



CABINET

**Wednesday, 26 September 2018 at 6.00 p.m.
C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,
E14 2BG**

SUPPLEMENTAL AGENDA Local Authority Day Nurseries

The meeting is open to the public to attend.

Contact for further enquiries:

Matthew Mannion, Democratic Services,
1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG
Tel: 020 7364 4651
E-mail: matthew.mannion@towerhamlets.gov.uk
Web:<http://www.towerhamlets.gov.uk>

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Agenda Item 6.2

Cabinet 26 September 2018	 TOWER HAMLETS
Report of: Debbie Jones , Corporate Director, Children's Services	Classification: Unrestricted
Securing the future of Early Years services – phased closure of the three local authority childcare day nurseries	

Lead Member	Danny Hassell, Cabinet Member for Children, Schools & Young People
Originating Officer	Christine McInnes, Divisional Director, Education & Partnerships
Wards Affected	All wards
Key Decision?	No
Community Plan Themes	A fair and prosperous community A healthy and supportive community

Reason for urgent consideration: The public consultation on this proposal only closed on 10 September 2018, and the large number of responses meant that compiling the resulting report was a lengthy process which impacted on publication. The decision cannot wait for the next Cabinet meeting as the uncertainty is unfair to families who may need to identify an alternative service if a decision is taken to close the day nurseries and to the staff impacted by the decision.

Executive Summary	
1.1 Evidence shows that children who get a good start in life go on to do better so investing in early childhood education and childcare is a priority for the Council. In Tower Hamlets, where many children come from backgrounds with high levels of poverty and deprivation, effective early years services can help off-set adverse circumstances experienced in early childhood and break the cycle of disadvantage. Early years services are a key contributor to Early Help, support better developmental outcomes and readiness to learn.	1.2 However, early years is one of a large number of priorities in the Council so the level of investment in this service needs to be balanced against the level of investment needed to provide other vital services such as, for example community safety and adult social care within the context of significant reductions in the Council's funding from national government.
1.3 Within the context of government funding cuts, decisions need to be made about the best way to spend the reducing funding to most benefit, both because the Council has a duty to ensure it makes decisions that represent good value for	

money as well as minimising the impact on service users as a whole. This paper is concerned with the future of the three Local Authority Day Nurseries, the LADNs, John Smith, Mary Sambrook and Overland.

- 1.4 The paper outlines the issues that have been considered in deciding to consult on a proposal to close the LADNs, addresses the outcomes of the public consultation and makes recommendations on the next steps. Every decision will impact service users negatively and the change being proposed will have some negative consequence for the small number of service users, however this has to be balanced against the wider and more far reaching negative impacts that could arise from not making this decision.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Note the outcome of the consultation.
2. Approve implementation of the proposal for a phased closure of the LADNs.
3. Note the intention to hold an Early Years Summit to inform and develop the role of the Council in promoting sustainable, accessible and affordable childcare.

1. Context

- 1.1. In response to government funding cuts, Tower Hamlets Council has to make an unprecedented £58million of savings between 2017 and 2020. A growing population alongside increasing demands and costs, means that the Council has to make very difficult choices.
- 1.2. The Council has a range of statutory duties and services to deliver and, in addition, chooses to invest in a range of non-statutory services. The Council also has an over-arching duty to ensure the decisions it makes provide value for money. As funding decreases, the need to ensure best use is made of every pound spent becomes ever more acute so that Council policy can be implemented and there is maximum benefit across the population of Tower Hamlets. It is the Council's job to ensure that the limited money is used as fairly, equitably and efficiently as possible to have the widest possible impact in the community.
- 1.3. Evidence shows that children who get a good start in life go on to do better so investing in early childhood education and childcare is a priority for the Council. In Tower Hamlets, where many children come from backgrounds with high levels of poverty and deprivation, effective early years services

can help off-set adverse circumstances experienced in early childhood and break the cycle of disadvantage. Early years services are a key contributor to Early Help, support better developmental outcomes and readiness to learn.

- 1.4. Accessible childcare also underpins economic development, enabling parents and carers to access education, training and employment. Childcare benefits individual children and their families and also contributes to the Council's anti-poverty and social cohesion priorities. Whilst the Council can work to promote more affordable childcare, this is a national policy issue and the financial implications of actually providing affordable childcare in an equitable way across the borough make this an unaffordable aspiration without further funding from government being forthcoming.
- 1.5. In Tower Hamlets, early years is a success story and we have clear evidence of a steady trajectory of improvement in standards whilst narrowing the gap between the most and least disadvantaged children. These improvements are underpinned by consistently implementing evidence-based practice. Recently we formed one Integrated Early Years' Service (IEYS) which became fully operational in 2017 to maximise the use of reducing resources.
- 1.6. The IEYS has established a strong multi-agency approach by actively participating in the Tower Hamlets Integrated Provider Partnership through the Children's Vanguard which is now Tower Hamlets Together. This is an approach which supports the holistic development of the child and removes barriers to learning. The Council is committed to maintaining the capacity to ensure this improvement journey continues.
- 1.7. The Local Authority has a range of statutory duties in the area of early years child care prescribed by the Childcare Act 2006 and these include the requirements to:
 - work with partners to improve the outcomes of all children up to five years of age and reduce inequalities between them
 - secure sufficient high quality early education places for two, three and four year olds to meet the requirements of parents who require childcare in order to enable them (a) to take up, or remain in, work, or (b) to undertake education or training which could reasonably be expected to assist them to obtain work
 - provide a parental information service (through the Parent's Advice Centre, part of the Family and Parent Support Service)
 - provide statutory services currently delivered through Children's Centres:
 - Improve the well-being of young children in their area and reduce inequalities between them;
 - Ensure that there are sufficient children's centres, so far as reasonably practicable, to meet local need;

- Ensure each children's centre has an advisory board, and that its make-up and purpose meet requirements;
 - Ensure there is consultation before any significant changes are made to children's centre provision in their area;
 - Local authorities, local commissioners of health services and Jobcentre Plus must work in partnership to consider whether the early childhood services they provide should be provided through children's centres in the area.
 - provide information, advice and training for childcare providers.
- 1.8. The Council's duties around inclusion birth to five are detailed in the Children and Families Act 2014, Special educational needs and disability code of practice: 0 to 25 years 2014 and the Equality Act 2010. These duties are delivered by the IEYS Inclusion Team. Specialist SEND provision is available from SEND and the Support for Learning Service. For example, teachers of the deaf support families and children. This support is in the childcare settings chosen by the families.
- 1.9. The IEYS staff also manage the distribution of the correct level of funding to all early years providers, a significant administrative task and also a legal duty. The IEYS also runs the partnership delivery of statutory services through the 12 Children's Centres.
- 1.10. The full statutory requirements are included in the Department for Education Guidance June 2018, Early education and childcare; Statutory guidance for local authorities which can be viewed in full at this [link](#).
- 1.11. Early education and childcare is delivered by a variety of private, voluntary or independent organisations and maintained or academy schools. Whilst the Council has a duty to ensure childcare is available, for children under five years old, attendance is the choice of the parent.
- In addition to school nursery and nursery school provision, there are 83¹ childcare settings and 111 child minders in the borough.
- All this varied provision is funded either by parents paying for care and/or by government childcare place funding. No Council funding is available for childcare places although Council funding does support the 12 Children's Centres.
- 1.12. In Tower Hamlets the statutory requirements in relation to early years are delivered by the Integrated Early Years' Service and an indication of the rich range of work the service provides to children and their families [can be viewed on the web site](#).
- 1.13. However, early years is one of a large number of priorities in the Council so the level of investment in this service needs to be balanced against the level of investment needed to provide other vital services such as, for

¹ Figures from Tribal database September 2018.

example community safety and adult and children's social care within the context of significant reductions in the Council's funding from national government.

- 1.14. This report is concerned with the future of the three Local Authority Day Nurseries, the LADNs, John Smith, Mary Sambrook and Overland and addresses the outcomes of the public consultation on a proposal to close them. The paper explores the options available including those raised in the public consultation, commenting on the possible negative impact on users of the LADNs that will result from agreeing the proposal to close them and how this is outweighed by the greater possible negative consequences of continuing.
- 1.15. The report proposes a phased closure of the nurseries, to mitigate the impact on the current cohort of children. Childcare at Mary Sambrook has been temporarily suspended as we have been unable to recruit sufficient managers to continue service from September 2018, and any children enrolled there have been offered places at John Smith or Overland in the interim. Consequently, if a decision is taken to close the nurseries, it is not proposed that Mary Sambrook will reopen. John Smith would close at Christmas, and Overland (which currently has the largest number of children with special educational needs) at the end of July 2019. This will ensure that parents with children currently enrolled at the LADNs have time to identify suitable alternative provision.

2. EY provision in the borough

- 2.1. The figures quoted in this section do fluctuate and are indicative. There are approximately 22,000 children under the age of 5 in the borough:

Ages	2017 ONS population estimates		
Age 0	4,541	Under 2	9,028
Age 1	4,487		
Age 2	4,366		
Age 3	4,250	2 to 4	13,142
Age 4	4,526		
Total	22,170		

In the region of 7,500 children used childcare during the academic year 2017-18². Of the children attending childcare or education

- 4,561 children attended school nursery and reception classes

² Figures taken from CIS and Tribal datasets June 2018.

- 2,843 children attended childcare (including childminders) of which 73³ children attended the three LADNs in the academic year 2017-18.
- 2.2. At full capacity, the three Local Authority Day Nurseries could provide 117 child care places, which accounts for 1.4% of the total under-5s provision in Tower Hamlets.

<i>Projected operating capacity of LADN</i>					
Nursery	Total FTE projected capacity	0-2 yrs	2-3 yrs	3+	Staffing FTE ratio to support model
Mary Sambrook	38	6	16	16	8
John Smith	38	6	16	16	8
Overland	41	9	16	16	9
Total	117	21	48	48	25

- 2.3. There is a variety of childcare available to families and the age range they cover differs. For children from three months to 2 years of age, there is more limited availability of childcare as there is no government funding available and the required adult to child ratio of one adult to three children (under twos) and one to four (two to three), makes this an expensive option for providers and parents. Childminders will care for children aged three months plus; nursery schools and school nurseries have historically provided for children aged 3 and over, however they are increasingly investing in creating places for 2 years olds and this is discussed further below.
- 2.4. Parents with children of this age attending the LADNs have paid the standard hourly rate. The IEYS cannot raise charges without the agreement of elected members. The ages of children attending the LADNs in April 2018 were:

Age	Under					Total 74
	1	1	2	3	4	
Number children	of					
	1	8	25	36	4	

As in previous years, a number of children left the provision to go onto school nursery provision or into reception. Following this, 21 children continue attending the LADNs in September 2018. Of the 21 children currently attending, there are no children on a Child Protection Plan, no Looked-after children, one child on a Child in Need Plan, one child with an EHCP and six

³ Attendance at childcare fluctuates constantly due to parental choice. Figures are further affected by the ages of the children – younger children require more staffing legally – and the levels of additional needs and SEND affect staffing and therefore occupancy. 73 is the average term time figure. The capacity was 117.

children who are deaf or hearing impaired who require some additional support.

3. How national funding works

- 3.1. There are three strands to government early years childcare place funding:
 - Means tested early learning for two year olds (household income of less than £15,000 with universal credit) at a rate of £6.50 per hour;
 - Universal provision of 15 hours a week during term time (570 hours annually) of childcare for families of all 3 and 4 year olds at a rate of £6.30 an hour (plus £0.50p per hour supplement in areas of disadvantage, applies to 70% of children);
 - An additional 570 hours of childcare (15 hours per week during term time) annually for families of all 3 and 4 year olds whose parents are both working, also at £6.30 per hour.
- 3.2. Any additional hours are paid for by parents and some will be eligible for childcare tax credits. It is up to the provider what is charged for childcare places in order to remain financially viable.
- 3.3. The hourly rate for children attending the LADNs is £4.84, which has been the charge for over 10 years. The charges are agreed annually by Cabinet.
- 3.4. Apart from the significantly lower hourly (and therefore half day and daily) cost, other factors which reduce the costs to parents accessing the LADNs include: charging only one rate which is not varied for younger children or for times beyond core hours, both of which are more expensive when using other providers. Because LADN parents are only paying for hours agreed and not at a daily rate, this reduces income e.g. 9.30 to 3.30 = 6 hours. A daily rate, as charged in PVI childcare, would be minimum of 7 hours. The LADN do not require a deposit and there is no payment in advance, which has resulted in parents accruing debts in some cases. Up until 2017-8, parents could request a flexible hours approach (i.e. 10.00 a.m.-2.00 p.m.) rather than a standard morning or afternoon session. This approach was changed and sessions are now part-time: mornings or afternoons, but parents do not pay during holidays. There is no retention fee charged for the holiday periods for term time only families. There are no payments from other agencies for children who do not fit the funded criteria e.g. deaf children attending Overland DN who are under 2yrs of age.
- 3.5. Whilst the costs to parents are much lower than any other provider's, the cost of running the service is relatively high due in part due to the cost of the overheads for the management and operation of the buildings as well as the terms and conditions of the staff.
- 3.6. In order to meet the funding gap between income from government childcare funding and parental contribution, uniquely the LADNs also had

a significant additional financial contribution. This financial contribution was originally paid from the Council's General Fund, but this was substituted by an equivalent contribution from the Dedicated Schools Grant (schools budgets) in 2015.

- 3.7. In effect, this financial contribution is a direct subsidy which only benefits the very small number of families using the service, a proportion of whom are not the most vulnerable in the borough. In commercial terms this subsidy provides the LADNs with a competitive advantage over other providers, many of whom are voluntary agencies or small local businesses. If the LADNs are closed the families currently benefiting from this subsidy will no longer do so, though some kind of financial transition process could be used as an interim measure to mitigate the negative impact on the small number of families involved.
- 3.8. For the financial year 2017-18, the funding gap was £384k (including £185k of residual costs of the closed Queen Mary LADN). For the financial year 2018-19 the projected funding gap between the income from government funding and parental fees and the costs is £610k because there was the financial benefit of £542K from DSG that will not be available in the following years. This amount has reduced from previous projections because of the smaller staffing numbers.
- 3.9. The bulk of the DfE's DSG is required to be passported by the Council straight to school budgets. A small proportion can be retained with the agreement of the Schools Forum, the statutory decision-making body related to school budgets, to pay for Council services that benefit schools.
- 3.10. With regard to school budgets, school leaders are currently managing the combined financial impact of the following changes –
 - The introduction of the Early Years Funding Formula in March 2018 which pays a lower hourly rate than education provision cost and has curtailed the amount of funding that can be centrally retained to support strategic priorities/centrally organised services;
 - The planned introduction of the National Funding Formula for schools which will reduce current school budgets by an estimated £33m in Tower Hamlets;
 - Falling rolls in primary schools as outlined in the Tower Hamlets Primary Schools Review position paper, April 2018.

