

Informal consultation on the Future for Maintained Nursery Schools in Croydon

Consultation period: 19 September 2023 to 17 October 2023

Croydon Council is consulting on whether and, if so, how to reduce the number of Maintained Nursery Schools within the borough via closure or amalgamation.

1. Overview

- 1.1 Croydon Council is consulting on a proposal to reduce the number of its Maintained Nursery Schools (MNS) via closure or amalgamation following an agreement by the Executive Mayor in Cabinet. The consultation was approved at the council's cabinet meeting on 28th June 2023. The report presented at the meeting can be accessed at:
<https://democracy.croydon.gov.uk/documents/s47769/MNS%20cabinet%20report%20200623.pdf>
- 1.2 The proposal has been developed as the majority of its five MNS have a rising accrued deficit totalling £560,760 despite having a recovery plan to reduce ongoing costs and set a balanced budget. Without intervention, their cumulative financial debt will increase, putting their future at a greater risk.
- 1.3 Council Officers have had informal consultation meetings with the leadership team of all five MNS to seek / hear their views about potential options to address the financial challenges and re-model MNS provision in Croydon to move to a more financial sustainable provision. All respondents agreed that to 'do nothing' is not a viable option and runs the risk of losing all schools with a deficit and having a bigger cumulative financial debt.
- 1.4 On this basis, we are consulting partners, including residents, families, providers, and anyone with an interest, on the proposal to reduce the number of its MNS via closure or amalgamation.
- 1.5 Full details of the proposal are included in this document, and a questionnaire and question and answer document is available at
www.getinvolved.croydon.gov.uk/mns
- 1.6 You can share your views and comments on the proposal and any sustainable model for consideration that deals with the deficit. Please respond by 17 October 2023.
- 1.7 Please note that no decision has been made about the proposal. At the end of the consultation period, the responses will be analysed and a consultation outcomes report will be written and submitted by council officers to the Executive Mayor in Cabinet for a decision on the proposal to reduce the number of its MNS via closure or amalgamation. Even then, if it is decided, in principle, to explore the proposal further, more specific proposal will be

published and will be the subject of another but this time statutory consultation process.

1.8 The Executive Mayor in Cabinet will carefully consider the outcome of that consultation before making a final decision on whether or not to implement any specific proposal.

1.9 The results of this consultation will be published on the council's website.

2. Introduction

2.1 The Council is inviting responses to the proposal to reduce the number of Maintained Nursery Schools within the borough via closure or amalgamation. Your responses will help the Executive Mayor in Cabinet to make an informed decision on the proposal. We are also inviting suggestions of feasible and sustainable model that can be delivered in the funding allocated by central government and how to deal with the deficit. It is important to note that doing nothing is not an option, we need to ensure that have a sustainable MNS model within the DfE funding available.

2.2 Please note that at this stage of the process, **no decision has been made on the proposal**. This consultation document sets out background and relevant information about the proposal and how you can express your views. There will also be meetings with senior Council officers at which the proposal will be explained in more detail, and you will be able to attend and ask questions.

3. Background

3.1 Maintained Nursery Schools (MNS)

MNS are local authority run schools that provide early education and childcare to children from 2 to 5 years old during school hours, usually 8:30am-3.30pm, during term time and does not usually include wrap around care. MNS are required to employ a headteacher, qualified teachers, a SENCO [Special Educational Needs Coordinator] and staff with level 3 qualifications.

3.2 MNS are an important part of the early years sector, provide valuable services, and help to ensure that the council meet its statutory duty for sufficiency of early years provision across the borough. The Council remains committed to deliver high quality funded early years provision that evidence value for money.

3.3 Statutory requirements

The statutory requirements concerning the closure of schools are set out in Section 15 Education and Inspections Act 2006 (EIA 2006) and The School Organisation (Establishment and Discontinuance of Schools) Regulations 2013 (the Establishment and Discontinuance Regulations). Under section 15 of EIA 2006, a local authority can propose the closure of, amongst others, a MNS. The statutory process is set out in the Establishment and Discontinuance Regulations and in the 'Opening and Closing Maintained

Schools - Statutory Guidance for Proposers and Decision Makers (January 2023).

