal was off the table.</p> <p>A discussion ensued. Sarah Helm expressed her disappointment and commented that this was politically motivated. She said that equality for vulnerable parents is what we fight for.</p> <p>Debbie stated that if this item was not approved then it would go back to the Secretary of State, and added that if it helped she would feedback comments to the politicians.</p> <p>The question was asked how the decision would reflect on the Local Authority. Debbie Jones stated that it would affect the reputation of the Local Authority.</p> <p>All parties agreed that this item be brought to the Forum after the elections.</p> <p>The Forum requested a five minute discussion in the absence of all the Local Authority representatives to discuss the funding (9:55)</p> <p><i>Meeting resumed 10:00am</i></p> <p>Following their discussion the Forum agreed to vote on Early Years Block Funding section 4.</p> <ul style="list-style-type: none"> • Central retained Budget within the Early Years Block under Section 4 - 7 members disagreed 10 members abstained - 0 members agreed <p>The Clerk was asked by the Chair to note that the decision was based on a deliberate disregard of early years funding and that the option outlined was unsustainable.</p> <p>The Forum was unable to make a decision. Sailesh Patel was to take this back to the LA.</p> <p>Debbie Jones said that the School Forum will need to have a response from the LA as to how this will be taken forward. A formal response will be given.</p>	<p>Sailesh Patel</p> <p>Debbie Jones</p>
<p>6. High Needs Funding Review Report (previously circulated)</p> <p>Christine McInnes went through the report.</p>	<p>Action</p>

<p>The report sets out the proposal for changes to commence in 2018-19, based on the recommendations and principles devised by the High Needs Funding Review Group within the context of the new Tower Hamlets SEND strategy. The Review Group's full recommendations (see the Annex which also includes key data) have been reported to the Children's Services Leadership Team, who supports them.</p> <p>The views of Schools Forum are sought about the proposals and on how the Forum wishes to be kept informed about progress with the changes through the year ahead.</p> <ol style="list-style-type: none"> 1. That the Tower Hamlets high needs funding block principles and recommendations are reviewed and commented on by the Forum. 2. Comment made on the proposed changes and anything the Forum considers the Local Authority should take into account when taking them forward. 3. The proposed changes for 2018-2020 are: <ol style="list-style-type: none"> a) To reduce the size of the budget retained by the LBTH from the HNFB. b) To expand the number of special school places to accommodate an additional 120 students by 2021 in areas of identified special need (through specialist pupil place planning) c) To undertake a review of the specialist social, emotional and mental health (SEMH) schools and places in order to establish a sustainable provision. d) To review the current specialist resource bases in school and ensure more equitable top-up funding and a greater responsiveness to future SEND need. e) For the Fair Access Panel (FAP) Review to report on ways to reduce the proportion of pupils and their length of stay in alternative provision (AP) as well as the size of the allocation for AP from the HNFB. <p>Debbie Jones stated that the report had been an intense piece of work as there were issues across the board.</p> <p>Debbie Jones was happy to set up a sub-committee group. A representative from the Public Health team was to be invited. The invitation was to be extended to a wider audience.</p> <p>Christine McInnes was to write a letter seeking volunteers.</p> <p><i>At this point Debbie Jones thanked the Forum Members and left the meeting 10.30.</i></p>	<p>Christine McInnes</p>
<p>7. Any Other Business</p> <p>The Chair reported that she had contacted John Biggs regarding the letter she had sent on behalf of the Forum to Jim Fitzpatrick who would pass it on to Damien Hinds to raise in Parliament.</p>	<p>Action</p>

The Chair thanked the LA representatives for all the hard work.	
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Meeting closed at 10:35	
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Next meeting: 8:30am, Wednesday 7 March 2018

MINUTES OF THE EXTRA-ORDINARY MEETING OF THE TOWER HAMLETS
SCHOOLS FORUM
MONDAY 21ST FEBRUARY 2018

School Members

Governors: Jill Cochrane (Chair)*, Bob Stevenson, Dave Lake, Veronica Kennard, Pip Pinhorn, Shahanur Khan, Salma Mahbub and Bridget Cass*.

Headteachers: Gillian Kemp*, Lorraine Flanagan* (Vice-Chair), Sarah Helm*, Sheila Mouna*, Remi Atoyebi*, Jemima Reilly*, Matthew Rayner*, Jill Baker, John Bradshaw, Joanna Clensy*, Avril Newman* and Esther Holland*.