'In January 2018, there were around 1,860 unfilled primary school places across all year groups – equivalent to 62 forms of education (FE) or 7% of the borough's supply. In reception alone, there were around 390 unfilled reception places (10% or 13FE). Projections indicate that surpluses in some areas of the borough will continue to increase.'

- The falling proportion of pupils eligible for free school meals.

- 3.11. These pressures, together with changes in the national financial regulations which have resulted in a reducing proportion of the funding that can be centrally retained have resulted in the use of centrally retained DSG coming under ever increasing pressure. Following extensive debate early in 2018, the Schools Forum decided to cease the funding for LADNs from September 2018 on the basis that the current delivery does not represent value for money.
- 3.12. The Schools Forum acknowledged while there are benefits to a small number of individual families from highly subsidised childcare as it is much cheaper to them; the view of the School's Forum is that this position can only be achieved at a very high cost to the wider education system and is intrinsically unfair as the money could be used more effectively elsewhere to the benefit of significantly more children.
- 3.13. This means that the equivalent amount of the Council's General Fund will now be diverted to make up the financial short-fall during this financial year resulting in a significant overspend. This funding would otherwise be used by the IEYS to deliver the range of statutory and non-statutory services outlined above and operational changes will need to be made to curtail the projected overspend in this financial year. Service reductions will need to be made going forward to offset the shortfall in budget. In effect the Council would need to make savings elsewhere to continue funding the LADNs following the School Forum decision to withdraw the DSG.
- 3.14. Whilst it may be argued that an equivalent financial contribution could be found from elsewhere in the Council's budget, this would perpetuate a situation where the Council is clearly not meeting its duty to provide good value for money and providing a financial subsidy to a small number of families, a proportion of whom would be unlikely to meet means testing criteria due to their income. It is acknowledged there will be a negative impact on current service users, but to meet the cost from elsewhere in the Council could result in a greater negative impact to more service users.
- 3.15. It may also be argued that changes in management and the charging structure could make the LADNs financially sustainable. Within the current level of government funding, the Council model of allocating corporate costs and the staff pay and conditions, financial modelling shows that hourly fees to parents would need to increase to circa £40 an hour. This, alongside the other changes that would need to be made, would make the provision unaffordable for most families and unattractive compared to other providers.
- 3.16. When first established 25 years ago, the LADNs did cater for a cohort of particularly vulnerable children, however this is no longer the case. Government and Council investment has created a greater range of high quality childcare. Children with special needs and disabilities, as well as those whose families are involved with Children's Social Care, are successfully integrated into early years settings across the borough. These

children and their families are supported by the Council's peripatetic specialist teachers and other services such as the educational psychology service and speech and language therapists within their early years setting.

4. Places and cost

- 4.1. The very small proportion of childcare places provided by the LADNs has been discussed above and the actual costs for 2017-18 and projected costs for 2018-19 are included below.

4.2. Cost breakdown

2017-18 expenditure	Staff salaries	Agency costs	Building costs	Utilities	Other costs	Totals
John Smith Day Care	267,334	47,873	53,305	2,536	88,415	459,463
Mary Sambrook Day Care	307,007	56,359	33,299	631	86,768	484,064
Overland Day Care	332,153	69,216	33,871	29	98,154	533,423
Total	906,494	173,448	120,475	3,196	273,337	1,476,950
Queen Mary	0	0	114,500	180	70,253	185,176
Total expenditure	906,494	173,448	234,975	3,376	343,589	1,662,126

4.3. Financial forecasting & modelling

Forecasting		2017-18	2017-18 baselines	2018-19 forecasts	2019-20 forecasts
£k		Outturn	<i>Outturn excluding Queen Mary LADN costs</i>	Forecast	Forecast
Total cost		-1,662	-1,476	-1,476	-1,476
<i>Income streams</i>	<i>DSG funding</i>	953	953	542	0
	<i>Government funded hours</i>	182	182	182	182
	<i>Parental fees</i>	142	142	142	142
Total income		1,277	1,277	866	324
Net cost = Budget pressure		-385	-199	-610	-1,152
Net cost per child	<i>Based on 100 children attending during 2017-18</i>	-3.9	-2.0	-6.1	-11.5

Note: This table is based on Appendix A of the June 2018 Cabinet paper.

- 4.4. The baseline has been revised to exclude £185k of costs associated with the closed Queen Mary LADN from April 2018 when the lease ceased, giving lower costs.
- 4.5. The forecasts for 2018-19 and 2019-20 have been revised to assume that government funding and parental fees remain at 2017-18 baseline levels, giving higher incomes.
- 4.6. As numbers attending are significantly lower in this academic year, the number of children attending in the last academic year is used for the

purposes of calculations as currently the per capita costs are significantly higher.

- 4.7. Below is a time point comparison taken for June 2017 and June 2018 showing the costs of agency staff required to operate at capacity.

Month: June 2017

LADN	Number on roll	Of which SEND	DEAF This figure is included in the SEND total
John Smith	37	4	1
Mary Sambrook	38	4	0
Overland	44	16	12
	119	24	13

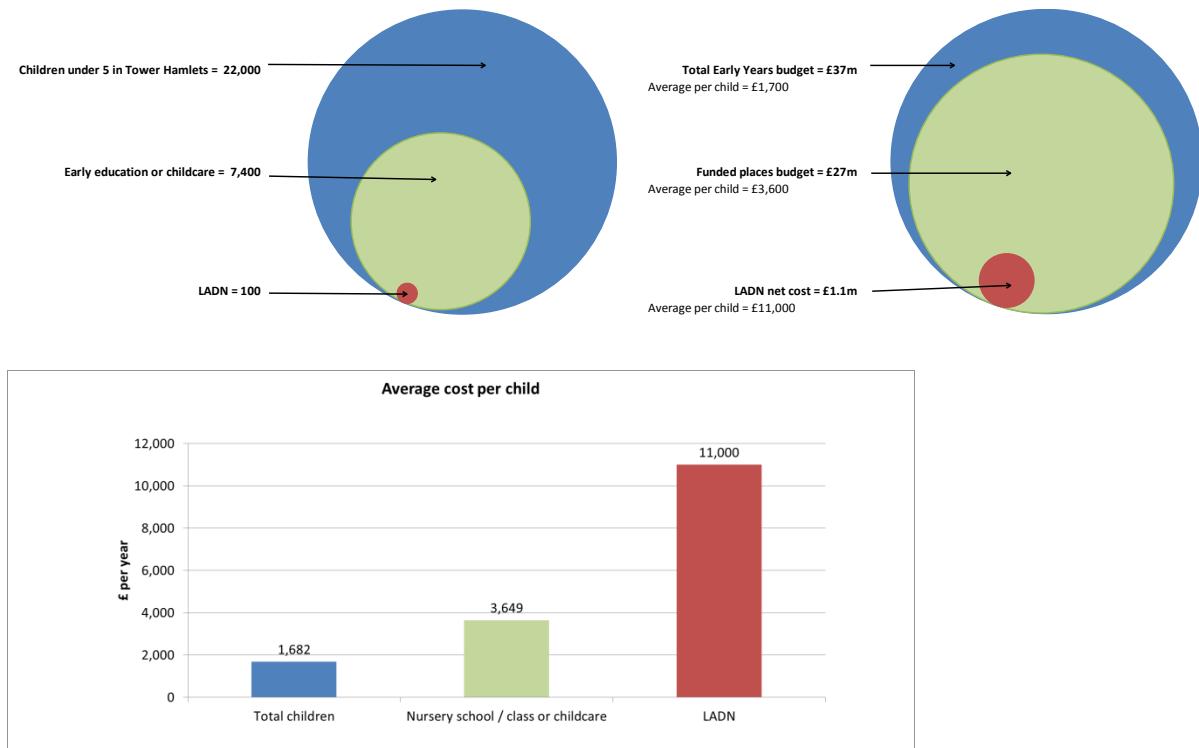
13 agency staff in post. Cost for one month: £25,978.

Month: June 2018

LADN	Number on roll	Of which SEND	DEAF This figure is included in the SEND total
John Smith	20	3	0
Mary Sambrook	18	2	0
Overland	32	16	12
	70	21	12

No agency staff in post. Cost for one month: zero.

- 4.8. The diagram below represents the proportion of childcare provided by the LADNs in relation to the whole and the cost per child in relation to the whole early years budget.



5. Providers who are rated good or outstanding and how this compares to other boroughs

- 5.1. The quality of provision is judged using the national benchmark of Ofsted inspection outcomes. The vast majority of the 87 childcare settings and the 112 child minders in the borough are judged Good or Outstanding by Ofsted, all school provision is Good or better, with the six maintained nursery schools all judged Outstanding. This compares favourably to the 66% of nursery schools across London which are Outstanding.

Compared to neighbouring boroughs, the latest Ofsted outcomes are:

	% Good or Outstanding	Day care nurseries	Childminders	Primary Schools
Tower Hamlets	86	92	100	
Hackney	88	88	96	
Newham	85	85	88	

- 5.2. Source: [https://www.gov.uk/government/statistics/childcare-providers-and-inspections-as-at-31-march-2018/](https://www.gov.uk/government/statistics/childcare-providers-and-inspections-as-at-31-march-2018;)

6. Spaces in nursery schools and nursery classes

- 6.1. Once concern about closure of the LADNs was the impact on families looking for child care. In fact, there are a number of PVI childcare places in the vicinity of the LADNs that have vacancies across the age range
- 6.2. The six maintained nursery schools have 112⁴ vacancies. These vacancies are “held” as vacancies which in practice can be either full or part time to allow for SEND support. The head teachers allocate places in response to the needs of children, within the Ofsted ratio requirements. The figures of 112 vacancies represent a range: 112FT to 224PT places. In practice, the number of places allocated will fall between the upper and lower limit.
 - 6 providers with spaces in 1.5 mile radius from Overland
 - 3 providers with spaces in a 1 mile radius of Mary Sambrook
 - 6 providers with space in a 1 mile radius of John Smith

7. Background to the decision to consult on closure

- 7.1. The cost of the LADNs has been an issue for a number of years and a previous proposal to close the provision in 2014-15 resulted in the contribution of the Council’s General Fund being substituted by a contribution by DSG. This response did not resolve the underlying financial issue of the cost.
- 7.2. In 2017 a proposal to commission Private, Voluntary Sector or Independent (PVI) providers to run the LADNs from September 2018 was strongly opposed during the public consultation. Discussions then took place with the Schools Forum about exploring options for schools to run the LADNs. This was supported in principle, however initial scoping with interested parties indicated that they would not want to start a business with the transfer of current costs that would come with the TUPE of existing staff, the risk of financial failure would be too high. A risk of implementing this model which was raised at the time was of staff being TUPEd to the new provider then immediately being re-structured to alter their terms and conditions.
- 7.3. Careful consideration of the number of high quality early places available, the expense of continuing to run the provision, the pressure on budgets, value for money considerations and the successful integration of vulnerable children into a range of early years settings, showed there was a clear case to propose a phased closure.

⁴ Figures collected 12.09.18 direct from head teachers.

- 7.4. The current model of provision by the LADNs, where the childcare cost for a small group of families is far in excess of the national early years funding formula available, is putting pressure on school budgets and reduces opportunities for that funding to be used equitably and transparently to benefit early years provision as a whole. In order to ensure fairness across the borough and to enable all families to have the same opportunities for access to childcare, as well as ensuring the Council is doing all that it can to support the small businesses and voluntary sector providers that run childcare, the Council needs to take action to maximise value for money.
- 7.5. Within the context of the work of the IEYS to increase childcare places, the closure of the LADNs would not impact in any significant way in the overall number of places in the short term, while current and planned activities would ensure there would be no shortfall over the medium and longer term. For example, the IEYS is working closely with the six maintained nursery schools to improve their financial viability, which includes the development of hybrid models of education setting providing childcare. With the support of the service, Children's House maintained nursery school has recently created eight new childcare places and will be able to take in 12 additional deaf children from September 2018. More generally, the service is promoting the uptake of vacant places in all the maintained nursery schools. There are currently 47 FT and 35 PT vacant places available this September (enough for up to 129 children attending for half a day throughout the week).
- 7.6. In headline terms, this is more than sufficient to accommodate all of the current LADN children, and if the provision is not appropriate for other reasons then other childcare places are available and so there is effectively no risk that parents wishing to use a LADN would not be able to access local childcare. Given the choice, current service users will want to continue with their subsidised childcare, however this will be at a cost elsewhere in the system. There will be viable alternatives available.
- 7.7. A concern raised in the previous consultation on the LADNs was in relation to the potential loss of the highly regarded support for hearing impaired and deaf children and their parents at Overland LADN. Whilst the LADN staff do play an important role for the families, all the specialist input is delivered by external staff who work across the early years sector and this of course would continue. If Cabinet decides to accept the proposal to close the LADN the intention is to retain as many staff as possible within the Tower Hamlets workforce so their skills and experience are not lost.
- 7.8. The Council is also looking at how to make improvements to the SEND services as a whole including for deafness and hearing impairment. Children's House Maintained Nursery School, whose head teacher is a trained audiologist, is offering specialist provision for this cohort from September 2018, easing any pressure on specialist deaf provision at Overland LADN. With capital investment from the Council, Children's House plan to develop a 24 place assessment and learning environment,

including deaf children, which will be fully operational in 2019 and playing a key role in developing a more robust system for deaf and hearing impaired children than currently exists, helping with consistently earlier diagnosis and intervention prior to statutory schooling.

- 7.9. In the longer term, as early years provision is such an important area for the new administration, planning is underway for an Early Years Summit, which will help to define a clear vision for early years in the borough, as well as a process to identify and address the key barriers for the development of affordable childcare locally.
- 7.10. The wider-ranging debate on the LADN has raised a number of important issues that need to be addressed.