- 3.4 Under the Childcare Act 2006 and Childcare Act 2016, a local authority has several duties relating to early education and childcare, including to secure sufficient childcare for working parents in their area; and early years provision free of charge for qualifying children.
- 3.5 Currently, all families with three and four-year-olds qualify for 15 hours of free childcare a week, over 38 weeks. Households can qualify for 30 hours of free childcare if parents earn the equivalent of 16 hours a week at the national minimum or living wage. Some families can get free childcare for their 2-year-old if they are living on low income or claiming income-based benefits.
- 3.6 In the Spring budget, the Chancellor announced 30 hours of free childcare for every child over the age of 9 months, with support being phased in until eligible working parent of under 5s gets this support by September 2025. We are awaiting government guidance for the implementation of the new measures.
- 3.7 In the statutory guidance for proposers and decision makers – Opening and closing maintained schools, January 2023, there is a presumption against the closure of nursery schools. However, this does not mean that a maintained nursery school will never close, but that the case for closure should be strong.
- 3.8 Council's Cabinet
On 28th June 2023, The Executive Mayor in Cabinet agreed to the recommendation to move to informal consultation and publicity on the proposal: to agree to reduce the number of MNS within the borough via closure or amalgamation. This will give partners, residents, including the wider school communities and public the opportunity to comment on the proposal and to suggest viable future options.
- 3.9 Nationally, MNS have had financial challenges for several years and despite transitional and supplementary funding the future sustainability of these schools is uncertain because of budget pressures. Governing Bodies have a duty to set a balanced budget each year, however, a national survey carried out in 2020 revealed that 64% of MNS were in deficit.
- 3.10 Currently, there is not an option for a MNS to become an academy.
- 3.11 The five MNS in Croydon offer part time places for 2, 3 and 4 year-old: Thornton Heath (144 places), Tunstall (142 places), Purley (140 places), Crosfield (83 places) and Selhurst (88 places). Two of these schools have been graded by Ofsted as 'outstanding'; two graded as 'good' and one graded as 'requires improvement'. Three of the MNS are in the North; one in the Centre; and one in the South of the Borough. All the sites are owned by the council.

3.12 Over the 10-year period to 2019, the number of births in Croydon has averaged around 5,600 a year. The last 3 years have seen a reduction in the number of births from 5,761 to 5,304. Not all children born in the borough will take up early years provision. As a result, numbers within some MNS have also seen a decline.

3.13 Other Early Years provision

Croydon recognises the importance of early years development and education. A MNS is one of several types of provision that we have in the borough for early years education. In total, including the five MNS, there are 576 early years childcare providers in Croydon, of which 345 are registered to deliver funded places. All 576 providers offer a maximum of 10,165 full time equivalent early years childcare places.

Table 1 - The data in this table was correct in November 2022

<i>Type of provision</i>	<i>Number of providers</i>	<i>Number of registered places</i>
Childminders*	360	900
Nursery classes in schools	43	1297
Maintained nursery schools	5	281
Private, voluntary, and independent nurseries (PVLs)	168	7,687

**Childminders usually have 2 or 3 early years aged children. For the purpose of this table, an average of 2.5 children has been assumed.*

3.14 Funding

In England, most of the Government funding for early years providers is delivered via three childcare entitlements:

- 15 hours universal entitlement for all three and four-year-olds.
- 15 hours entitlement for disadvantaged two-year-olds.
- Extended 30 hours entitlement for three and four-year-olds of eligible working parents.

3.15 Funding for the entitlements is included in the Early Years Block of each local authority's Dedicated Schools Grant (DSG). Additional Government funding for disadvantaged children (Early Years Pupil Premium) and children with additional needs (Disability Access Fund) is also included in the Early Years Block, along with supplementary funding for maintained nursery schools.

3.16 MNS have higher costs than other early years providers, as they are required to employ qualified teachers, Special Educational Needs Coordinator (SENCO) and a headteacher and meet the same standards and requirements as other schools. To address the higher costs faced by MNS, the Government provided supplementary funding per annum to local authorities in respect of MNS.

3.17 Some of five of Croydon's MNS are now unable to deliver the provision on the current funding allocation and are in a deficit budget position. The leadership team of these nursery schools have taken steps to reduce their outgoings via

restructure and reorganisation of their school to ensure that the school's budget was balanced. However, due to increasing costs, the current government funding allocation, falling numbers, some are no longer able to set a balanced budget. The cumulative deficit across the MNS estate is £560,760 (as of end of previous year).