Non School Members:

Terry Bennett (CE Diocese), Alison Arnaud (Tower Hamlets College), Kim Arrowsmith (PVI EYs Providers)*, Alex Kenny (Trade Union Rep) and Mahmudul Choudhury (Council of Mosques)

Observers:

**indicates attendance*

Officers in attendance

Debbie Jones (Director of Children’s Services), Christine McInnes (Divisional Director for Education and Partnership), Sailesh Patel (Schools Finance Manager), Neville Murton (Divisional Director for Resources), Suzanne Jones (Supporting Divisional Director for Finance), Steve Worth (Schools Finance Advisor) and Runa Basit (Clerk to the Schools Forum).

Action:

<p>1. Apologies for absence Apologies were received from Dave Lake, Veronica Kennard, Pip Pinhorn, Jill Baker, Terry Bennett and Alison Arnaud.</p> <p>Members enquired about proxy vote and were informed that as the voting arrangement was not previously agreed by the Forum, voting by proxy could not take place as not all members were given the opportunity to do so.</p>	
<p>2. Early Years Block Centrally Retained Funding 2018-19</p> <p>Debbie Jones thanked all attendees for the making the time for this extra-ordinary teleconference meeting to discuss the Early Years Centrally retained funding 2018-19. Debbie and Christine McInnes had extensive discussions with Councillor Amy Whitelock Gibbs and the Mayor. Cllr Whitlock Gibbs was also part of the circulation of papers for this meeting.</p> <p>Debbie thanked the Chair of the Forum and the Chairs of the Phase Consultative for engaging in discussion ahead of this meeting. Debbie acknowledged that there was some uncertainty amongst Headteachers regarding the current political administration. Debbie</p>	

added that the LA Day Nurseries issue was important to the Mayor and Cllr Whitelock Gibbs and confirmed that this will be under review, despite there being previous opposition to this in Cabinet. The Council absolutely recognises the value for money issue and it has been made clear that the LA Day Nurseries cannot continue in its current form. Debbie said that there is a commitment from this administration, should they be re-elected, to review the LA Day Nurseries.

Suzanne Jones provided the current financial situation. Suzanne referred to the report circulated in advance. The report outlined the importance of the centrally retained budgets for the continuation of support services for early years settings and Local Authority Day Nurseries for vulnerable families.

Paragraph 1.2 highlighted that the changes to the Early Years Block in 2017-18 had restricted the maximum value that could be centrally retained to 7% in that year falling to 5% in 2018-19; although an application can be made to the Secretary of State for Education to relax these limits. Suzanne emphasised that has this area of the budget had been reducing and was part of the last years 3 years budget planning.

In light of the confirmation by the Cabinet that the LA Day Nursery provision will be reviewed (made after the Forum met on 17th January 2018) the LA seeks a review of the Early Years central retention and consideration of it in two parts.

There are two recommendations for the Forum to consider:

- 1. That the Forum agrees to the central retention in 2018-19 of the support service budgets set out in Appendix 1.**
- 2. That the Forum agrees to the central retention in 2018-19 of the Local Authority Day Nursery budgets set out in Appendix 2.**

Suzanne explained that should the Forum not agree to the Early Years central retention for 2018-19 this money would not be available to be used in another area of the budget, it would disappear and would be 'lost money' in relation to the DSG. Suzanne further clarified that the Early Years centrally retained services would not cease, thereby adding further pressure on Children's Services budgets.

The Chair confirmed that members, in particular Gill Kemp, had submitted questions to the LA in relation to the report received. Answers to these questions were shared with the Forum ahead of the meeting. The Chair asked members whether they were satisfied with the answers or if they required further clarification.

Gill Kemp confirmed that her questions were answered however,

asked whether there was any other option available to the Forum, other than the two options outlined in the report.

Suzanne said that an option could include an agreement from the Forum with a caveat subject to progress. The retained budget could then be diverted to other areas of the Early Years block.

Lorraine Flanagan referred to the figures in Appendix 1 and 2 and commented that it was extortionate that 40% of the Early Years block was allocated for 70 children. Lorraine asked whether the block could be readjusted so that 90% of the centrally retained budget was for Early Years (appendix 1) and 10% for the LA Day Nurseries.

Bridget Cass asked whether the funds could start at 20% and then reduced.

Neville Murton said that although these were helpful suggestions it would still put pressure on the Children's Services budget as the LA Day Nurseries costs would still need to be met. Neville said the Council's Cabinet needs to decide the way forward.

Lorraine Flanagan suggested that the LA Day Nurseries are allocated 50% of the budget and the remaining 50% is held until progress is demonstrated. This should be supported by a timeline.