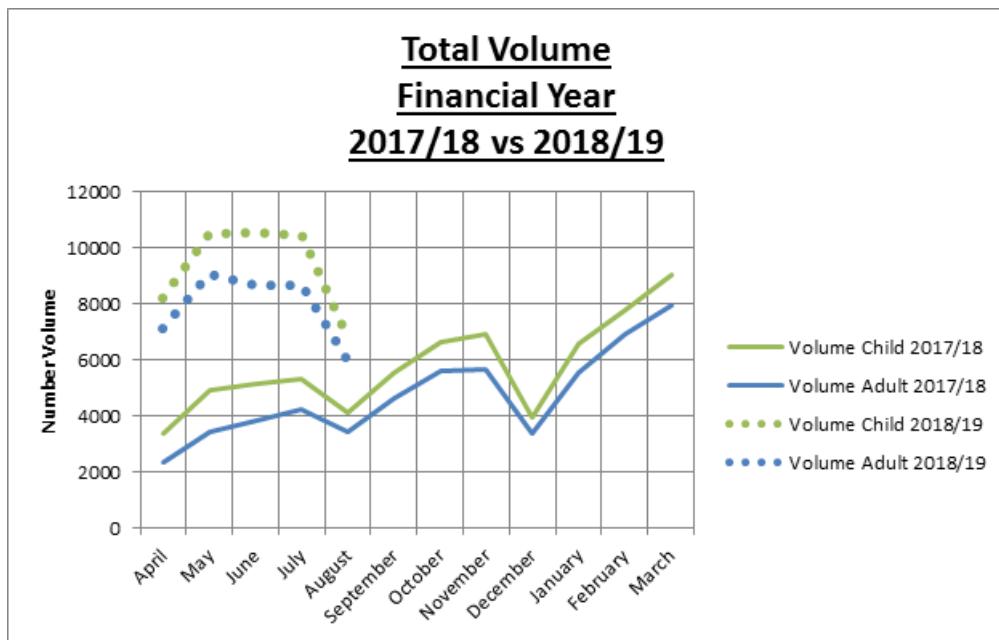
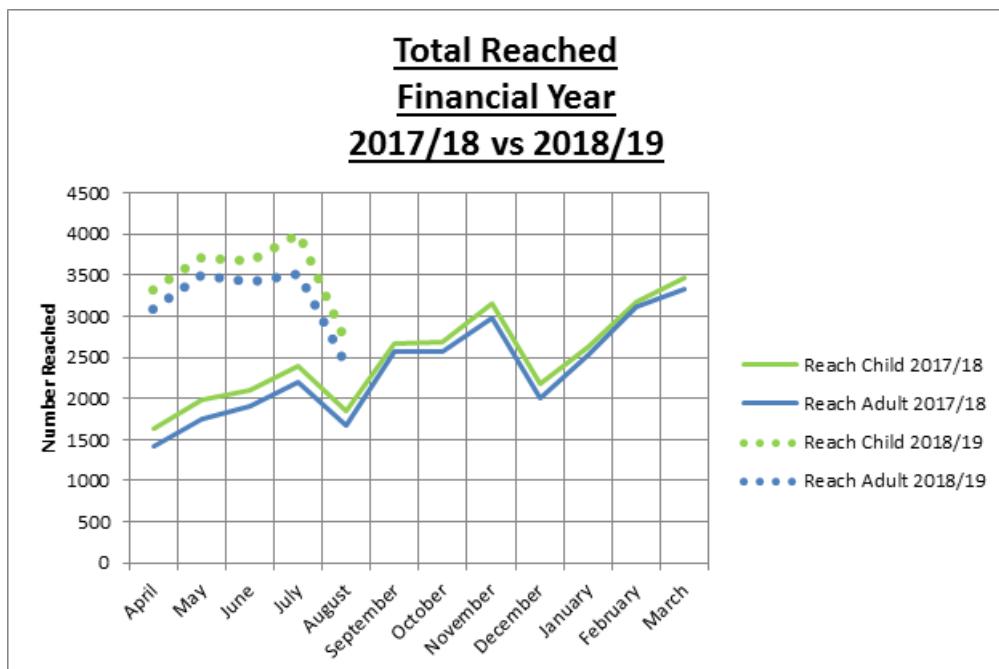
8. Equity

- 8.1. Within a context of diminishing budgets any service which is disproportionately more costly than equivalent services needs to be carefully scrutinised so the reasons for this are understood and a judgement made about whether or not the extra expenditure is justified. This is because a disproportionately high cost which needs to be subsidised from other budgets results in fewer resources being available for services that may benefit a larger group.
- 8.2. It may be fair and justifiable to fund more expensive, higher quality services for more vulnerable children and families and this is the rationale put forward by those who want the LADNs to continue. As a consequence careful consideration was given to this view.
- 8.3. The data about children attending the LADNs clearly shows that the cohort is not significantly more vulnerable than children in other provision in relation to SEND or involvement with Children's Social Care. Whilst data about socio-economic background of families using the LADNs is not consistently collected, it is clear from parental feedback and correspondence that the LADNs cater for a mixture of families from a range of socio-economic backgrounds not just the poorest families. In terms of community cohesion, this is positive, however it does mean that resources are being used to subsidise childcare provision for families across the economic spectrum.
- 8.4. The feedback from parents about the quality of the provision is very positive. However in order to sustain the required staffing levels, staff from other services in the IEYS have had to be placed in the LADNs to provide capacity. This has meant taking them away from their substantive job of working with all the PVI providers in the borough to ensure they meet Ofsted standards and with children's centres, managing statutory service delivery. This has had a negative impact in the wider early years sector whilst this support was in place.

- 8.5. The judgement of the School's Forum was that the DSG contribution to the LADNs could be better used to benefit a much bigger group of children and families through the schools community. In part this decision was reached because the government regulations about use of DSG has over time reduced the proportion of this funding that can be retained by the Council to fund central services (with the agreement of Schools Forum). Whilst the option of officers making a further proposal to Schools Forum for funding to support the LADNs for the financial year 2018-19 has been suggested in the consultation, head teachers have made it clear that this would not be supported and Schools Forum would not agree it.
- 8.6. The option of offsetting the budget pressure through other Council budgets was considered.
- 8.7. The option of offsetting the budget pressure through other Council budgets was considered. To take this option is highly likely to result in cuts in other services and be subject to dissatisfaction from the service users who will be impacted and make the same argument that the cut should be made elsewhere in the Council.
- 8.8. The option of selling one or two of the buildings and using the funds raised to keep the remaining provision open was a suggestion from the Save Our Nurseries campaign. The Council is required to go through an internal asset challenge process to identify if there may be other potential uses for any buildings that may be considered surplus to current operational requirements that meet other Council strategic priorities prior to agreeing to the disposal of any asset. This decision process is taken through the Asset Management and Capital Strategy Working Group to the Asset Management Board for approval. If it is determined that the best outcome for the Council is to proceed with a disposal then this has to be authorised by Cabinet and the net sale proceeds would ordinarily then go into a central fund. The use of this funding is subject to scrutiny and so its use is governed through a decision making process which ensures funding is allocated to address Council capital priorities. It would be very unusual for capital receipts to be used as revenue funding to support the continued operation of other properties. Both the timescale and the processes involved make this option unviable as a way of securing the remaining LADN in operational use.
- 8.9. In addition, pursuing these options would not actually address the budget pressure per se, the issue of poor value for money and therefore the inequitable distribution of funding which arises as a consequence of the LADN funding model; it would perpetuate it.
- 8.10. The way that the Council currently manages its budgets means that the head of service is required to balance their budget within the financial year. As a consequence financial pressures such as those created by the loss of the DSG contribution to the LADNs costs need to be met within the IEYS budget. This means other EY services will be cut back to off-set the costs. The two areas that have been identified for potential reductions are

the Children's Centres and the work on the creation of new places. Reductions in these areas will impact on many more families and children than closure of the LADNs.

- 8.11. The IEYS continues to track use of the Children's Centres in relation to use last year for both reach and volume for adults and children. The dip in August follows the seasonal trend of reduced access by families over the summer period. Should the funding for Children's Centres be cut, there would be an impact on a significantly greater number of children and families than closure of the LADNs.



Percentage increase - Quarters 1 and 2 of financial year 2018-19 in comparison to financial year 2017-18

%increase	Q1	Q2
Reach Child	68%	34%
Volume Child	88%	40%
Reach Adult	74%	39%
Volume Adult	110%	56%

- 8.12. Campaigners for the retention of the LADNs have also argued that the Council should increase investment in early years to bring all providers up to the level of funding the LADNs. The financial implications of this approach is clearly untenable given the budget pressures.
- 8.13. In conclusion, the argument that it is justified to continue the current level of subsidy to the LADNs does not add up. Whilst there undoubtedly be a negative impact on current service users, the children and families are not the most vulnerable in the borough and in addition to the financial subsidy the staffing has had to be supplemented. These costs will be met by reductions in services to many more families.

9. SEND provision

- 9.1. The support of children with special educational needs and disabilities in the early years is a complex process. A proportion of children have clear needs from birth, for example those with profound and multiple impairment who would go on to attend Stephen Hawking school and many of those with sensory impairment (visual or hearing). Others are identified as having some developmental delay and if additional targeted interventions don't have an impact then these children undergo a diagnostic process.
- 9.2. For children with a higher level of need, a portfolio of evidence from professionals is considered by the SEND Panel to decide whether or not the child is eligible to have an Education, Health and Care Plan. This is a legally binding document which sets out the desired outcomes for the child together with the arrangements for achieving them. Children who do not meet this threshold may be identified as needing 'SEN support' which means they are eligible for some additional help. The Council employs teams of specialist teachers for example IEYS Area Inclusion Team and the Sensory Support Service, as well as the

Educational Psychology Service to work with children and parents identified as needing additional help, whether or not they have an EHCP, in their early years setting. This is also true of health and children's social care.

- 9.3. Children identified as needing SEN support and with EHCPs are successfully integrated across early years provision in Tower Hamlets and supported by specialist Council and health service staff in those settings. It is simply not the case that only the LADNs can appropriately support these vulnerable children. So data from the academic year 2017-18 showed that there were a total of 79 children under the age of 5 who had met the threshold for an Education, Health and Care Plan of whom 10 attended one of the three LADNs. With regard to other vulnerable children, there were 52 under 5s who were looked after by the Council and 84 on a Child Protection Plan; of these 136 vulnerable children there was one child on a Child Protection Plan in the cohort of 73 children attending the LADNs.
- 9.4. Figures taken from Council service provider records in September 2018 show that 525 children birth to five are currently receiving some form of additional support from Council specialist SEND services in the borough. This figure is made up of:
 - 208 children supported in PVI childcare settings by the Area Inclusion team.
 - 31 children with EHCPs across all early childhood education and care settings 0-5.
 - 116 with a diagnosed hearing or vision loss of whom 48 have an EHCP
 - 170 children in maintained nursery schools at school support.
- 9.5. The very small number of children with SEND, both those requiring some level of additional support as well as those with a higher level of need as indicated by an EHCP can be successfully transitioned to other existing providers who have already integrated vulnerable children. The Council is working with providers to enhance and extend early years SEND provision. For example, from September 2018, Children's House Nursery School, which is 1.2 miles from Overland, has opened 12 places for hearing impaired and deaf children, giving parents a choice.
- 9.6. Overland quite rightly has a good reputation for supporting children with hearing impairment and their families as staff have a valuable level of experience in this area, however the regular specialist teaching is all delivered by peripatetic teachers who work for the Council's sensory impairment team and speech and language therapists who work for the health service providers. There is no specialist deaf unit at Overland LADN.
- 9.7. Any child with a diagnosed sensory loss (hearing or visual) is entitled to support from a qualified teacher regardless of whether or not they need an EHCP or not. This applies to all types of child care provision. So in

September 2018 there are 116 children birth-to-5 who are being supported by a qualified teacher, 81 have hearing impairment and 35 visual impairment. A very small fraction of these attend the LADNs.

- 9.8. Tower Hamlets has particularly high levels of hearing impairment and deafness and work is ongoing to improve services in this area. The Council is working with an Outstanding local nursery school, Children's House, to develop its proposal to establish an assessment and early support centre for young deaf children and their families. The school has been consistently rated outstanding in its past three Ofsted Inspections and has won national awards, the most recent being this year when Children's House was awarded the School of the Year by Pearson's recognising the work done to promote children's language and communication. Research shows that when early identification of deafness is followed quickly by high quality early intervention, deaf children can achieve the same outcomes as other children. The head teacher is a trained audiologist and teacher of the deaf.

10. Places

- 10.1. **Information on our plans for capital development, expansion and take up of two year old places**
- 10.2. The Council is committed to meeting its duty to provide sufficient and high quality childcare, recognising the benefits to children, families and the wider community. For example, since the Government set a target of a place for every eligible two year old in 2013-14, the IEYS of the Council has successfully created 976 early years places, of which 695 are Early Learning two year old (EL2) places with up to a further 1000 places planned for roll out by 2020.
- 10.3. The table below shows the change in the take up of early learning for two year olds since 2013-14. There has been a 7.5% increase in take up in EL2 in July 2018 compared to the same period in July 2017.

Take up of EL2 since 2013-14

Jul-14	445
Jul-15	741
Jul-16	823
Jul-17	853
Jul-18	915

- 10.4. In future, more primary schools with nursery classes and all the maintained nursery schools intend to take 2 year olds. The IEYS has

met with all schools who have expressed an interest to discuss how the Council can support them.

