

## LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Councillor Larry Culhane – Cabinet Member for Children and Education

**Date:** 05/08/2021

**Subject:** Maintained Nursery Funding – Academic Year 2021/22

**Report author:** Paul Triantis, Strategic Lead, Children's Services

**Responsible Director:** Jacqui McShannon, Director of Children's Services

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### SUMMARY

This paper seeks agreement to guarantee Summer 2022 funding for the Maintained Nursery Supplement Grant, in the event that the Department for Education notify in the Autumn term 2021 that this grant funding is discontinued, at a total estimated cost of £283,400 based on January 2020 census.

This paper additionally seeks approval to release additional funding from the Early Years block to continue to support the high-quality childcare offer at Randolph Beresford for the 2021/22 financial year plus the summer term 2022. This amounts to £733,333 to be distributed across four terms and is consistent with funding levels historically set for the nursery.

Officers will use academic year 2021/22 to work with the maintained nursery to review the current model and offer.

Both amounts will come out of the Dedicated Schools Grant and are ringfenced for use in Early Years settings only. Randolph Beresford has an outstanding Ofsted rating, and by maintaining funding levels the council will continue to support the provision of affordable and flexible childcare in an area of the borough with high levels of need. Randolph Beresford additionally provide an enhanced provision for children with SEND and children identified as vulnerable, which includes a range of therapeutic inputs.

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### RECOMMENDATIONS

1. To approve the release of funding from the Early Years block to provide Randolph Beresford with an additional £733,333 for the 2021/22 financial year including the summer term 2022. This will fund the high-quality targeted childcare offer currently being delivered at the nursery to the end of the academic year 2021/22.
2. To approve the underwriting of the Summer 2022 funding for the Maintained Nursery Supplement Grant by the 2022/23 Early Years block of the Dedicated Schools Grant in the event that the Department for Education notify in the

Autumn term 2021 that this grant funding is discontinued, at a total estimated cost of £283,400 based on January 2020 census.

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**Wards Affected:** White City

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<b>Our Values</b>	<b>Summary of how this report aligns to the H&amp;F Values</b>
Building shared prosperity	Preventative targeting of support in Early Years has been shown to improve life chances of young people and adults later in life, including economic and social wellbeing.
Creating a compassionate council	Providing a targeted preventative offer in Early Years to those families in need ensures we are fulfilling our values as a compassionate council.
Doing things with local residents, not to them	Randolph Beresford will continue to consult with local residents as to how their offer is targeted to suit the needs of the local population in White City.
Being ruthlessly financially efficient	Budget is in place already for 2021/22 and officers will spend this period reviewing the current offer to ensure it is making best use of the available money.
Taking pride in H&F	Providing a targeted preventative offer in Early Years to those families in need ensures we are fulfilling our value of taking pride in H&F
Rising to the challenge of the climate and ecological emergency	The nursery schools fall within the overall programme of works to reduce the carbon impact of the school estate

## **Financial Impact**

The funding for these proposed payments is from Early Years block DSG (Dedicated Schools Grant).

### Recommendation 1: Commissioned Places for Additional and Vulnerable Needs

Schools Forum approved the Early Years budget for financial year 2021/22 in March 2021 which included £550,000 for Vulnerable and Additional Needs children. The Early years entitlements: local authority funding of providers Operational guide 2021 to 2022 Paragraph 6.2 confirms that this funding can only be allocated to Maintained Nursery Schools *'All providers must be paid the same hourly base rate; this also applies to MNS. However, authorities may continue to use 'lump sums' to distribute additional funding to MNS.'*

Randolph Beresford Nursery has already received £185,644 of this funding for Summer Term 2021 leaving a balance of £364,356 to be allocated in the current financial year. This report recommends payment of this whole amount to Randolph Beresford Nursery of £550,000 for the 2021/22 financial year ending March 2022.

This report also requests budget provision of £183,333 for Vulnerable and Additional Needs for Summer Term 2022 for Randolph Beresford Maintained Nursery School. This covers the period April 2022 to July 2022 and to the end of the 2021/22 academic year.

### Recommendation 2: Securing Maintained Nursery Supplement Grant funding for the Summer Term 2022

Estimated £283,400 Maintained Nursery Supplement Grant for the summer term 2022 for all four H&F maintained nursery schools. The Maintained Nursery Supplement is a separate government grant confirmed annually by the DfE for the financial year April to March each year rather than for each academic year.

A funding commitment for the supplement for Summer term would provide budget certainty for the 4 maintained nursery schools in advance of central government confirmation of sustained funding of this grant expected by December 2021.