The Chair asked whether this would be an acceptable compromise.

Neville Murton said that the intention is to preserve the 1.3million in the Early Years block and the above would offer a workable compromise.

Members commented that the caveat would ensure that politicians agree reference points on when the evaluation of the LA Day Nurseries would take place.

Gill Kemp agreed with the allocation as per Appendix 1 but strongly disagreed with the allocation for the LA Day Nurseries (Appendix 2). Gill stressed that the LA Day Nurseries did not provide value for money, especially as nurseries/schools across the borough were under huge financial pressure. Gill suggested that the funds be distributed across all nursery children.

Gill added that the pressure on nursery schools may mean that they are unsustainable going forward and may be forced to close. Gill said that it was unequitable to subsidise for nursery costs for 120 parents at the LA Day Nurseries.

Headteachers commented that the LA Day nurseries do not provide value for money. Headteachers strongly recommended that the Council recognise that, given the pressure on other parts of the system, the limited resources could offer a more equitable service

overall which could benefit a greater number of disadvantaged children in Tower Hamlets and not be limited to a small group of families attending the LA Day Nurseries.

Debbie agreed that the value for the money was an issue but it was also important to move the LA Day Nurseries service forward and mitigate some of the consequences that may come out the review. Debbie acknowledged that a compromise may need to be reached by the Forum.

The Chair highlighted that the Council agreeing to commit £540,000 for the LA Day Nurseries was not equitable, given the financial constraints faced by schools. The Chair added that the Council needs to consider the huge impact on resources faced by schools due to the high number of vacancies. The Chair reiterated that there needs to be an equitable use of resources.

Lorraine Flanagan commented that a review of the LA Day Nurseries may not take place unless they are forced to evaluate and establish whether they are sustainable. Lorraine added that if the Mayor wants to support the LA Day Nurseries then they need to find alternative funding for this.

Mathew Rayner suggested a model where part of the funding is held from LA Day Nurseries to support children with learning disability – LA Day Nurseries could then apply for top-up funding if they need to support children with learning disability, similar to maintained schools/nurseries.

Neville said that the LA could work out a proposal once an agreement has been reached. Neville asked whether the Forum was inclined to agree to the central retention block but have a different process to fund the LA Day Nurseries. This would need to include a transition process.

Gill Kemp felt that it was unethical what the Forum was being asked to agree on. Gill asked whether the parents of the LA Day Nurseries were willing to pay for the childcare.

Christine McInnes said that a public consultation was held and 86% agreed for the current provision to continue. The LA was very clear about the sustainability of this service going forward and that it was currently not providing value for money – this was not well received by parents.

The Chair summarised the three proposals:

1. That Forum agrees to the central retention in 2018-19 of the support service budgets set out in Appendix 1.
2. That Forum agrees to the central retention in 2018-19 of the Local Authority Day Nursery budgets set out in Appendix 2.
3. That Forum agrees to the central retention in 2018-19 as set out in

Appendix 1 and 2 of the report circulated, with the caveat that 50% of appendix 2 is held back and will be subject to progress being made on the review of the service.

Members commented that if they Mayor and Cabinet wanted to do carry out a review they would have done so.

Neville said that as part of the three year budget plan, this would have been reviewed in the second year (2018/19).

The Chair clarified that in line with the 3rd option, £270,000 would be allocated and £270,000 will be held until progress of the review is demonstrated.

Neville said that in line with the above a contingency line would be created in Appendix 1 until further assessment takes place in 6 months.

Bridget Cass requested that this is brought back to the Forum in 6th months for the Forum to agree the release of the additional 50%.

RESOLVED - That the Forum agreed to the Central retention in 2018-19 as set out in Appendix 1 and 2 of the report 'Early Years Block Centrally Retained Funding 2018-19'.

In addition it was **AGREED** that the allocation of funds in Appendix 2 should be allocated at 50% for 6 months; on condition that the remaining 50% will be released once sufficient progress on the review of LA Day nurseries, as agreed by the Council's Cabinet, is demonstrated. Meanwhile 50% of the full day care allocation will be retained under the Early Years Retained Allocation in Appendix 1 under a contingency line.

It was noted that the above would be within the 5% for the Early Years block and that the LA Day Nurseries work was always planned for the 2018/19 financial year.

Members commented that the LA needs to agree on parents' contribution towards the childcare costs going forward.

It was also acknowledged that the 6th month period would cover the election period, which would then allow the new Cabinet to take a decision going forward. A contingency plan should also be in place.