11. Current IEYS work to expand early learning for two year olds

- 11.1. IEYS continues to send postcards to potentially eligible families around 6 times a year based on the information of eligible families that we receive from DWP, to ensure they are aware of the service their child is entitlement to. This is the most cost effective way of communicating with eligible parents.
- 11.2. From this list the team send postcards to families (minus those families who already have a 2 year old in a placement) informing them of the EL2 offer and providing details of the three nearest providers to their home. The last set of postcards were sent July and the next one is due to be sent next week. Postcards will be sent out again in November.
- 11.3. This leaves a small group who are not accessing childcare and not engaged with children's centres. These families are targeted with children's centre information and encouraged to drop in informally.
- 11.4. Publicity materials have been revised this year including leaflets and banners and leaflets were distributed to GPs, schools and Idea stores. We have been displaying EL2 information on plasma screens at Idea stores on an ongoing basis. We have recently negotiated with Parks team to display EL2 banners near playgrounds across the borough.
- 11.5. All settings providing funded EL2 places have been given a large banner to advertise the 2yo programme, children's centres continue to carry out targeted outreach such as door to door knocking in the community. Also they run stay and play and information sessions specifically for those eligible families by sending invitation and support to fill out forms and give information.
- 11.6. Several articles appeared in *Our East End*, featuring the benefit of EL2 scheme. Recently an “EL2 planning group” was set up in order to plan to further increase the take up of EL2 in the borough. The group consists of representatives from health, social care, housing, JCP, Family Information Service (FIS) and other key partner agencies. The group aims to review the outreach, marketing strategies as well as improving application processes.
- 11.7. Historically, the LA promoted term-time only childcare and in addition to the work of the IEYS on the creation of new places the service is also stimulating the development of a local childcare market which operates all year round to better meet working parent's needs.

12. The outcomes of the public consultation

- 12.1. Cabinet agreed to the proposal to consult on the closure of the LADNs and following a call in by Overview and Scrutiny Committee, the public consultation started on the 19th of July. Whilst a four week consultation would be reasonable particularly as this was a non-statutory consultation, it was agreed to extend the consultation to run for over seven weeks. Four meetings led by the Mayor or Cabinet member for Children's Services were held during the consultation period to give parents and staff an opportunity to discuss the rationale for the proposal.
- 12.2. The online consultation attracted a high level of interest, with 361 completed responses over the period 19 July to 10 September 2018. A further 231 paper responses were received.
- 12.3. The comments reflect a polarisation in views on the future of the LADNs. Those in favour of their closure seek a redistribution of funds to support more children, and note the availability of alternative high-quality childcare. The respondents wanting the LADNs to stay open are concerned about the principle of cuts to Early Years funding and how childcare can support children and their families out of poverty. A full, in depth analysis of the consultation is attached as Appendix 1 and an Equalities Impact Assessment as Appendix 2.
- 12.4. Concern about government cuts to early years funding are causing disquiet across the Tower Hamlets community and there are vigorous campaigns to challenge the national direction of travel. However, retaining the LADNs actually disproportionately reduces the limited resources available within the early years system as a whole. Alternative savings could be identified to continue the required level of subsidy, but this would not address the issue that the LADNs do not represent good value for money.
- 12.5. There is consensus that accessible and affordable childcare can lift families out of poverty and a commitment by the Council to prioritise work on this, but to provide the benefit of subsidised childcare to this very small group of families does not in any systematic or strategic way contribute to a sustainable solution to this challenge.

13. Recommended decision and next steps

- 13.1. The Mayor is asked to note the Equalities Impact Assessment (EQIA), attached as Appendix 2, which concludes that children that attend the LADNs are very close to the ethnic mix of the borough as well as the breakdown of those receiving free hours of childcare. The recommended decision therefore is to proceed with the phased closure of the LADNs as the best option to ensure the implementation of Council policy on value for money and equity in relation to the use of

resources, even though there may be a negative impact on the very small number of service users.

- 13.2. The Council has already committed to continue a strong campaign on the wider issues of in-principle opposition to cuts in early years services and to further explore the scope to promote more affordable and accessible childcare, particularly for the most vulnerable families. The planned early years summit will provide an opportunity for key stakeholders to put forward their suggestions.

14. Equalities implications

- 14.1. Whilst an argument has been made that the LADNs provide a unique service particularly with regard to children with SEND, it is clear that equivalent services are available from a range of other providers. The additional support provided to children with SEND including hearing impairment is through peripatetic teachers employed by the Council.
- 14.2. The Council's peripatetic teachers of the deaf from the Support For Learning service will continue to visit any school or childcare setting attended by deaf and hard-of-hearing children. In this academic year, Children's House maintained has admitted hearing impaired and deaf children for the first time, with a capacity for 12 deaf children. With capital investment from the Council, Children's House plan to develop a 24 place assessment and learning environment, including deaf children, which will be fully operational in 2019 and playing a key role in developing a more robust system for deaf and hearing impaired children than currently exists. This development will contribute to service improvement through providing consistently earlier diagnosis and intervention prior to statutory schooling.
- 14.3. The proposal to delay closure of Overland Day Nursery until July 2019 also means that the majority of children who currently attend, including those with SEND, will be starting primary school reception in the new school year. Parents of children below school age will have nearly a year to identify suitable alternative provision.
- 14.4. Children with SEND who require a personal assistant or other support to attend childcare in any setting will continue to receive this support. This is either provided directly by the Council from the SEND service or a personal assistant may be employed by the child's family from a Personal Payment funded by the Council as part of the Education, Health & Care Plan.

15. Other statutory implications

- 15.1. The Council has a duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having

regard to a combination of economy, efficiency and effectiveness by virtue of section 3 of the Local Government Act 1999. This is known as its Best Value Duty.

- 15.2. The proposal originates from the 2017-20 Medium Term Financial Strategy as a way of making savings. However, because the LADNs have not been funded from LBTH budgets in recent years, budget savings are not achievable.
- 15.3. Instead, implementation of the proposal would avoid the budget pressure arising from the cessation of the contribution from the Dedicated Schools Grant, which will likely be met from the IEYS funding at a cost of £1.6m per year.
- 15.4. If the costs are not met from IEYS budgets, there will be the capacity to enable the continuation and development of other activities, such as the preservation of Children's Centres and growing the childcare and early education sectors in Tower Hamlets to ensure the Council meets its duties with regard to the provision of sufficient child care.
- 15.5. As an illustration of the disproportionate cost of LADNs, Early Years budgets amount to £1,500 per child under 5 in Tower Hamlets while the cost per child attending an LADN is over £17,000. Closing the LADNs would have a significant redistributive effect and end the effective subsidy of a very small proportion of children.

16. Comments of the Chief Finance Officer

- 16.1. The centrally retained element of DSG early years funding has been used, with the support of the Schools Forum, to provide funding in support of the Local Authority Day Nurseries (LADN). In setting budgets for 2018/19 and in the context of the continuing reduction in the levels of funding that can continue to be retained in support of centrally funded provision such as the LADN, the Forum resolved that funding would only be provided until the end of August 2018. The body of the report considers the value for money considerations associated with the LADN provision which members will need to consider fully alongside all of the other relevant points made during consultation such as the availability of suitable alternative provision and the expected impact on the outcomes for young people attending these provisions.

17. Comments of Legal Services

- 17.1. The Childcare Act 2006 ("the 2006 Act") imposes a number of duties on local authorities, including to work with partners to improve the outcomes of all children up to five years of age and reduce inequalities between them. The Council must secure, so far as is reasonably practicable, that the provision of childcare (whether or not by them) is sufficient to meet the requirements of parents in their area who require childcare in order to enable them to work, or undertake education or

training. Additionally, Section 11 of the Children Act 2004 places a duty on the Council to make arrangements to safeguard and promote the welfare of children. The report sets out that the Council would continue to comply with these duties if a decision was taken to close the nurseries.

Public Consultation

- 17.2. There is no statutory duty to undertake a public consultation in relation to closure of childcare provision, however, a decision was taken to carry out a consultation exercise, to inform the decision making and ensure fairness. The responses to the consultation must be conscientiously taken into account when taking a decision in respect of the proposal to close the day nurseries.

Employment and Equality Considerations

- 17.3. Changes to the staffing structure will require consultation and compliance with the Council's Handling Organisational Change procedure. The Council will need to consult with staff before applying any proposed changes to contracts, redundancies or redeployment to other services.
- 17.4. When deciding whether or not to proceed with these decisions Cabinet must also have due regard to the need to eliminate unlawful conduct under Section 149 of the Equality Act 2010, the need to advance equality of opportunity and to have regard to the impact of decisions on protected groups and the need to foster good relations between persons who share a protected characteristics and those who do not (the public sector duty). The appended equality analysis addresses the impact on service users.

Linked Reports, Appendices and Background Documents

Linked Report

- **Securing the future of early years services – local authority day nurseries (27 June 2018)**

Appendices

- Appendix 1 - Consultation report
- Appendix 2 – Equality impact analysis

Background Documents – Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012

- None

Officer contact details for documents:

- Christine McInnes, Divisional Director, Education & Partnerships
christine.mcinnnes@towerhamlets.gov.uk 020 7364 3114
- Jon Graham, Project Manager, Corporate Programme Office
jon.graham@towerhamlets.gov.uk 020 7364 2783

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APPENDIX 1

1. CONSULTATION RESPONSES

- 1.1 The online resident consultation attracted a high level of interest, with 361 completed responses over the period 19 July to 10 September 2018. A further 231 responses were received on paper copies of the survey. Meetings were also held between elected representatives and parents of children attending the LADNs.
- 1.2 Alongside the consultation, other feedback has been received from groups of parents with children attending the LADNs and from Unison. See 1.23 below for details.

Analysis

- 1.3 A majority of respondents, 53% of those who expressed a view, were in favour of the proposal to close the three nurseries:

Do you agree with the proposal to close the council's three day care nurseries?

	Number of responses	% Excluding "don't know"
Yes	292	53.3
No	256	46.7
Don't know	44	
Total	592	

- 1.4 A marginally smaller number of respondents thought that there would be benefits from closing the nurseries. Overall, almost 52% of respondents thought there would be benefits:

Do you think there will be any benefit from the proposal to close the council's three day care nurseries?

	Number of responses	% Excluding "don't know"
Yes	277	51.7
No	259	48.3
Don't know	56	
Total	592	

- 1.5 A majority of respondents, 73%, including some of those who agreed with the proposal, thought that there were negative implications arising from it:

Do you think there will be any negative impact from the proposal to close the council's three day care nurseries?

	Number of responses		% Excluding "don't know"
Yes	385		72.6
No	145		27.4
Don't know	62		
Total	592		

- 1.6 Opinions about closing the nurseries were different based on respondents' use of services. 38 of the 50 respondents (76%) who say they currently use the LADNs were opposed to the proposal, with 11 current users in favour of closure. By contrast, 65% of those with no past or current experience of the LADNs were in favour of closure. As well as commenting on uncertainty over future provision for their child, LADN users report positive experiences of them as described in 1.23 below.
- 1.7 The consultation survey also asked respondents to express a preference between keeping the LADNs open and two other options: not increasing the number of other childcare places; or reducing the number of Children's Centres. It also asked them to prioritise the three types of service. These questions focus attention on the role of LADNs as part of the Early Years services mix and do not preclude other options for continued funding of the LADNs, as respondents had a free text box to make alternative suggestions for savings. Some respondents suggested funding and operational options in the free-text section of the survey, while others have criticised the questions themselves in their comments. Further criticism has been included in other contributions to the consultation, and is detailed in 1.23.
- 1.8 In total, only 26% of respondents who expressed a view thought that keeping the LADNs open would be a better option than increasing other childcare provision:

Do you think it would be better if the council's three day care nurseries stayed open but the number of childcare places were not increased in schools and childcare settings?

	Number of responses		% Excluding "don't know"
Yes	103		25.7
No	298		74.3
Don't know	191		
Total	592		

- 1.9 A smaller number, over 10%, thought it would be better to keep the LADNs open but reduce the number of Children's Centres:

Do you think it would be better if the council's three day care nurseries stayed open but the number of children's centres were reduced?

	Number of responses		% Excluding "don't know"
Yes	56		10.6
No	473		89.4
Don't know	63		
Total	592		

1.10 In summary, although respondents were not convinced of the benefits of closing the LADNs and were concerned about possible negative effects, the majority would not wish to preserve the LADNs if there were adverse impacts on other Early Years provision.

1.11 This is borne out by the priorities respondents gave the three services. Sustaining the number of Children's Centres was the highest priority for the majority of respondents. Fewer than 14% gave this their lowest priority. Increasing access to childcare had under 21% of responses giving it their highest priority. Keeping the LADNs open was the first priority of fewer than 22% of respondents, while 50% gave it their lowest priority:

	Priority - all respondents		
	Highest	Second	Lowest
	%	%	%
Keep nurseries open	21.2	22.6	50.0
Sustain Children's Centres	57.9	39.2	13.4
Increase childcare access	20.9	38.1	36.6

1.12 This indicates that respondents would prefer to have scarce resources allocated to the network of Children's Centres rather than to the two other Early Years options if they had to choose.

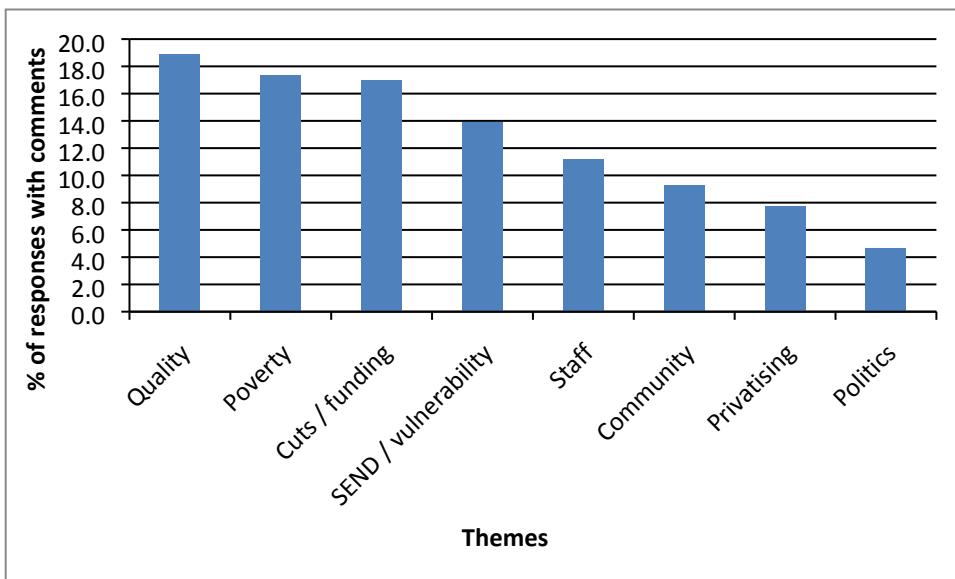
1.13 Significant numbers of respondents had current or previous experience of one or more of these services, and only 78 people (22%) had no experience of them:

	Current	Previous
	Number of responses	Number of responses
LADNs	50	68
Children's Centres	140	90
Other provision	51	105

Note: respondents may use more than one of these services, and may have both current and previous experience of them

Comments

1.14 Free-text comments were provided by 181 respondents. Unless they are separately noted in the following sections, the comments are shown in full at Appendix v. A range of themes emerged in the comments:



1.15 The theme of quality was raised in 49 responses, including 14 which were in favour of the closure proposal. Respondents in favour noted the standard of childcare available elsewhere:

- “There are excellent nurseries that provide outstanding services”
- “There are other quality nursery options in Tower Hamlets”

On the other hand, one of those opposed wrote:

- “... no comparison between the services and care provided by Overland staff and private ones ... we felt very secure in Overland ... pure heart and soul, empowering those who need it most”

1.16 Funding and cuts to services or budgets were mentioned by 44 respondents, 26 of whom were opposed to the closure proposal.

