

LONDON BOROUGH OF TOWER HAMLETS

OVERVIEW AND SCRUTINY COMMITTEE

“CALL IN” REQUISITION

WE THE UNDERSIGNED WISH TO “**CALL IN**” FOR CONSIDERATION BY THE OVERVIEW AND SCRUTINY COMMITTEE OF THE LONDON BOROUGH OF TOWER HAMLETS THE PROVISIONAL DECISION (S) OF THE **CABINET DECISION** TAKEN ON THE Wednesday 26th September 2018

IN RELATION TO THE REPORT SHOWN BELOW:

REPORT TITLE/NO:

6.2. Securing the future of Early Years services - phased closure of the three local authority childcare day nurseries

- Councillor Councillor Puru Miah (Sign) By e-mail (Print)
- Councillor Councillor Tarik Khan (Sign) By e-mail (Print)
- Councillor Councillor Ruhul Amin (Sign) By e-mail (Print)
- Councillor Councillor Shah Ameen (Sign) By e-mail (Print)
- Councillor Councillor Gabriela Salva Macallan (Sign) By e-mail (Print)

Decisions relating to education matters can also be “Called In” by 2 Church, Faith or Parent Governor representatives who have been co-opted the Committee.

- Co-opted Member _____ (Sign) _____ (Print)
- Co-opted Member _____ (Sign) _____ (Print)

Dated _____

*Once completed please return to Matthew Mannion, Committee Services Manager
Telephone: 020 7364 4651*

LONDON BOROUGH OF TOWER HAMLETS

OVERVIEW AND SCRUTINY COMMITTEE – 2018/2019

“CALL IN” REQUISITION

<u>AGENDA ITEM NO.</u>	6.2 Securing the future of Early Years services - phased closure of the three local authority childcare day nurseries
<u>REPORT TITLE/ DATE OF CABINET MEETING</u>	6.2 Securing the future of Early Years services - phased closure of the three local authority childcare day nurseries Wednesday 26 September 2018 <a href="http://democracy.towerhamlets.gov.uk/ieListDocuments.aspx?CI
d=720&MIId=8827">http://democracy.towerhamlets.gov.uk/ieListDocuments.aspx?CI d=720&MIId=8827 <a href="https://democracy.towerhamlets.gov.uk/documents/g8859/De
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20proposed%20closure.pdf?T=a">http://democracy.towerhamlets.gov.uk/documents/d284558/%20 Council%20day%20care%20nurseries%20consultation%20on% 20proposed%20closure.pdf?T=a
<u>REASONS FOR “CALL IN”</u>	<p>The Cabinet meeting of Wednesday 26th September, 2018 announced their decision to close the three remaining Local Authority Day Nurseries (LADNs) in Tower Hamlets: John Smith, Overland and Mary Sambrook.</p> <p>The decision came after nearly a year of uncertainties, with a public consultation having rejected the suggestion of the council’s proposals to outsource the provision in 2017. Following the council’s budget proposals in February 2017, which proposed that the council seek new providers for the LADNs.</p> <p>Friday 9th February 2018 <i>“The Mayor has listened to resident concerns about affordability and, after careful consideration of the consultation responses, has asked council officers to look again at the proposals to see if they can be improved.”.</i></p> <p><a href="https://www.towerhamlets.gov.uk/News_events/News/2018/F
ebruary_2018/Day_nurseries_consultation_council_response.a
spx">https://www.towerhamlets.gov.uk/News_events/News/2018/F ebruary_2018/Day_nurseries_consultation_council_response.a spx</p> <p>We have questions regarding the subsequent consultation on</p>

the closure of the nurseries in July 2018. There are concerns that the closure of the LADNs would affect children with SEN and a large women BAME workforce and that this has not been reflected in the Equality Analysis.

For example, that there is no clear replacement provision for children under 2 with SEN in the borough. In 2014 Brian Gale OBE / Deaf Society opposed closure and this has not be noted: http://www.ndcs.org.uk/for_the_media/press_releases/threat_to_tower.html

We point to Unison's report that Children Centre staff were being used to manipulate the feedback of the Public Consultation and furthermore that the submission from Unison wasn't included in the first set of papers published for the Cabinet meeting on Wednesday 26th September 2018.

<https://democracy.towerhamlets.gov.uk/documents/b28171/Item%206.2%20-%20Further%20consultation%20response%2026th-Sep-2018%2018.00%20Cabinet.pdf?T=9>

The Cabinet report, of 26 September, 2018 announcing closures notes that:

"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."