Gill Kemp asked that Trade Unions (TU) are kept informed about the Forum's decision and the rationale. It was hoped that the TU would support the reasons behind the decision.

The Chair suggested that a consultative paper is prepared in advance of the next Schools Forum which gives an opportunity for discussion on what 'sufficient progress' will look like and how it will be dealt with at the end of the first term of 6 months. This will be in

Suzanne
Jones/Neville
Murton

<p>order to determine how and if the 2nd 50% is allocated.</p> <p style="text-align: right;">Action:</p> <p>The Chair and Debbie Jones thanked all for their contribution.</p>	
<p>3. Date of next meeting</p> <p>8:30am, Wednesday 7th March 2018 at the PDC, Bethnal Green</p>	

AGENDA ITEM 3

Title of report: Early Years Block Centrally Retained Funding 2018-19

Author of the paper: Sailesh Patel

**Officer to present the paper to School Forum:
Sailesh Patel**

Details on who has been consulted with on this paper to date:
Debbie Jones, Neville Murton, Christine McInnes, Suzanne Jones

Executive Summary:

At its meeting on 17th January 2018, Schools Forum voted not to agree the Early Years central retention for 2018-19.

Members' dissention was focussed on budgets for the Local Authority Day Nurseries (LADNs), specifically the view that they do not represent value for money. No issues were raised on other budget proposals.

A special meeting of the Forum conducted via a telephone conference on 21 February 2018 agreed the central retention as set out in this report. The budget for the LADNs was approved for six months only, the remainder of the proposed allocation being retained centrally with its use contingent on future Forum decisions.

The Council will develop its proposals for the future of the day nurseries and will seek to minimise any disruption to vulnerable users of the service. Initial options for consideration are shown in Appendix 1; the next Forum meeting is scheduled to receive the annual paper covering 'Arrangements for Early Years provision' which will provide further details about the Council's strategy in this area.

Officers are mindful of the probable need to request an extension to funding beyond the six months agreed to facilitate an implementation plan and are also seeking Forum's guidance on the criteria it will apply to such an application and on the parameters to be used in gauging progress.

Action required:

Schools Forum is invited to **discuss and comment on:**

1. The initial options
2. Its criteria for agreeing any extension to the funding for the LADNs.
3. Its timeline and parameters for gauging progress in the transformation of the LADN provision.

2018/19 Early Years Centrally Retained Budgets.

1. Background.

- 1.1. The School and Early Years Finance Regulations require a Local Authority (LA) to annually obtain its Schools Forum's permission for any Early Years Block (EYB) funding retained centrally. The Regulations allow a LA to appeal to the Secretary of State for Education in cases where agreement cannot be reached with its Forum.
- 1.2. Changes to the Early Years Block in 2017-18 restricted the maximum value that could be centrally retained to 7% in that year falling to 5% in 2018-19; although an application can be made to the Secretary of State for Education to dis-apply this limit.
- 1.3. In Tower Hamlets the only request for disapplication was to continue to provide free early years provision in excess of statutory requirements. All proposals for central retention are within the 5% limit.
- 1.4. For 2017-18, Schools Forum approved the centrally retained budgets at the 7% maximum limit. In attempting to meet the 5% limit in 2018-19 early years budgets have all been reduced proportionately.

2. Central Retention for 2018-19.

- 2.1. Following Forum's rejection of the initially proposed central retention (17 January 2018) a special meeting of the Forum was held via a telephone conference on 21 February 2018. There was no dissent on retaining budgets other than those for the LA run daycare nurseries. In the case of the latter the concern was focused on the nurseries' value for money. Eighty children (1%) of the 7,500 children in early childhood education and care places attend the three day nurseries. Thirty-Two (1.8%) disadvantaged children eligible for early learning two year old funding attend the three day nurseries out of 1,774 potentially eligible children.
- 2.2. Following discussion the Forum agreed the value of the centrally retained budgets with the condition that the allocation to the LADN would be for six months with any further funding being contingent on progress being made on the review of day nurseries as set out by the Council's Cabinet. The agreed central budgets are therefore set out in Appendix 2.
- 2.3. The Cabinet has given a strong and clear commitment to progressing the work in respect of the day nurseries and planning for an effective transition to any new arrangement. Forum will be updated at each of its meetings of progress made.