People agreeing with the proposal were concerned about the allocation of scarce funding:

- “I think a lot of money has been spent on these settings, unfortunately this means less funding available for other childcare provision ... Using this money in other areas will help a lot more children”
- “... it is imperative that there is a more equitable distribution of funds, so that more children in the LA can benefit”
- “Money that is obviously scarce should not go to ONLY three nurseries...”

In contrast, other respondents disapproved of cuts to funding and suggested other sources for funds or savings:

- “Children will be brought up without education and end up on the streets ... why cut off money from education when you can cut from other places?”
- “I disagree with cutting funding from education or childcare ... there have to be other parts of the budget where these £58m can come from”
- “I think the council needs to find additional funding or sponsorship to keep both nurseries and children's centres open”
- “Council tax should be increased, including unoccupied housing”
- “... very worried about the closure of LA daycare ... This is a cost cutting exercise with very long and expensive impact”

1.17 Poverty was a concern for 45 of the respondents. These comments included:

- “As a full-time working single parent, nurseries supported my intention to work”
- “Over half the children are living below the breadline poverty ... mothers need to work and provide for their families and so rely on childcare”
- “... depriving a already poor community of services that families and children need”
- “Children in our borough are already living in poverty ... how are you planning to take away vital services that provide stability and support to our vulnerable”

1.18 Twenty respondents mentioned the theme of privatisation or private service, although not all were critical. One response which did contrast public and private provision said:

- “... no comparison between private daycare which is a profit led business and LA daycare and nursery schools”

Two respondents suggested that the LADNs could be sold to private operators or commissioned from them, which is similar to the proposal consulted on in 2017.

1.19 36 respondents commented on the support, especially in early intervention, that LADNs and other Early Years services provide to vulnerable children, including those with special educational needs or disabilities.

1.20 There were 12 responses which included comments related to politics, including:

- “This is not why we voted for a Labour council and Mayor”
- “Fed up with the new Mayor and his team”

1.21 Taken together, the comments reflect a polarisation in views on the future of the LADNs. Those in favour of their closure seek a redistribution of funds to support more children, and note the availability of alternative high-quality childcare. The respondents wanting the LADNs to stay open are concerned

about the principle of cuts to Early Years provision and funding and how childcare can support children and their families out of poverty.

1.22 The consultation stimulated a range of responses however there is a clear majority supporting closure within the current context.

LADNs to close

- a. There is a majority in favour of closure
- b. Children's Centres have the highest priority in comparison to alternative childcare or LADNs which have the lowest priority and least favoured option.
- c. Respondents believe that funds can be distributed in a way which would support more children if LADNs were closed
- d. Childcare is available from other providers, which can transform the prospects of families and children living in deprivation.

LADNs to stay open

- a. Less than half of respondents think there would be benefits from closure, and almost two-thirds believe there would be negative impacts
- b. Support for the LADNs comes from people in protected minority groups which use them the most
- c. Respondents believe that new sources of LADN funding and alternative savings could be found
- d. Childcare can transform the prospects of families and children living in deprivation or with special needs

Other contributions

1.23 Alongside the consultation, contributions have been received from a number of sources:

- a. Paper petition, presented in a file by Unison plus further signatures attached to an email from the Save Our Nurseries Group. See Appendix i for the covering letter.

Petition statement:

We the undersigned note that:

- Tower Hamlets Council is undertaking a public consultation on whether to close, on a phased basis, the three remaining Local Authority Day Nurseries (LADNs) - John Smiths, Mary Sambrook and Overland Nurseries, including the specialist deaf unit.
- Despite a large waiting list, for months council managers have blocked new admissions and have been running down the nurseries by stealth resulting in inflated running costs. They are now trying to use this to justify closure.

We oppose closure of the LADNs and call on the Mayor and Tower Hamlets Council to keep this valuable and in-demand community resource open and under council control. We call on the council to undertake a comprehensive review on how the LADNs are being managed and to develop a plan to ensure their viability.

- b. Online petition organised by Unison, with the same statement as above and, from The Petition Site statistics, signed by 35,005 people (by 7am on 11 September) of whom 9,638 are in the UK.

- c. Letter from parents of children attending John Smith LADN, asking to keep the nurseries open – see Appendix ii.
- d. Email and letter from parents of children attending Overland LADN – see Appendix iii.
- e. Comments and questions from Cllr Andrew Wood (Conservative, Canary Wharf) included in the online survey:

There is not enough financial information on which to make a final decision.

Support Services £472k - what is this? Is there any 'profit component' i.e. income is higher than costs charged from centre (I know other LA who did make a profit on charges to schools)

Do charges include any rent type charge and how much is this p.a.? Employee costs £1,088k = how many employees does this cover i.e. average cost. How does this compare as an average to nursery schools i.e. are the staff costs above average?

What is the maximum weekly occupancy of the 3 nurseries?

Can you provide a do nothing financial option that is at maximum occupancy (with accompanying staff costs) since the number of pupils has been suppressed so we are not comparing like with like when we say the average cost is £15k per pupil

It is alleged that the students of the LADN are more likely to need help i.e. SEN than the average nursery. What is the breakdown of the pupil body compared to the average for TH. Are the LADN students different from the average or not.

Who owns the sites?

What is the value of the property/land if sold on open market?

Councillor Andrew Wood

When I asked similar questions in Cabinet Mayor Biggs said I should fill in the consultation response

- f. Statement from the Save Our Nurseries Campaign, used by seven respondents in the survey free-text comments – see Appendix iv.

Appendix i

Covering letter for petition



07 September 2018

Debbie Jones

Will Tuckley

Christine McInnes

Jon Graham

Democratic Services

Submission of Formal Petition to Tower Hamlets Council

Please find attached a formal petition with 2000+ signatures of Tower Hamlets residents and workers about the proposal to close the three remaining Local Authority Day Nurseries.

This petition should be considered as formal feedback in relation to the public consultation and included in the information received in response to:
https://forms.towerhamlets.gov.uk/service/Day_Care_Nurseries_Consultation

The structurally manipulative design of the on-line consultation has caused concerns. Many found it divisive, flawed and leading, and as such reasonably refused to fill it out.

Please acknowledge receipt of our formal petition and confirm that it will be included as information received by the council in the public consultation.

Save Our Nurseries Tower Hamlets

Tower Hamlets UNISON

Appendix ii

Letter and comments from parents of children attending John Smith LADN:

3rd July 2018

RE: SAVE OUR NURSERIES: John Smith, Mary Sambrook and Overland

I write to you with great urgency, in regards to the above matter. After hearing the recent developments regarding the 3 nurseries I am shocked, appalled and deeply saddened to hear about their imminent closure.

As a mother and whose child attends John Smith I am urging you to think about the repercussions that it will have upon on the nursery, the young children who attends here and other nurseries, their families and the community itself. I am now frantically searching for an alternative when the worse should happen. The closure of these nursery will have an knock on effect on other aspects too. I fear for my own job as I will have to give up my work. I don't want to rely on the state to support me and my daughter, I am capable of working and would want to continue to do so. However, if the nursery is closed I will have no other option but to give my job, to care for my daughter full time. Mayor Biggs will be responsible for that, as he left me and other mothers alike with no other viable options.

These nurseries are a vital life line in our community, they have helped many families and continue to do so. They are a life line for me and for my daughter. I am a single mother who came to John Smith for help. When I was desperate and in need of help for someone to look after my child, so that I can go back to work, John Smith took me in and gave me hope to carry on. I am the sole earner for my daughter and knowing that she would be safe, happy and looked after put my mind at ease. The staff at John Smith are very supportive, they take pride in their work and this can be seen in my daughters developments. Frankly, I would have been lost without them. The staff who runs these nurseries are the unsung heroes of our community. They do so much for the parents and the kids and the least we can do is to support them in their hour of need. Saving the nurseries will not just be secure for today or for tomorrow it will be secured for many years to come and will play a huge part for the greater good.

These nurseries play such a pivotal part in our community, a community which is class as most deprived, where unemployment is high. These nurseries helps to prevent that. By keeping them open they help parents with their child care arrangements which then allows parents to get back into employment.

Anyone who has used these nurseries or in fact any other nurseries knows how beneficial it was for them and for their child. These nurseries assist with the child's developments in many ways, they focus on the child's needs and build up different strategies to help them. They maintain high level of commitment in their work, they always keep parent/ carers involved.

Back in 2014/ 2015 before the elections, Mr Biggs made promises to continue to fund our nurseries. In his Mayoral Manifesto in 2015 he made it clear the following: "*Everyone in Tower Hamlets has been let down by Lutfur Rahman,*" Well I will say the same thing to Mayor Biggs, we are being let down by him, he is no different to his predecessor. Mayor Biggs made empty promises to win peoples vote and now that he has succeed he will do what he wishes. But you can help make a stop to that.

What I don't understand is that previously Mayor Biggs proposed to sell them off to other providers – and over 80% of respondents opposed this. Now the sell-off proposals appear to have been dropped in favour of outright closure, how did this happen? and so soon. Something doesn't sound right here. Someone needs to stand against him and request an independent body to come and look at things. Surely this does not seem right. What mayor Biggs is doing now contradicts his previous proposal. How does he go from trying to sell the nurseries to other providers to closing them outright?

United we stand divided we fall. Please stand with us to defeat Mayor Biggs. Please take a moment to think about our kids futures, the way we shape it today will have lasting impact in the years to come.

The late former president of South Africa Nelson Mandela said "there can be no keener revelation of a society's soul than the way in which it treats its children."

With that in mind please help us save our nurseries. Let your decision be a NO for closing and Yes to saving the nurseries.

Your co-operation is much appreciated.

Parent's of children attending John Smith Nursery

①

John Smith has been an integral part to my child's development. It is an excellent and professional institution which has empowered my daughter. ~~It is~~ Services that John Smith offers is priceless, and I hope it continues

②

John Smith has helped me to stay in full-time employment as I was very anxious about childcare. The staff have been excellent in helping support my child's development and it gives me piece of mind to know that he is happy + well looked after whilst I am at work. The support I receive from them is exceptional.

③ The staff at John Smith have been very helpful and accomodating. They helped me and my daughter during our time in need. The nursery has helped my daughter development. By doing so this allowed me to get back into work. The staff are very helpful, they are experienced and very good at what they do. The whole community benefit from having a nursery in town. My daughter has learnt so much and has developed really well.

④ The nursery (John Smith) has been an extremely important part of my life & my daughter's. I am a working mum & without the support of John Smith Nursery I would have never been able to work work. Nursery helped my child gain confidence, & help & work towards transition to school. It is a ppalling that the nursery is to close down.

⑤ John Smith has been a very big help to us. It has provided my son with help in development & for nursery. and support for us would not be able to go without this place.

⑥

Jon Smith has been an important part of my child's development. The staff here are all amazing and are excellent support system. This nursery is excellent and we would never want it to shut down. It will be very upsetting, firstly for the children, who have an opportunity to do well at a preschool and secondly for us parents who love this nursery and feel content leaving our kids!!!

⑦

This nursery has supported my grandson and I have seen a great improvement in his behaviour & his emotional needs. He has come from a somewhat dysfunctional family and I have taken the task to looking after him. The nursery has been an extension to the family and with their help I know he will continue to grow emotionally equip through his learning education.

Note: the end of this comment did not appear on the scanned copy of the document

Appendix iii

Email and letter from parents of children attending Overland LADN.

Note: examples of parents' experience have been anonymised so that children cannot be identified from this published document.

On Thu, 6 Sep 2018, 15:12 Parent of child at Overland wrote:

Dear Debbie Jones, Christine McInnes, and Will Tuckley,

We would like you to consider the below as a response to the public consultation about the day nurseries which closes on Monday. (Day Care Nurseries Consultation July 2018).

See https://forms.towerhamlets.gov.uk/service/Day_Care_Nurseries_Consultation

We have first hand experience of the work they do for the youngest children in our borough and urge you to undertake a comprehensive review of how they are being managed and work to develop a plan to ensure their viability.

We found the public consultation online to be very divisive and leading and did not want to fill it out.

Please confirm receipt of the email below as a response to the Public Consultation.

Thank you in advance,

Parents of Children at Overland Nursery

On Thu, 6 Sep 2018, 14:21 Parent of child at Overland wrote:
Thursday 6 September 2018

Dear Mayor John Biggs and Councillor Danny Hassell,

We are writing to you because you did not attend the Save Our Nurseries and Unison meeting on Tuesday night as expected, and so you have not heard from the parents of children with additional needs about our experience of the three Day Nurseries, Overland, John Smith and Mary Sambrook, and the state of the alternative provision in the borough.

You have said that the excellent Nursery Schools of our borough can provide for all the vulnerable and disabled children, and that no children will fall through the cracks. This is not true. Vulnerable and disabled children are already on the waiting list for Overland, John Smith and Mary Sambrook, and admissions have been stopped while the future of the nurseries are up in the air. This is such a waste, it must have raised the cost of the day nurseries over this time, and means very young children are already missing out on early intervention, education and care. You cannot be complacent about cutting 102 specialist, affordable and quality day nursery places in a borough with so much child poverty.

We are lucky to have some Outstanding Nursery Schools in Tower Hamlets, and these do important work and should also be protected and fought for! However we have called the 11 listed on your Local Offer, and only 2 of these Nursery Schools take on children from the age of 2 (Old Church Nursery School, Stepney, which has places, and Children's House, Bow, which has a waiting list). All the rest only take children only from the age of 3 years old.