- 3.18 Council Officers have been working with and supporting the MNS with deficit budget to identify opportunities and/or alternative delivery models for savings/income to return to a balanced budget position. In addition, the Department for Education School Resource Management Advisers have offered free independent support to the relevant MNS to look at the underlying reasons for the deficit position and support the school to develop strategies to return the school to financial stability.

4. The Proposal

- 4.1 To consider whether to reduce, in principle, the number of MNS within the borough via closure or amalgamation.

- 4.2 This would, if taken forward following a statutory consultation and publicity process and a final decision, reduce the number of MNS within the borough, however, ensuring a sustainable model and enough provision but over a smaller number of sites.

4.3 What do we mean by the proposal to close MNS?

Under section 15 of EIA 2006, a local authority can propose the closure of MNS.

MNS closing means the discontinuation of operations by the MNS in its existing form. If the proposal goes ahead, one or more of the MNS will close, resulting in fewer MNS across the borough.

- 4.4 There is a statutory requirement to consult partners / stakeholders on the specific proposal, setting out details of the MNS to be closed which can be commented on or objected to during the statutory representation period. At this stage, no decision has been made on whether or not to close MNS even in principle. The purpose of this consultation is to help inform that decision.

4.5 What do we mean by the proposal to amalgamate a MNS?

There are a number of ways to amalgamate two, or more, schools. What we mean by the proposal to amalgamate MNS is explore the possibility of closing one or more schools and merging it with one or more other schools (following the statutory process).

- 4.6 If the proposal to close or amalgamate MNS is approved by the Executive Mayor, in principle, as no MNS has been specified/identified for closure or amalgamation in this consultation document, in accordance with statutory requirements, the Council would issue a statutory notice with the name of the MNS proposed to be closed / amalgamated. This notice would be open for a four-week period during which further representations can be made by those already consulted and a wider cohort of interested people. Following further consultation, the council would submit another report to the Executive Mayor

in order for a final decision to be made on whether to implement the amalgamation or closure proposal.

- 4.7 If the proposal to close or amalgamate MNS is approved, checks would be carried out to ensure alternative and sufficiency of early years provision.

5. Reason for proposal

There are five MNS in Croydon: Thornton Heath, Tunstall, Purley, Crosfield and Selhurst. Three of the MNS are located in the North; one in the Centre; and one in the South of the Borough.

- 5.1 The current model of Croydon's MNS is not financially sustainable. The budget deficit of some of the MNS provision will continue to increase. Some of Croydon's five MNS are now unable to deliver the provision on the current funding allocation and are in a deficit budget position.

- 5.2 There have been historical discussions about the provision and funding for MNS but no agreed action has been taken and now we are at a critical stage due to the increasing deficit position of most of our MNS. There seems to be no realistic prospect of all our MNS having a balanced budget and being able to reduce the cumulative deficits in the near future without intervention which may include an alternative delivery model.

- 5.3 The proposal has been made to ensure we find the most sustainable model to ensure the MNS are financially viable now and in the future and avoid any deficits increasing whilst continuing to positively support children and their families. Do nothing is not an option.

- 5.4 The proposal provides an opportunity for the council / MNS to pool resources and implement a sustainable business model for early years provision across the borough.

- 5.5 The council therefore need to consult and work collaboratively with partners to find a sustainable model to ensure MNS are financially viable and avoid any deficits increasing whilst ensuring that we retain enough provision for this age group.

- 5.6 There is sufficient and diverse alternative early years provision across the borough to accommodate any displaced children. In total, there are 576 years childcare providers in Croydon, of which 345 are registered to deliver funded places.

5.7 Who we are consulting?

The statutory guidance for proposers and decision makers (Opening and closing maintained schools) outlines the key stakeholders who should be consulted with as part of this process:

- the governing body
- pupils at the school;
- teachers and other staff at the school;

- any local authority likely to be affected by the proposal, in particular neighbouring authorities where there may be significant cross-border movement of pupils;
- the governing bodies, teachers and other staff of any other school that may be affected;
- parents of any pupils at other schools who may be affected by the proposal including, where appropriate, families of pupils at feeder primary schools;
- any trade unions who represent staff at the school, and representatives of any trade union of staff at other schools who may be affected by the proposal; and
- MPs whose constituencies include the school that is the subject of the proposal or whose constituents are likely to be affected by the proposal.