In our view the Cabinet report is misleading as no 'other operators' were considered as providers to run the three LADNs. Furthermore, the March 2018 Tower Hamlets Schools Forum, at which the 'possibility for schools' to take on the LADNs was presumably dismissed, were not granted the powers of decision. Rather the meeting was presented with five models by council officers, and as the Schools Forum Minutes of the March 2018 meeting confirm:

'(Schools forum member) "asked why it was up to the Schools Forum to make this decision. Debbie Jones responded that it was not the decision of the Forum to do so, nor decide to close the LA Day Nurseries, however in order to take any option forward it was important that there was transparency about the options the Local Authority were taking to bring forward a strategic plan and to create a forward plan."

https://www.towerhamlets.gov.uk/Documents/Education-and-skills/School_governors/180418_Forum.pdf

The Cabinet report notes that:

“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.”

However, we argue that the same Cabinet, which has now agreed the closure of these LADNs, had the ability to raise standard hourly rates for them - and yet they have not increased charges for ten years. Where other local authorities, such as Salford Council look to plan collaboratively with the LADNs and schools, the Tower Hamlets School Forum and the council did not engage to produce a collaborative model which could offer an alternative.

Furthermore, the School Forum was presented with the high running costs of the LADNs, in 2017-18. However, the costs at that time were not representative of the historic operational costs, having been adversely affected by recent significant reductions in the numbers of children attending them. A decision taken by Tower Hamlets Council to stop intake at Mary Sandbrook from July 2017, followed shortly after by the other nurseries raised the projected expenditure of the LADNs. The reasons for these increased running costs were not fully explained to the School Forum meeting on March 2018

The basis for closing the nurseries is stated in the Cabinet report as follows:

3.11. 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.”

We observe that, without due consideration of alternative means of providing the LADNs, the public consultation, far from being ‘extensive’, was limited and flawed, especially as campaigners and Unison have suggested that the *“LADN staff have had many ideas about innovations that have the potential to improve efficiency and income. These have not been explored. For example:*

· Fees – these have not risen for close to ten years. The charge of £4.84 per hour has been in place for nearly a decade. · Means testing - There is no variable charging · Core hours - Care provided outside of core hours is the same as inside of core hours · Income maximisation - The sensory room at John Smiths Nursery is constantly booked by schools and other professionals, yet there is no charge for use. · The potential to develop a special programme over school holidays. · Recharging - staff report that there is no recharging in relation to children

referred to the LADN by Children Social Care. (This list is not exhaustive)

<https://towerhamletswomensmarch.wordpress.com/>

Moreover, this decision has arisen from the budget saving as part of “Increasing the Involvement of Partners in Early Years” (CHI 003 / 17-18), which was agreed by Full Council on 22nd February, 2017. However, the wording of that saving stated that,

“This proposal is designed with the long-term sustainability of current levels of service delivery in mind, and as such service users should see no difference in the levels of service that they receive as a result of these proposals.”

“The proposed changes to the delivery of day nursery provision will cause no depreciation of service for end users. The highest standards of quality will be maintained, and the number of places provided should increase as a result of these changes.”

<http://democracy.towerhamlets.gov.uk/documents/g6797/Public%20reports%20pack%2022nd-Feb-2017%2019.00%20Council.pdf?T=10>

Clearly the closure of the three LADNs will result in a “depreciation of service” for service users, and as such it is a very different saving from the one agreed in Full Council in 2017.

This matter is a key decision and a significant budget. Responsibility for agreeing LBTH’s annual budget lies with all 45 elected councillors, not the Executive Mayor or Cabinet. It is unclear, therefore, why officers have allowed this decision to be made without the agreement of a full Council meeting.

ALTERNATIVE COURSE OF ACTION PROPOSED

We ask that Overview & Scrutiny call for a “pause” on any decision to proceed with the closure of the LADNs.

That a fair public consultation which responds to the 2017 budget savings should include a comprehensive set of options to closure in order to provide the service that the three LADNs are currently operating.

In accordance with Section 4.3 of this authority’s constitution (Budget & Policy Framework Procedure), the Overview & Scrutiny Committee should therefore consider whether this Executive decision is *“contrary to the policy framework, or is contrary to, or not wholly in accordance with the Council’s budget”*.

	<p>If so, in accordance with paragraphs 7.1, 7.2 and 7.3 of section 4.3 of the constitution, the committee should <i>“seek advice from the Monitoring Officer and/or the Finance Officer”</i> whether there has been a departure, and reach a conclusion itself whether this matter actually should be referred to Full Council.</p>
<p><u>WITHIN THE COUNCIL’S POLICY OR BUDGET FRAMEWORK - Please indicate</u></p>	<p>Corporate Priority: A transformed council, making best use of resources and with an outward looking culture</p>