

## TORBAY COUNCIL

Report No: **Chi/2/04**

Title: Proposal to open a LEA Nursery Unit at Shiphay Primary School.

To: Executive Committee on 7 December 2004

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### **1. Purpose**

1.1 To report on the public consultation on a proposal to extend the age range of Shiphay Primary School in order to open a Nursery Unit.

1.2 To make a recommendation to the Executive following this consultation.

### **2. Relationship to Corporate Priorities**

2.1 Education – Placing learning at the heart of our community.

### **3. Recommendation(s)**

3.1 That the financial implications, issues surrounding quality of educational and social experience, the impact on the supply of early education places and the potential effect on other providers associated with the proposal to open a Nursery Unit at Shiphay Community Primary School be noted; and

3.2. That the publication of statutory notices to extend the age range of Shiphay Community Primary School to open a Nursery Unit be approved.

### **4. Reason for Recommendation(s)**

4.1 Shiphay Primary School has constructed a new building at the school and wishes to open an early years facility. The school's preferred option for delivery of early years education requires a decision from the Council.

4.2 Opening a nursery unit would allow the school to offer a wraparound service which is much in demand.

4.3 Opening a nursery unit would give the school parity with 13 other primary schools with nursery units.

4.4 Shiphay received a very good OFSTED report in 2004. Opening a nursery unit would offer a continuum of provision at the school from age 3 years.

### **5. Key Risks associated with the Recommendation(s)**

5.1 If approval is given to publish statutory notices, the School Organisation Committee and/or Adjudicator could reject the statutory proposal. In this event the school would still have other options available.

5.2 If the Council decides not support the school's request to extend the age range, the school could seek to change category to become a Foundation school so that it can bring forward its own proposal.

5.3 A new Nursery Unit could extend choice, but it might also affect the viability of existing voluntary providers of early education.

- 5.4 A new LEA nursery carries a financial commitment for the Council that would need to be funded as a growth item, or from savings elsewhere.
- 5.5 The risk is assessed as 9 on the risk matrix.

Likelihood	6	6	12	18	24
	5	5	10	15	20
	4	4	8	12	16
	3	3	6	X	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		Impact			
	Low risk	Intermediate risk	High risk		

The "x" in the above matrix denotes where the author has assessed the level of final risk to fall

## 6. Alternative Options (if any)

- 6.1 The Council could decide not to propose an extension to the age range. The school would have to examine other options to deliver an early years offer within its new building.

## 7. Background

- 7.1 Shiphay Community Primary School has used its Devolved Formula Capital to construct a new "community building". The school would like to use this building to offer a range of early years facilities for 3 and 4 year olds.
- 7.2 These facilities include a breakfast club, an after school club, childminding places and education places. This would provide "wraparound" childcare between 7.45 a.m. and 6 p.m. which is in increasing demand. The school's proposals are attached to this paper as Appendix 2.
- 7.3 The school would prefer to offer the education places part of this offer within a LEA maintained Nursery Unit. The school has asked the Council to support this by exercising its function as a statutory promoter to oversee the necessary extension in age range.
- 7.4 There are two other options for the delivery of the education part of the offer. The school could invite a private provider to use the new building to provide all or part of the offer, or the school could offer education places in the new building as part of an extended school "business venture" overseen by the governors.
- 7.5 With regard to the first alternative option, the school has held discussions with the nearest independent provider of education places (St Andrews Pre School), but agreement has not been reached to collaborate. There are two other arrangements in Torbay where school premises are leased to independent providers.
- 7.6 With regard to the education places being offered as part of an Extended School "business venture", it should be noted that other aspects of the wraparound offer are essentially a commercial venture. That said, the school has made it clear they would prefer that education places offered should be in an LEA Nursery Unit to provide parity with 13 other Torbay Primary Schools.
- 7.7 If the Council decides to publish statutory notices, there will be a period for objection before the matter is referred to the School Organisation Committee (SOC) for a decision. The SOC must agree unanimously on the proposal, otherwise it will be referred for Adjudication. The Council has one vote at SOC, the other votes being the RC Diocese,

the CE Diocese and the Schools Group. The position of these other groups is not yet known.