5.8 The list is not exclusive, and the council is consulting the local community and anyone that will be affected by the proposed change, including all non-maintained registered nursery / early years education providers across the borough.

5.9 The key partners that will be concerned about this proposed change are children, families and parents/carers accessing pre-school nursery provision. Staff at the MNS will also be concerned.

5.10 Why are we consulting you?

The council is thinking about making changes to MNS and before deciding in principle whether and how to proceed, it is first seeking the views of partners / stakeholders, including parents/carers, staff, providers, and other interested parties. If the decision is to proceed, a legal process will be followed including formally consulting on a specific proposal and making a final decision before any changes are made.

5.11 The consultation process represents an opportunity for partners, including parents/carers, residents, providers, and anyone affected by or have an interest in the proposed change to learn about the proposal, seek clarification and express their views verbally and in writing. A combination of online and face to face consultation methods will ensure those most directly affected by the proposed change are able to contribute to the decision-making process and Council officers will be available to explain the proposal in more detail and answer any questions.

5.12 When will a decision be made?

It is worth noting that a decision will only be made on the proposal to reduce the number of MNS via closure or amalgamation after the consultation period, which will take place from 19 September 2023 to 17 October 2023. After which the council will analyse the responses to the proposed change to help inform the decision-making process regarding the future options for MNS. The Executive Mayor in Cabinet will consider the findings and decide on whether to go ahead with the proposal to reduce the number of MNS via closure or amalgamation.

6. Proposed consultation timeline.

NOTE: This timeline may be subject to change.

Table 2: Consultation Timetable

Date	Action
19 September 2023	Start of consultation period
17 October 2023	End of consultation period
15 December 2023	Executive Mayor's decision on the consultation outcome

Further information will be provided if required following the outcome decision

7. **Equality Impact Assessment**

An equality impact assessment has been carried out to ensure decisions, practices and policies are fair and do not discriminate against any protected group.

- 7.1 Subject to approval of the proposal, another EqIA will be undertaken to consider the impact of the proposed change.

8. **What happens next?**

At the end of the consultation period, all responses will be analysed and used to construct the consultation outcomes report. This report will be published and submitted to the Executive Mayor in Cabinet for a decision on the proposal to reduce the number of MNS within the borough via closure or amalgamation.

- 8.1 Subject to approval of the above proposal, another formal statutory consultation will be carried out with the name of the MNS proposed to be closed or amalgamated. Partners, including families, providers and the wider community will have the opportunity to make representations about the proposed change. The Executive Mayor will then consider representations made and decide on the proposal to close or amalgamate the MNS.

- 8.2 This report was prepared after consultation with the council's:

- Corporate Management Team
- Director Management Team
- Education Senior Management Team
- HR Team

- Finance Team
- Communications Team; and the
- Senior Leadership Team, including Headteacher and Chair of Governors of the five MNS:
 - Thornton Heath
 - Tunstall
 - Purley
 - Crosfield, and
 - Selhurst

9. How to give your views

Should you require this document in any other format or language, please contact the council using the details below.

9.1 This consultation period allows anyone with an interest to comment or object the proposal to reduce the number of MNS within the borough via closure or amalgamation by:

- Completing the online questionnaire at www.getinvolved.croydon.gov.uk/mns
- Request a paper copy questionnaire and return to:
Croydon Council
Early Years and School Place Planning Team
4th Floor Zone D
Bernard Weatherill House
8 Mint Walk
Croydon CR0 1EA
- Email: CHILD.CARE@croydon.gov.uk

10. What happens next?

After the closing date of 17 October 2023, responses will be analysed and a formal consultation outcomes report will be written. The Executive Mayor in Cabinet is the final decision maker on the proposal to reduce the number of MNS within the borough via closure or amalgamation. A consultation outcomes report will be produced and submitted to the Executive Mayor as part of a cabinet report.

10.1 The results of the consultation will be published on the council's website.