The Early Years Foundation Stage (EYFS) sets standards for the learning, development and care of children from birth. **Overland, John Smith and Mary Sambrook Day Nurseries operate year-round childcare from 8–5:30 for children from 6 months.**

If you close our Day Nurseries, the youngest vulnerable and disabled children will be abandoned to the Private, Voluntary and Independent (PVI) Day Nursery sector, which sadly is inconsistent and unreliable. The Good quality PVI Day nurseries are struggling under increasing London rents, and due to

the new 30 hours childcare scheme. In Tower Hamlets 5 private sector nurseries have fallen off the Tower Hamlets Local Offer since last year, of these 4 were Ofsted rated Good. Private Day nurseries will also often not take on 'complicated users' like the children with SEN who use these nurseries. PVI Day Nurseries may accept government vouchers, but they often have registration and other 'top up' charges. One day nursery in Spitalfields charges parents £23,000 a year!

You have told us that specialist services will be developed at Children's House to replace the hearing unit at Overland, but it is not clear when these will be ready. What about the children that are already waiting for services now?

We are also concerned that further cuts to schools mean that any promised new services at nursery schools will not actually emerge.

Currently only the head teacher at Children's House can sign. At Overland all the staff can sign. The staff of Overland, Mary Sambrook and John Smith are trained in medical procedures like nasal tube feeding, sign language and catheterisation. Early intervention and diagnosis is so important, if children with learning SEN miss out on support at the early stage this delays their learning well into later years. Children will not reach their full potential.

As you did not come to hear us, we would like you to read some of our own personal stories, to explain why quality nursery provision and Early Years Foundation Stage before the age of 2 is so important. We would also like you to consider this email as a response to your public consultation.

The staff at Overland went out of their way to put in place special practices to help C_ (who struggles with focus and emotional regulation) which less well trained staff would not have done. Because of this he has flourished at the nursery. Whilst I've been told that provisions are made for children with special needs, I feel that children like C_ who do not meet a diagnosis at this age, would be left with no option but private care, where in my experience staff are rarely adequately trained to deal with needs like his.

A_

I only wish M_ had started at Overland as soon as I went back to work. M_ went to two settings, a private nursery, and then a childminder, before a place came up Overland (there was a 6 month wait). M_ 's first nursery was charity run one, but it was mostly run by bank – temporary – staff. I would hand him over to a stranger and pick him up from a stranger. He was five months old. Then when I changed to a child minder they did not have the skills to help M_. I was once sent a video of him being upset - the childminder asking me what she should do.

Before he started at Overland nursery, he was just saying one word. He would play alone and not interact much with other children – these are things that led the child minder to label him 'not normal'. As soon as M_ started at

Overland we started speech therapy. We had regular meetings with the SENCO and the Overland staff followed the speech therapist's suggestions making sure everything was being done to help his speech.

M_ was included in sessions run by the teachers of the hearing unit, and here he learned skills like listening and taking turns. M_ 's key worker T_ bonded with him very quickly, was kind and attentive. She realised that he loves numbers and they help calm him when he is upset. So she would use a scale to read numbers with him to calm him down after I dropped him off in the morning. The staff all understand that he doesn't like to be comforted physically, and that the best thing to do is to just stay with him and read or do numbers. This really calms him down. T_ also laminated numbers and invented a game for him that he loves to this day.

This February, we received a definitive diagnosis of autism for M_. The staff were supportive and understanding. Since M_ started at the nursery, his speech has progressed tremendously, he is much more confident, he plays with other children and has 3 best friends. We bumped into M_ 's old speech therapist a few weeks ago (she is now based at Overland Children's Centre) and she was amazed at M_ 's quick progress. Likewise when I recently took M_ to bucket therapy at Mile End Hospital they were surprised at how comfortable he was with the therapy. He was able to sit and engage and gain more from it. This is because the nursery has already started this with him at an earlier age. We need more nurseries like Overland in the borough. The staff catch early signs of issues. Early intervention is key and M_ has been lucky enough to get the right support at the right time.

N_

My daughter has complex needs, she is deaf and wears cochlear implants, she has delayed milestones which require support from physiotherapists, and she was born with a cleft lip, which after repair requires ongoing feed specialist support. Before Overland I was running between hospitals and specialists and trying to research on support available. At Overland, she has received complete and coherent help under one roof. All specialists contact the nursery and visit if needed. Staff from St Thomas visited the nursery and were very impressed and happy with the work that is being done with my daughter. She has truly flourished since she started going to the nursery.

M_

So many children will miss out if you close these day nurseries. Do not give up on them now.

Please tell your officers to look into ways to keep these nurseries open.

Yours sincerely

21 Parents of Children at Overland Nursery (names provided)

Appendix iv

Statement from the Save Our Nurseries campaign:

*It is not the public's job to come up with suggestions! Why have senior managers at the Council not put together a proposal for a more financially viable way of running these nurseries? What are they being paid for?

* The cost of running these nurseries looks like it has been inflated. I have heard that the nurseries have not been run at capacity and there are over 100 children on the waiting list. It is shameful that the council has left these children without access to Early Years Education and care.

* Waiting to attend a nursery setting until they are older, means younger children with hearing and speech difficulties will lose out on specialist care and diagnosis that could really help them communicate with their parents.

*These day nurseries are special and should be treated as such. The staff are trained in medical procedures like nasal tube feeding, sign language and catherisation. The nurseries operate year-round childcare from 8â€“5:30 for children from 6 months. They have an excellent reputation of working with children from disadvantaged backgrounds, in child protection cases and helping children learn English as a second language, vital in Tower Hamlets with our large Bangladeshi community. I think this is money well spent. We have 53% child poverty in the borough. Many other day nurseries in Tower Hamlets have already had to raise their fees. These nurseries ensure stable, secure, affordable provision for the most vulnerable children. The nurseries might cost the council to run, but isn't it worth it? They serve to provide early intervention for the best outcomes for vulnerable children.

* It is not actually financially viable to close our public day nurseries! It costs more in the long term if children arrive at primary school without early years education. The Children's commissioner blames a lack of support for our most vulnerable families in early years leading to the rocketing and unsustainable costs of putting children in care.

* You say that disabled children can go to Children's House Maintained Nursery School. Nursery schools are great. However they are not suitable for working parents, because they do not provide year-round childcare from 8 - 5:30 for children from 6 months. Do you expect parents of disabled children to give up work?

* You have asked me to choose between a number of vital services, when I have heard from councillors that this is a false choice. It looks very corrupt to produce such a leading consultation for residents.

Appendix v

Other comments from online survey

- 1 This is not why we voted for a Labour council and Mayor!!! Yes funding is reduced but there must be other options! It would greatly help if the council dropped its ridiculous opposition to residential parking in new developments the income this would generate would surely be beneficial
- 2 1.I think that early years education, especially provision for special needs and vulnerable children, as is provided by these three day care nurseries is fundamental to improving life chances for ALL children in the borough.
2. It is surely not the public's job to come up with suggestions. Why have senior managers at the council not put together a more financially viable way of running these nurseries.
3.It appears that this Labour administration by closing these nurseries will have abnegated its responsibility to subscribe to equal opportunities.
4.As a life-long supporter of the Labour Party and suscriber to Labour values I find this unwillingness and inability to come up with an alternative plan disgraceful.
- 3 Central government has another 30m coming to help expand the offer of nursery schools in disadvantaged areas so this should help relieve their strain.
The day nurseries are special and should be treated as such. The staff are trained in medical procedures like nasal tube feeding, sign language and catherization. They operate year-round childcare from 8â€“5:30 for children from 6mths. They have an excellent reputation of working with children from disadvantaged backgrounds, in child protection cases and children with whom English is not spoken at home.
They will be more expensive to run due to the ratios but the ratios are important for children with complex needs and they serve to provide early intervention for the best outcomes for vulnerable children. The term after a child turns 2 could mean some children will lose out on specialist care and diagnosis that could really help them communicate with their parents.
Many private nurseries in Tower Hamlets have already had to raise their fees. These nurseries ensure stable, secure, affordable provision for the most vulnerable children. It is not financially viable to close our public day nurseries as it will only cost the borough more later as the children who could receive this care become marginalised and families in need of the service will be put under more strain. The Childrenâ€™s commissioner blames a lack of support for our most vulnerable families in early years leading to the rocketing and unsustainable costs of putting children in care. The saddest outcome for many.
On the following page you are asking us to prioritise without giving us the info required to do so. How many childrenâ€™s centres would need to close? How many childcare places do you intend to create? Would they serve children from the age of 6mths year-round from 8â€“5:30pm? Would they be available for our most vulnerable? Could you guarantee that they are as low cost as the local authority day nurseries? I would like to have not answered as it is impossible to do so without having all of the information but then my response would not have counted. I feel coerced into giving a response that I do not wish to make.
Highest priority: Keep the three day care nurseries open
Second priority: Sustain the 12 childrenâ€™s centres and six delivery sites
Lowest priority: Increase access to childcare across the borough

- 4** Create new income streams to supplement the poor government budget.
There is huge wealth within Tower Hamlets, particularly amongst the businesses based in Canary Wharf. These businesses have HUGE CSR budgets and a responsibility to the local community (where many of their staff live). Ask these companies for commitment to fund the day care nurseries for the next 5 years.
Early years provision is so important to child development. Child poverty in Tower Hamlets is the highest in the country. We need more support for early year development, not less. Our son goes to Bow Nursery (supported by Barnardos) but we were on the waiting list for Overland. Overland is the environment (inc the fantastic staff) you wish every child could grow up in and is superior to any other nursery provision I have seen in Tower Hamlets. We should be looking to open more council run nurseries with top quality early years care and development, not less. I don't believe in the government cuts, but given they are happening I think the council should be looking at more creative ways to raise funds to support the poorest in our community.
- 5** I am particularly concerned about plans to close the Overland nursery, which provides specific services for deaf and hard of hearing children. The fact that this nursery brings together children and parents who are encountering similar experiences and can find support and friendship is incredibly important. Closing the facility removes this, even if services are maintained â€˜off siteâ€™.
- 6** I am the parent of a deaf child and my daughter briefly attended Overlands nursery about 7 years ago. The on site support from teachers of the deaf is fantastic. However the rules on hours under which the nursery operated at the time (offering either 4 short morning sessions or 4 short afternoon sessions a week) were completely inflexible and incompatible with me doing even part time work. I proposed swapping 2 of my morning sessions with a parent who was only offered afternoons so we could both have 2 longer days of cover. I also offered to pay for additional hours to allow my daughter to attend at least 2 full days. Both were rejected and I ended up taking my daughter out after a term and sending her to a local private nursery. Tower Hamlets council funded a specialist teaching assistant for her and she did very well in the setting, benefitting from interacting with hearing peers and a language-rich environment whilst getting specialist support. But it isn't a cost-effective model for the council to take on bespoke 1-1 support for all deaf children.
- I think the best balance is one that gives parents some flexibility and choice over the childcare setting for their deaf child - to fit around any work commitments and so that a very small child is not spending several hours a day in transport which I felt was detrimental for my daughter. And also enables the council to provide cost-effective early support for deaf children. I applaud Tower Hamlets Council for the support they give deaf children in the early years and it has been instrumental in ensuring that my daughter now attends a mainstream school rather than a specialist setting. It has benefitted her development and saved the council money. It is critically important that early support for deaf children continues.
- The important part about the Overlands setting is the specialist staff, not the physical location. If the council come up with a way to use the skills and time of those specialist staff to support deaf children in other settings (and probably a small number of other settings for efficiency) then I would be content with the proposal.
- 7** I believe that the three day nurseries are a costly provision and do not provide value for money. Children would receive a better education with better outcomes in a Nursery School or Nursery Class in a Primary school for a fraction of the cost

- 8** I have a child with various health issues and the continuous support from John Smith has proven to be essential in the management and development of my child. I am due to return back to work in September and finding an alternative day care who will take on my child with the health issues has been difficult. John Smith is the only place that has vast experience and confidence in caring for a child with health issues. As a single mother with no family support network, John Smith day nursery is like a life line. Its given working mothers with children an opportunity to lay foundations for our childrens future. Save the centre and secure our childrens future.
- 9** I think it would be better to close the nurseries as in TH's we know there are excellent nurseries that provide outstanding services to the children. These settings are also ideal for the child's transition into mainstream education as it provides a similar setting which children feel at ease with.

Day care nurseries are expensive to run and in my opinion are more for targeted children whereas other nurseries offer a more universal service which is also more cost effective and cheaper to run.

In reference to closing Children's Centres. CC's provide a holistic service that is targeted, universal and most importantly working with vulnerable families that could slip through the net and be missed. Also CC's provide additional support to families working with other professionals and services.

Studies, research and evidence shows us that Early Intervention is so important in guiding children and families which will result in good outcomes as children grown older and this will include a reduction in health issues, crime, employment opportunities, reduction in DV and social issues.

Through feedback from parents and through direct work that we do, we see the changes and benefits CC's are doing and making and this will only improve and become more robust as we develop and continue our good work

- 10** I think that the quality and experience of staff in the TH day care nurseries is invaluable and especially so to vulnerable children, it is hard to see how you will be able to provide such high quality care with the new arrangements but I can see that this is an equitable to cut costs
- 11** If they can't be taken over by other providers because staff would have a right to be TUPE'd over on their Council salaries and this is too expensive, can't they close but then the three nursery premises be let to new voluntary sector providers so that there will still at least be nurseries on those sites (even if they have to be fee paying because the funding's gone)? We really need nursery places in TH, arguably more than children's centres that provide far less intensive services to more children. Ideally the free/low-cost, subsidised nurseries for children in need could continue, especially as it is clear that if Council-run nurseries close, we'll never get them back. But if the funding is gone, then at least the Council should help there to be fee-paying voluntary sector-run nurseries on the sites. Could it not offer the sites as affordable, suitable premises and try to attract voluntary sector providers? The consultation information doesn't make clear why this wouldn't be possible.

- 12** It is impossible to answer this leading consultation and whoever designed it should be ashamed of themselves.

If you can find 3 million for architecture fees for your new offices, the 540K from the Schools forum can be found. Shame on you for asking the public!

You have experts, you've certainly spent enough on expensive consultants over the years! Maybe try investing in front line staff instead of paying council officers over 100K? The 2nd highest pay rises of all boroughs in London in 2016 (even the Tory ones!)

Whatever the cost per child, the point is that we are subsidizing those who need it most, in order to prepare children with complex needs for school, to help get parents back to work or keep parents in work.