- 2.4. In order to safeguard the users of this service during any transition the Council expects to ask Forum to extend funding beyond the six months agreed.
- 2.5. In framing future requests officers are asking Forum to consider the initial options at Appendix 1 and propose any others for review and evaluation, and to set out its timeline and criteria for agreeing an extension to this funding and its parameters for gauging progress.
- 2.6. Each year the Local Authority is required to set out the arrangements for the provision of Early Years services in its area; the next meeting of the Forum is scheduled to receive this paper from the Head of Early Years. This will provide an initial update on the strategy for LA Day Nurseries alongside the other aspects of Early Years provision.

Background Papers and Contact Officer Details

List of background papers held by Sailesh Patel on Schools Forum File:

1. Schools revenue funding 2018 to 2019 Operational guide, September 2017
2. DSG allocations by Local Authority for 2018-19.

Appendix 1.

Options for consideration

1. Close the Local Authority Day Nurseries

- The nurseries could be closed, either immediately or after six months, and alternative places found for the 32 children who attend them and who will not be moving to school nursery provision (places are available, and this would be less disruptive after six months when the older children move to primary school)
- However, the original proposal agreed by the Mayor in Cabinet was to maintain provision and transfer it to a partner organisation, not to close nurseries. There was considerable concern by service users, expressed through the consultation process, to any change at all.

2. Increase charges for non-funded and wrap-around childcare

- Charges for 2018-19 have already been agreed by the Mayor in Cabinet .
- Increases would impact the families of 32 children who are on low incomes, while others could afford market rates.
- Fee income for 2017-18 is estimated to be approximately £100k, so to generate sufficient extra funds to support the nurseries would require a very sharp increase from current levels to market rates.

3. Continue with the proposal to find new operators – September transfer

- A consequence of the decision to defer is that the planned transfer to new operators in September 2018 cannot now be achieved.
- The timeline below is based on a proposal to restart this work and in that case any transfer is likely to be held over until September 2019, to minimise disruption to children.
- However, this would require funding not just for the whole of 2018-19 but also the first six months of 2019-20
 - February 2018 – begin affordability research
 - May 2018 – complete financial and affordability analysis and implement appropriate budgeting
 - June 2018 – estimated - School Forum review of options and agree recommendation to Cabinet.
 - June 2018 – estimated – Cabinet decision based on finance, research conclusions and views of School Forum
 - June 2018 – provisional – confirm approach based on Cabinet decision.
 - July 2018 – begin compiling commissioning documents (with parental input)

- September & October 2018 – resident consultation
- November & December 2018 – CLT, MAB and Cabinet decisions
- January 2019 – staff consultation starts
- January 2019 – issue commissioning tender documents
- March 2019 – finalise staff outcomes, begin career development activities
- April 2019 – complete commissioning of new providers
- September 2019 – handover of operations

4. Continue with the proposal to find new operators – Easter 2019 transfer

- This follows the same actions and sequence as above, but accelerates the process to avoid funding requirement in 2019-20
- The consequence is that the transfer would affect more children during the school year
- There are risks with this assumed timeline, and any delay (such as failure to agree staff changes) could jeopardise the end-date meaning that additional funding would be required.

5. Transfer operations to maintained nursery schools

- There are schools near to each nursery who might wish to take over the operation of these sites. This is the model that has been adopted by other LA's for their LA run daycare.
- This would ensure quality of provision by respected providers, and could be implemented from September 2018
- However, it may not reduce significantly the need for funding

Appendix 2.

Early Years Retained Allocation	2017-18	2018-19
	£000	£000
Total Centrally Retained DSG	1,786	1,238
Head of Integrated Early Years Service (X0.7)	63	44
Early Intervention Manager (X0.3)	25	18
Business Support and Child Sufficiency Team		
Team Manager	60	41
Business support and Cohesion Manager	54	37
Child Sufficiency Monitoring officer	46	32
Child Sufficiency and Business Support Officer (X4)	139	96
Early Help Area Inclusion Coordinators: support for early years settings		
Early Help Manager and Senior Inclusion Coordinators:	78	54
Early Help Area Inclusion Coordinators (X3)	207	144
Early help: Quality Assurance Teachers (X2)	138	96
4. Quality Assurance PVI's		
Strategic Quality Manager	60	41
Early Years Advisors (X4)	199	138
Workforce Development		
Community and Workforce Development Manager	45	31
Workforce development Worker	38	26
Total Central Support Services	1,151	798
Contingency	0	270
LA day nurseries		
Day-care Nursery Manager	58	20
John Smith (Staffing + Running Costs)	238	83
Mary Sambrook (Staffing + Running Costs)	213	74
Overland (Staffing + Running Costs)	270	94
Total	779	270
Balance to be found from additional in-year savings	-145	-100