Should the supplementary grant be ended, this would require provision within the core 2022/23 Early Years funding of the Dedicated Schools Grant. A lump sum payment would be permissible within the core EY budget to cover this, assuming that the provision for lump sum payments to MNS is continued in the regulations from 2022/23.

The Department of Education does not publish operational guidance until December of the preceding financial year. Schools Forum is required to approve the Early Years Budget by 31st March 2022 for financial year 2022/23.

### **Legal Implications**

The Council has power to make these payments under the Childcare Act 2006 which imposes duties on local authorities to secure that early years provision is made available free of charge. The DfE publishes statutory and operational guidance as to the expenditure of these sums which are being followed by the Council in releasing this funding. The Council will need to continue to have regard to guidance published by the DfE.

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## Background Papers Used in Preparing This Report

None

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## DETAILED ANALYSIS

### Proposals and Analysis of Options

- 1. Approve the release of funding from the Early Years block to provide Randolph Beresford with an additional £733,333 for the 2021/22 financial year plus the summer term 2022. In addition, guarantee Summer 2022 funding for the Maintained Nursery Supplement Grant for all four maintained nurseries, including Randolph Beresford.**
2. This will allow Randolph Beresford to set a balanced budget and advertise their offer ahead of the next academic year. This will also allow the nursery school to continue offering the same level of high-quality affordable childcare as in previous years.
3. Funding Randolph Beresford to continued historic levels will provide the nursery with stability as officers work with the provider to review the current offer.
4. This will additionally provide all four maintained nurseries with funding stability spanning the academic year, in the event of changes to DfE regulations mid-year regarding the Maintained Nursery Supplement Grant.
- 5. Do not approve additional funding to Randolph Beresford and do not guarantee Summer 2022 funding for the Maintained Nursery Supplement Grant for all four maintained nurseries (not recommended)**
6. This option is not recommended as it will provide Randolph Beresford with insufficient time to produce a balanced budget for the next academic year. There will also be an immediate change to the Early Years offer without equivalent replacement.

## **Reasons for Decision**

7. Approving additional funding for Randolph Beresford will allow the nursery to set a balanced budget and advertise their offer ahead of the next academic year. Additionally, funding Randolph Beresford to continued historic levels will provide the nursery with stability as officers work with the provider to review the current offer.
8. In the meantime, the nursery school will continue to offer the same level of high-quality affordable childcare in academic year 21/22 as in previous years.
9. By guaranteeing Summer 2022 funding for the Maintained nursery Supplement Grant, all four maintained nurseries will be provided with funding stability spanning the academic year, in the event of changes to DfE regulations mid-year regarding the Maintained Nursery Supplement Grant. This will allow for adequate budget planning.

## **Equality Implications**

10. Equality implications in maintaining funding levels for Randolph Beresford are positive.
11. Wormholt and White City ward is ranked the second most deprived area in Hammersmith and Fulham, has the highest take up of free school meals, and the highest incidence of SEND.
12. By continuing to fund the provision of affordable and flexible childcare to families in the White City Area the council will continue to target high quality early years provision in the areas that most need it, providing support to ensure the best start in life.

*Implications verified/completed by: Paul Triantis, Strategic Lead, Children's Services*

## **Risk Management Implications**

13. The report recommends releasing additional funding to ensure the continuation of the same level of high-quality affordable childcare as in previous years, allowing officers time to work with the provider to review the offer going forward. This is in line with the Council's priorities, particularly to ensure preventative targeting of support in Early Years by providing access to affordable provision to improve the life chances of young people and adults later in life, including economic and social wellbeing.

*Implications completed by: David Hughes, Director of Audit, Fraud, Risk and Insurance, tel: 07817 507 695*

## **Climate and Ecological Emergency Implications**

14. The maintained nurseries are included as part of decarbonisation plans covering the school estate as a whole, the entirety of which is funded in a similar manner via the DSG.
15. Officers are currently working with the GLA Retrofit Accelerator Scheme to identify a cohort of schools that are suitable for more detailed feasibility studies that will identify a range of decarbonisation measures and associated energy cost savings.
16. In addition, 300K is allocated in the proposed 2021-24 school maintenance and capital programme for specific decarbonisation works and officers are incorporating a core response to the climate emergency within the scoping of wider school maintenance and capital works.

*Implications verified by: Hinesh Mehta*

## **Social Value Implications**

17. This report is seeking approval to release funds to schools, and it is part of H&F schools funding agreement. As a result, Social Value requirement does not apply.

*Implications completed by: Ilaria Agueci, Social Value Officer*

## **LIST OF APPENDICES:**

None