It is clear that good quality nurseries and experienced child minders are struggling to afford to survive in the current environment. Many private nurseries in Tower Hamlets have already had to raise their fees. This means there will be fewer places and those that remain will be less affordable.

These nurseries ensure stable, secure, affordable provision for the most vulnerable children. It is not financially viable to close them as it will only cost the borough more later as the children who could receive this care become marginalised and families in need of the service will be put under more strain.

The Children's commissioner blames a lack of support for our most vulnerable families in early years leading to the rocketing and unsustainable costs of putting children in care. The saddest outcome for many.

There is a clear case by a nobel prize winner that indicates our best investment is Early Years in places of deprivation. We are now at 53.4% child poverty and the council is negligent if it pursues this course of action.

On the following page you are asking us to prioritise without giving us the information required to do so.

How many children's centers would need to close?

How many childcare places do you intend to create? How much would they cost? Would they serve children from the age of 6mths year round from 8-5:30pm and would they be available for our most vulnerable.

Could you guarantee that they are as low cost as the local authority day nurseries?

13 It seems such a shame to shut nurseries that are providing excellent levels of care in the local area. I've been to a number of nurseries and Overland is far superior to any in the area. What is unique is the mix of fee paying children, those with additional needs and vulnerable children.

- Consider merging 2 nurseries

- In addition to the deaf unit, Overland has helped children with additional needs in ways that other nurseries couldn't compete. For example children with ASD are helped by having access to staff members who use signing and they have access the sensory room and other rooms for quite work. I work as an OT for children in Newham where a number of schools there have extra SEN funding. This provides inclusive education.

It seems to me that this model could be a viable option to keep the nursery open. It is well equipped as a site for additional children with SEN.

- Overland has lost much money in the last year as children on the waiting list have been stopped from starting.

- As a fee paying parent it seems outrageous that the fees have not been increased since suggestions were made last year, despite efforts of staff to do so!

This is another way of making it financially viable, as is paying per day rather than per hour.

- Hiring out the space on weekends or using the chidrens centre for paid for sessions to increase revenue.

The staff are very well trained and work very well together. It would be awful to loose this core team who have years and years of experience of providing excellent childcare between them. My son has thrived at Overland and I, amongst others would be so sad to see it go.

14 It's terrible that the choices are one or the other ie nurseries OR child centres. Both should remain open and the fact that the forms have this as an option is both leading and unfair. Especially for those whose first language is not English and can easily read this "option" the wrong way thus choosing an incorrect option.

These nurseries provide a vital care for truly in need children. This need is not provided by other services/care centres at a cost that is affordable for those families that most need it.

The teachers at these nurseries are specialist and needed within their community.

The argument that it costs more to care for each child vs children in other schools is absurd because of course it will cost more to care for kids with special needs. That makes sense. These kids need more services. More specialist workers etc. You can't provide sub par care for children that need (and are currently receiving) the proper care they need.

As a labour council, that campaigned, to keep these spaces open during the election, the council should not only be keeping these spaces open. More importantly, they should campaign to open more spaces like this. It's appalling that this consultation is taking place. It's horrible that some places have already shut down and it's my hope that these vital spaces remain open.

- 15** Questions 5 and 6 above are extremely unfair as they do not allow me to make any response that represents my view. They are classic and rather shocking examples of leading questions designed to gather data that supports the survey author's intended argument. I have had to answer "Don't Know", although I do know, to both questions.

I understand the Council has to face "difficult choices" but this is no reason to prevent people from expressing their genuine views.

Part 2 is equally leading and has no option for 'don't know' or 'other', so I have filled it in a suitably meaningless way (choosing the same option for every question) simply so that I had the right to submit the survey.

I refer the authors of this "consultation" to points A and B of this government guidance on consultations, especially point B "Do not ask questions about issues on which you already have a final view."

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/691383/Consultation_Principles__1_.pdf

- 16** Research carried out in 2014 by Frances Campbell and her team strongly suggest that high-quality early childhood programs have been shown to have substantial benefits in reducing crime, raising earnings, and promoting education. Tower Hamlets goal is to reduce mental health illness in young children, teenager and youth to sustain good quality adulthood. By taking the early prevention measures away such as nurseries and children centre impact on child development. If the nurseries had to be closed due to funds issues then good alternative measures should be implemented to provide continuity of good early years provision for children and families.
- 17** Start recruiting staff paid at market rates, charge parents on a sliding scale, provide more flexible options, especially complementing school run nurseries which are shut and do not cater for working parents.
- 18** The children in our borough are already living in poverty. How are you planning to take away vital services? Services that provide stability and support to our vulnerable.
- 19** The Early Years Foundation Stage (EYFS) sets standards for the learning, development and care of children from birth. Overland, John Smith and Mary Sambrook Day Nurseries operate year-round childcare from 8am-5:30 for children from 6 months. Currently only the head teacher at Children's House can sign. At Overland all the staff can sign. The staff of Overland, Mary Sambrook and John Smith are trained in medical procedures like nasal tube feeding, sign language and catherisation. Early intervention and diagnosis is so important, if children with learning SEN miss out on support at the early stage this delays their learning well into later years. Children will not reach their full potential. Children's Centres are a proud achievement of Labour in government that we need to build on, not pit against other equally vital Early Years educational facilities. Education is about protecting families and young parents, as well as preparing children for schooling.
- 20** The nurseries are vital services especially for the most vulnerable children. Part of this group are disabled children who cannot access regular childcare. Current 'special nursery' provision does not support parents to work because the operating hours are too short. Why should parents of disabled children be discriminated against? Especially in light of benefit changes which push parents into work away from their children, parents of disabled children will not be able to work, be considered to be 'shirking' and out of pocket as a result. Ultimately, this will negatively affect the children. Often parents are not able to access full benefits. Disability Allowances are not always available, for example if a child is deaf, and does not need a carer, but other nurseries won't take these children. This leaves the parents stuck.

- 21** The nurseries themselves have offered suggestions for keeping them open. These include a number of options which I would support including: fees based on a means tested scale, longer opening hours, summer holiday opening for older children. However, this is not the public's job. The council should be putting forward a robust proposal for keeping the nurseries open which the politicians elected to represent us should support - I am so disappointed that the Councillors and Tower Hamlets mayor have supported keeping the nurseries open in the past and then tried to privatise them. When faced with opposition to the privatisation they conveniently paused the process during the local elections, once elected they tried to close the nurseries by stealth. This appears to be very corrupt behaviour.

I think this consultation is flawed and skewed in favour of closing the nurseries. It should not be necessary to choose between the children's centres and the nurseries.

Additionally the statistics which have been promulgated in the Consultation meetings are misleading (e.g. manipulation of statistics, head of childrenâ€™s services not knowing the cost of childcare and other basic details, consistent use of the statement that the closure will only affect 22 children despite the Council deliberately running the nurseries into the ground by not allowing them to take on new staff and not allowing them to operate a waiting list). There are families (right now) that are desperate for a place and have been blocked by the Council. This has a massive negative effect on families.

One of the other things that the council officers have suggested is that disabled and deaf children can go to Childrenâ€™s House. This setting suits some families but are not suitable for working parents, because they are term time only and school hours - which doesn't work for most working parents.

When I was looking for a nursery for my child I looked at all the local nurseries. Most of them were completely unaffordable. None of them had the ethnic, socio-economic and ability mix that there is at Overland. This diversity is essential for long term social cohesion in Tower Hamlets and it does not exist in any other setting for this age group in the borough. You have a responsibility to nurture it and not shut it down.

- 22** There are much better options (both in human terms and in financial terms) for providing support to vulnerable children and their parents/ caregivers than the rather old style strategy of "rescuing" the children from less than optimal parents
- 23** There is no comparison between private daycare which is a profit led business and LA daycare and nursery school settings. I work as a HV and am very worried about the closure of LA daycare and restrictions on nursery places for children-the level of training and support staff have in these settings is reflected in the enhanced outcomes they achieve for children and families. This is a cost cutting exercise with very long and expensive impact.
- 24** There needs to be one service that can provide holistically. Schools do not allow nursery children to attend breakfast club. If the government want parents to work then they need to set up the right environment where parents can send their children.

- 25** This consultation is a farce, the Council should be proposing a full list of options which have been scoped and appraised to the public in order for constituents to make an informed choice. It is not the publicâ€™s job to come up with suggestions! Why have senior managers at the Council not put together a proposal for a more financially viable way of running these nurseries? What are they being paid for?

The cost of running these nurseries looks like it has been inflated. I have heard that the nurseries have not been run at capacity and there are over 100 children on the waiting list. It is shameful that the council has left these children without access to Early Years Education and care.

Waiting to attend a nursery setting until they are older, means younger children with hearing and speech difficulties will lose out on specialist care and diagnosis that could really help them communicate with their parents.

These day nurseries are special and should be treated as such. The staff are trained in medical procedures like nasal tube feeding, sign language and catherisation. The nurseries operate year-round childcare from 8â€“5:30 for children from 6 months. They have an excellent reputation of working with children from disadvantaged backgrounds, in child protection cases and helping children learn English as a second language, vital in Tower Hamlets with our large Bangladeshi community. I think this is money well spent.

We have 53% child poverty in the borough. Many other day nurseries in Tower Hamlets have already had to raise their fees. These nurseries ensure stable, secure, affordable provision for the most vulnerable children. The nurseries might cost the council to run, but isnâ€™t it worth it? They serve to provide early intervention for the best outcomes for vulnerable children.

It is not actually financially viable to close our public day nurseries! It costs more in the long term if children arrive at primary school without early years education. The Childrenâ€™s commissioner blames a lack of support for our most vulnerable families in early years leading to the rocketing and unsustainable costs of putting children in care.

You say that disabled children can go to Childrenâ€™s House Maintained Nursery School. Nursery schools are great. However they are not suitable for working parents, because they do not provide year-round childcare from 8â€“5:30 for children from 6 months. Do you expect parents of disabled children to give up work?

You have asked me to choose between a number of vital services, when I have heard from councillors that this is a false choice. It looks very corrupt to produce such a leading consultation for residents.

- 26** Three day care nurseries will help children with their development especially for those parents who can not travel far like me due to health issues.

Having easy and a walking distance access helps enables me to bring my child to the centre to learn

- 27** We have 53% child poverty in the borough. Many other day nurseries in Tower Hamlets have already had to raise their fees. These nurseries ensure stable, secure, affordable provision for the most vulnerable children. The nurseries might cost the council to run, but isnâ€™t it worth it? They serve to provide early intervention for the best outcomes for vulnerable children!

- 28** Where do we send our two year olds

- 29** With Early Intervention there will be less costs to be made at a later age for a child. Early prevention reduces the costs for a child's adult life.

Children's centres are able to capture and support those who may not be attending a nursery setting and are vulnerable to fall through the net if left without any Early Intervention from Childrens Centres.

There have been much research done to prove this.

Appendix 2

Full Equality Analysis including responses from the public consultation

Section 1: General Information

1a) Name of the savings proposal

Securing the future of Early Years services - local authority day nurseries. Proposal for a phased closure

1b) Service area

Children's Services – Education & Partnerships – Early Years

1c) Service manager

Pauline Hoare

1d) Name and role of the officer/s completing the analysis

Christine McInnes, Divisional Director, Education & Partnerships

Pauline Hoare, Service Manager, Early Years

Jon Graham, Project Manager, Corporate Portfolio Management Office

Section 2: Information about changes to services

2a) In brief please explain the savings proposals and the reasons for this change

In order to fulfil council duties with regard to best value and equity, to enable best use to be made of resources to the benefit of the maximum number of residents, Cabinet agreed in February 2017 to develop proposals to achieve £2.158m savings by seeking new operators for the three childcare day nurseries (LADNs) managed by the council (SDM013 – increasing the involvement of partners in early years services). Public consultation on this proposal took place over eight weeks from 19th September to 10th November 2017, with the majority of respondents (191 or 84.5%) opposing the proposal.

In January 2018 the Mayor deferred a decision pending further work on the accessibility of childcare. Shortly afterwards, Schools Forum decided to cease their contribution to the funding the LADNs in order to use diminishing funds to support higher numbers of children within the school system. A new option, for schools to take on LADN operations was put forward, but the TUPE costs of staff made this unviable for the schools.

Cabinet in June 2018 decided to consult on a further proposal, for a phased closure of the LADNs and finding alternative childcare for those parents who required it. This public consultation ran from 18 July to 10 September 2018.

Need for change

The current annual cost of the LADNs is £1.66m. The income from, fees from parents and government funding for free childcare hours do not cover the cost, once the income from the Dedicated Schools Grant (DSG) allocated by Schools Forum ceases. With the withdrawal of DSG, the budget pressure would jeopardise the delivery of other services and developments and, with no possibility for schools or other operators to take on the LADNs, the phased closure has been proposed.

2b) What are the equality implications of your proposal?

The proposal has been developed following careful analysis of existing early years service provision in the sector which shows that child care places are available across the borough and within the vicinity of the LADNs that, with the same support from peripatetic teachers with specialisms in SEND and other services such as speech and language therapy which the LADNs have access to, are

able to successfully integrate children with additional needs. So in the last academic year 2017-18 there were a total of 79 children under the age of 5 who had met the threshold for an Education, Health and Care Plan of whom 10 attended one of the three LADNs. With regard to children with social needs, there were 52 under 5s who were looked after by the council and 84 on a Child Protection Plan; of these 136 vulnerable children there was one child on a Child Protection Plan in the cohort of 73 children attending the LADNs.

Overland LADN has 12 part time places for children who are hearing impaired or deaf and has a reputation for a specialism in this area of SEND. The grouping of children in this way enables best use to be made of the council's peripatetic sensory impairment teachers (including those with a specialism in deafness and hearing impairment) that teach the children and support the parents alongside the actual LADN childcare staff. In September 2018 there are 116 Tower Hamlets children birth-to-5 who are being supported by a qualified teacher, 81 have hearing impairment and 35 visual impairment, so even if full the places available at the LADNs would not meet the need and the vast majority of children are being successfully supported elsewhere in the sector. A similar model to that currently in existence at Overland where children with a specific additional need can be clustered to enable best use of additional resources such as the peripatetic teachers within provisions that do provide value for money are being scoped over this year to mitigate any possible impact of the closure of the LADNs, however the choice of provision is very much in the hands of the parents. This work will minimise impacts on protected groups, in particular young children with SEND. Alternative provision for deaf children and placements for referred children and those with disabilities and special educational needs are already available within schools or other childcare providers.

Additionally, there are factors of the proposal which might affect very small numbers of people in protected groups – see the Socio-economic line of the Equalities Impact Assessment in Section 3 for details:

- Socio-economic – the councils three day care nurseries charge less than others in Tower Hamlets, and other childcare providers are likely to charge commercial fees which could mean that some lower-income families could no longer afford childcare with a potential further impact on their ability to work if that is the case. To extend the current level of financial subsidy that parents attending the LADNs benefit from to all parents with children under the age of 5 across the borough is not feasible
- Gender – following from the above and as women carry out most home-based childcare, women could be more affected by the proposal

- Others – again based on the socio-economic impact, families from BAME and especially Bangladeshi (and Muslim) backgrounds with women who are in an age range when they could be pregnant or breastfeeding could be more affected than others.

Consultation Feedback

361 online responses were received, although not all respondents answered each equalities question. Some responded “prefer not to say”, and these are not included in the percentages given in this report.

The equality profile of respondents is as follows, with comparisons to 2011 Census figures for Tower Hamlets:

Age band	Responses total	Responses %	Census 2011 %
0-15	1	0.3	18.7
16-24	16	5.0	17.9
25-34	95	29.5	28.8
35-44	105	32.6	14.6
45-54	58	18.0	8.5
55-64	36	11.2	5.4
65+	11	3.4	6.1
Prefer not to say	39		
Total responses	361	100.0	100.0

Very few young people took part in the Consultation. Most respondents were aged between 25 and 64, with over double the proportion between 35 and 64 as in the Census. About two thirds of respondents are in the age bands likely to mean they could have children of nursery age.

Ethnic origin	Responses	Responses	Census
	total	%	2011 %
Asian / Asian British / Other Asian Background	4	1.2	1.8
Asian or Asian British: Bangladeshi	73	22.7	32.0
Asian or Asian British: Indian	11	3.4	2.7
Asian or Asian British: Pakistani	6	1.9	1.0
Black / Black British / Other Black Background	3	0.9	0.9
Black or Black British: African	10	3.1	3.7
Black or Black British: Caribbean	6	1.9	2.1
Black or Black British: Somali	3	0.9	0.6
Mixed / Dual Heritage: Any Other Mixed Background	4	1.2	1.2
Mixed / Dual Heritage: White & Black African	1	0.3	0.6
Mixed / Dual Heritage: White & Asian	2	0.6	1.2
Mixed / Dual Heritage: White & Black Caribbean	2	0.6	1.1
Other Ethnic Groups: Any Other Group	3	0.9	2.3
Other Ethnic Groups: Chinese	7	2.2	3.2
Other Ethnic Groups: Vietnamese		0.0	0.4
White: British	137	42.7	31.2
White: Gypsy / Roma / Traveller of Irish heritage		0.0	0.1
White: Irish	14	4.4	1.5
White: Other	35	10.9	12.4
Prefer not to say	40		
Total	361	100.0	100.0

Over 40% of respondents were White British, more than the 31% in the Census. In contrast BAME respondents were lower than their groups' the Census proportions, by 10% in the case of Bangladeshi people. This may mean that the BAME community did not access the online consultation.

Ethnic origin %	Children over 1 and under 5 receiving government- funded free childcare hours		
	All children under 5	Children attending LADNs	
Bangladeshi	49.5	48.9	52.1
Other Asian	5.2	5.2	4.2
Black	9.7	10.9	8.3
Mixed / dual heritage	9.9	11.6	10.4
White British	16.5	14.8	10.4
Other White	5.6	7.1	12.5
Other group	3.6	1.5	2.1
Total	100.0	100.0	100.0

The latest equalities figures for children attending the council's nurseries generally match the 2011 Census statistics for children under 5 and the figures for those attending childcare in the ages for which government funding is available.

By comparison, the contrast between consultation respondents and the children is marked, especially for Bangladeshi and White British groups.

Gender	Responses total	Responses %	Census 2011 %
Female	245	77.5	48.5
Male	71	22.5	51.5
Prefer not to say	45		
Total responses	361	100.0	100.0

As noted above, childcare issues are more likely to directly affect women, and they contributed the majority of the survey responses.

Gender reassignment	Responses total	Responses %
Birth gender	296	98.3
Other gender	5	1.7
Prefer not to say	60	
Total responses	361	100.0

Three respondents say they have changed gender.

Sexual orientation	Responses total	Responses %
Bisexual	10	3.7
Heterosexual (Straight)	250	93.3
Homosexual (Lesbian/Gay)	8	3.0
Prefer not to say	93	
Total responses	361	100.0

Very few respondents said they are gay, lesbian or bisexual.

Religion & belief	Responses	Responses	Census
	total	%	2011 %
Agnostic	9	3.1	0.1
Buddhist	7	2.4	1.3
Christian	81	27.8	32.0
Hindu	5	1.7	2.0
Humanist	5	1.7	0.0
Jewish	1	0.3	0.6
Muslim	86	29.6	40.8
No Religion	94	32.3	22.2
Sikh	1	0.3	0.3
Other religion	2	0.7	0.7
Prefer not to say	70		
Total	361	100.0	100.0

People with no religion are over-represented in the survey compared to the Census, and the opposite is the case for Muslims, which probably reflects the under-representation of Bangladeshi people noted above.

Relationship status	Responses	Responses	Census
	total	%	2011 %
Co-habiting	39	13.9	19.6
Married or civil partnership	177	63.2	68.9
Single	64	22.9	11.5
Prefer not to say	81		
Total responses	361	100.0	100.0

Seven respondents are in civil partnerships and 170 are married. Single respondents make up more of the respondents than their share of the population.

Disability	Responses total	Responses %	Census 2011 %
Disabled	11	3.7	13.5
Not disabled	290	96.3	86.5
Prefer not to say	60		
Total responses	361	100.0	100.0

Type of impairment	Responses total	Responses %
Learning disability	2	40.0
Long-standing condition	3	60.0
Prefer not to say	6	
Total responses	11	100.0

Respondents included a small proportion of people with disabilities.

Pregnant or breastfeeding	Responses total	Responses %
Pregnant or breastfeeding	43	14.3
Not pregnant or breastfeeding	258	85.7
Prefer not to say	60	
Total responses	361	100.0

A significant number of respondents were pregnant or breastfeeding, probably reflecting the age bands reported above.

Economic status	Census 2011 - all families %	Census 2011 - families with children %
Employed or self-employed part-time	12.8	23.6
Employed or self-employed full-time	55.9	26.2
Unemployed	5.6	9.2
Student	2.5	2.1
Home / child care	3.5	24.2
Sick / disabled	5.9	5.5
Retired	10.7	2.1
Other	3.1	7.0
Total	100.0	100.0

There are marked differences in the working patterns of families with dependent children and other families. Many more are occupied with home and child care and fewer are retired. Fewer families with children are in work, and they have a greater propensity to work part-time rather than full-time compared to other families.

2c) Responses to the proposal

64% of survey respondents who use the LADNs are from Bangladeshi backgrounds and 12% are Black African, significantly above the Census population figures of 32% and 4% respectively. Conversely, 6% of LADN users are White British, compared to 31% in the Census.

However, 53% of White British respondents to the survey agreed with the proposal to close the LADNs, compared to 45% of Bangladeshis.

Over 77% of respondents who use the LADNs are aged between 25 and 44. 36% of people in this age range were in favour of the proposal, compared to 77% of people in older groups.

Half of women and 38% of men were in favour of the proposal.

The highest rates of opposition to the proposal come from the respondents in the age bands and from ethnic backgrounds more likely to be using the LADNs.

Section 3: Equality Impact Assessment

Target Groups	Impact – Positive or Adverse	Reason(s)
What impact will the proposal have on specific groups of service users and staff?		<ul style="list-style-type: none"> • Please add a narrative to justify your claims around impacts and, • Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making
Race	No direct impact	<p>A large number of users are Bangladeshi & Muslim, but these groups are not disproportionately affected by the decision as compared with other groups.</p> <p>Equivalent services are available from other providers.</p> <p>See below for socio-economic impacts which might disproportionately affect BAME groups.</p>
Disability	No impact	<p>Equivalent services are available from other providers (including the additional support provided to children with SEND including hearing impairment) as noted above. With regard to the quality of provision, the council uses the nationally recognised benchmark of Ofsted inspection outcomes. Of the alternative providers to the LADNs, all six of the nursery schools are Outstanding, 100% of school nurseries are Good or Outstanding, 86% of child care nurseries are Good or better as are 92% of childminders. This demonstrates that alternative providers compare favourably in terms of quality of provision to the LADNs.</p> <p>With regard to opening hours, there is currently a difference between nursery schools and school nurseries which have school hours during term time and the LADNs which are open year round and have extended hours. However, the significant drop in numbers attending the LADNs during holidays, particularly the summer holidays have resulted in one of the three being shut and this is evidence that there is a much reduced demand during the summer holidays. The child care providers in the Private, Voluntary and Independent sector have extended hours and operate all year round; it has already been demonstrated that they have appropriate provision for children with SEND and other additional needs.</p>

		<p>Conscious of the needs of working parents, a number of the nursery schools and school nurseries are currently, with the support of the council, scoping how they could provide financially sustainable wrap around child care for all children including those with SEND and other vulnerabilities. These developments will mitigate the impact of the closure of the LADNs, with families that currently have children attending offered bespoke support to find suitable alternative placements if necessary.</p> <p>The council's peripatetic teachers of the deaf from the Support For Learning service will continue to visit any school or childcare setting attended by deaf and hard-of-hearing children.</p> <p>Children's House maintained nursery school will be able to take in 12 additional deaf children from September 2018. With capital investment from the Council, Children's House plan to develop a 24 place assessment and learning environment, including deaf children, which will be fully operational in 2019 and playing a key role in developing a more robust system for deaf and hearing impaired children than currently exists, helping with consistently earlier diagnosis and intervention prior to statutory schooling.</p> <p>Children with SEND who require a personal assistant or other support to attend childcare in any setting will continue to receive this support. This is either provided directly by the council from the SEND service or a personal assistant may be employed by the child's family from a Personal Payment funded by the council as part of the Education, Health & Care Plan.</p>
Gender	No direct impact	<p>Whilst working mothers who are more likely to have childcare responsibilities may be effected, there are a number of providers with vacancies within one to one and a half miles of the LADNs and this is detailed in the report, so equivalent services are available from other providers. The issue of quality and ability of that alternative provision to meet the needs of vulnerable children has been discussed previously.</p> <p>See below for socio-economic impacts which might disproportionately affect women.</p>
Gender	No impact	Equivalent services are available from other providers.

Reassignment		
Sexual Orientation	No impact	Equivalent services are available from other providers.
Religion or Belief	No direct impact	Equivalent services are available from other providers. See below for socio-economic impacts which might disproportionately affect Muslim families.
Age	No direct impact	Equivalent services are available from other providers. See below for socio-economic impacts which might disproportionately affect people in age bands when they are likely to have young families.
Socio-economic	Adverse	<p>It must be stressed that this impact would affect a very small number of families: the total number of children attending the council's nurseries is less than 2% of the under-5s in Tower Hamlets; not all of these children are from low-income families; and only those attending these nurseries and paying for extra hours and moving to a new provider would face increased fees.</p> <p>The council currently charges low rates for childcare, including outside core hours, at the three nurseries and any other provider is likely to have higher fees including premium rates outside core hours.</p> <p>Low-income families are likely to be entitled to free weekly childcare funded by central government: 15 hours (means-tested) for 2-year-olds; 15 hours for all 3- and 4-year-olds; and additional 15 hours for 3- and 4-year-olds whose parents (or single parent) are in work. For longer hours, which are often necessary for those working full-time, and any childcare for children under two, parents will need to pay.</p>

		<p>The impact on any family will depend on the number of extra hours, whether these include non-core times and the age of the child. The other key factor is the difference between the council's current charges and those of other providers. This makes it impossible to reliably estimate the additional cost on any family, but it must be acknowledged that there will be an impact.</p> <p>In both the consultation survey and parents' meetings, concerns have been raised that the extra cost would be so high that parents could no longer work or would have to reduce their working hours as they could lose less income than the extra amount they would have to pay for childcare. Other low-income families might find that more of their limited money is needed to pay for this childcare.</p> <p>Low income families will include people from other protected groups, so there could be an indirect adverse impact on: BAME families, especially from Bangladeshi (and so most likely Muslim) backgrounds; single parents (most likely women); and people of an age when they are likely to have young families, including women who are pregnant or breastfeeding.</p> <p>The alternative of providing the same level of subsidy to all families with children under the age of 5 across the borough is not feasible.</p>
Marriage and Civil Partnerships.	No impact	Equivalent services are available from other providers.
Pregnancy and Maternity	No direct impact	<p>Equivalent services are available from other providers.</p> <p>See above for socio-economic impacts which might disproportionately affect women who are likely to have young families.</p>
Other		None identified

Section 4: Equality Impact Assessment Action Plan

Adverse impact	Please describe the actions that will be taken to mitigate this impact
<p>The potential adverse impact of the proposal is the expected higher costs of paid-for hours charged by other providers compared to the council's low current charges. This would affect a very small number of residents from poorer socio-economic groups, who will in turn belong to other protected groups.</p>	<p>The council may decide to cover the extra charges faced by families who have children using the LADNs and move to a new provider if they currently pay for some of their childcare hours. The cost of this depends on the number of children, their ages and the paid-for hours they attend the nursery, as well as on the difference in hourly charges.</p> <p>This mitigation could only help the very small number of families caught up in the transition, not all of whom are on low incomes. It would set them apart from the vast majority of families, including those on low incomes, using childcare and paying as required.</p>

Section 5: Future Review and Monitoring

The council will be able to monitor a limited number of aspects of equality, comparable to information currently received from private, voluntary and independent nurseries. These are:

- The total number of children attending each childcare setting
- The numbers using government-funded free childcare hours, including the means-tested offer for two-year-olds which will act as a proxy for use of the nurseries by low-income families
- The numbers of children with hearing impairment being taught by the council's teachers of the deaf and the numbers receiving additional council support for other SEND, to ensure that these groups continue to access childcare

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