- 7.8 Members should bear in mind that the SOC will ask itself several key questions, namely: what will be the effect on standards and school improvement ? What demand is there for this type of provision ? Does it represents cost effective use of public funds ? What consultation has taken place ? What is the effect on other providers ?
- 7.9 Shiphay Primary School considers that attainment of pupils in the statutory age groups will improve if it can offer a continuum of provision from age 3 years.
- 7.10 The questions surrounding demand for places are more complex. There are sufficient education places in the locality already, but there is no facility that offers the wraparound offer and the School contends that “market research” points to unmet demand for this type of provision. Arguably, this is the unique selling point of the school’s plans. Currently, if parents wish to have a continuum of provision throughout the day, then their children will need to travel between venues and providers. In order to make this full wraparound offer, the school considers that it should offer education places on site in a quality, new, purpose built building, rather than collaborate with off site providers. There are 74.9 unfilled education places at 8 early education providers within a one mile radius of Shiphay Primary School. Opening a nursery unit would add 52 places.
- 7.11 There is no requirement concerning capital funding, since the building has already been constructed using Devolved Formula Capital. This is a capital allocation determined by the government and passported directly to schools.
- 7.12 There is a cost implication with regard to revenue. A LEA Nursery Unit would receive a annual lump sum of Around £9000 and the school’s floor area funding would increase. The current funding mechanism for LEA nursery units means that it would be guaranteed funding for 26 FTE places which is around £50,000. The precise additional cost would depend on the take up of places. This is because if fewer pupils attend other providers, the LEA will be passporting less funding to those providers. The additional costs could range between around £60,000 in the case of a nil take up of education places and £28,000 in the case of a full take up of places. Funding for the nursery unit would be a growth item within the Primary School ISB. Members of the Council will have to come to a view about whether, taken in the round, the proposal is a good use of public funds.
- 7.13 Consultation has been carried out in accordance with guidance. Details of the school’s proposal were sent to parents, other local providers, neighbouring schools, diocesan authorities and the Early Years Childcare Development Partnership (EYCDP). A public meeting was held. Details of the consultation response can be found in part 4 of the report and in Appendix 1.
- 7.14 The effect on other providers is uncertain, but in the long term it is inescapable that this proposal will increase the number of education places, whilst the number of potential users remains static. Some providers of education places fear that this would threaten their viability and St Andrews Pre School has said that it fears it will be forced to close.. That said, if the Council decides not to support the change in age range, then the school could decide to offer education as a commercial venture with the same effect on the supply of places.
- 7.15 Other providers understand this, but consider that the LEA’s financial arrangements to support a nursery unit to create an uneven playing field. Most accept that they could not object to a commercial venture where the school develops “at risk”.
- 7.16 Providers of childcare have also voiced their concerns, but the school’s governors can establish childcare facilities at the school under extended school powers and do not need the permission of the Council, nor is there the need for any statutory change. The

school is aware of the sensitivities locally, but the dilemma is that the school wishes to develop a wraparound offer and cannot do so without increasing the supply of childcare places.

- 7.17 This is a difficult decision where the Council must balance the aspirations of a school against the potential effects on some long-established voluntary groups. That said, the Council will also need to consider the potential advantages to offering education places on the school site and the way this would allow a wraparound offer not currently available.

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## IMPLICATIONS, CONSULTATION AND OTHER INFORMATION

### Part 1

These sections may have been completed by the Report author but must have been agreed by the named officers in the Legal, Finance, Human Resources and Property Divisions.

Does the proposal have implications for the following issues? If "Yes" - give details. <i>delete as appropriate</i>		Name of Responsible officer
Legal	No	Lorna Lee
Financial – Revenue	Yes. See para 7.12	Lisa Finn
Financial – Capital Plan	No	Lynnette Royce
Human resources	No	Anthony Goble
Property	No	Sam Partridge

### Part 2

The author of the report must complete these sections.

Could this proposal realistically be achieved in a manner that would more effectively: <i>delete as appropriate</i>	
(i)	promote environmental sustainability? No
(ii)	reduce crime and disorder? No
(iii)	promote good community relations? No
(iv)	promote equality of opportunity on grounds of race, gender, disability, age, sexual orientation, religion or belief? No
(v)	reduce (or eliminate) unlawful discrimination (including indirect discrimination)? No

If the answer to any of the above questions is "Yes" the author must have addressed the relevant issue/s in the main report and have included a full justification and, where appropriate, an impact assessment.

### Part 3

The author of the report must complete this section.

	<i>delete as appropriate</i>	If "Yes", give details
Does the proposal have implications for any other Directorates?	No	

Part 4

<p>Is this proposal in accordance with (i.e. not contrary to) the Council's budget or its Policy Framework?</p>	<p><i>delete as appropriate</i></p>
	<p>Yes or No</p>
<p>1.</p>	<p>If "No" - give details of the nature and extent of consultation with stakeholders and the relevant overview and scrutiny body.</p> <p>A letter explaining the proposal was sent by the LEA to parents of existing pupils at Shiphay, prospective parents, other providers of pre school education, childminders, the EYDCP, diocesan authorities, the neighbouring LEA, elected members. A public meeting was held on 15 November at Shiphay Primary School.</p> <p>20 written responses were received: 3 offering support to the proposal; 10 objecting and 7 that were broadly neutral, but made observations about the proposal.</p> <p>The letters sent in response to consultation will be made available in the Members' Room.</p> <p>In addition to the LEA consultation, St Andrew's Pre School have forwarded 35 objection "slips" from a mailshot to parents and Shiphay Primary School have forwarded 156 "slips" supporting its proposal. Both of these support-gathering exercises have attracted criticisms of bias.</p> <p>A record of the public consultation meeting is attached as Appendix 1.</p> <p>The proposal was considered by the Early Years Childcare Development Partnership in February 2004 when Shiphay Primary were developing its plan. The Partnership commented.</p> <p><i>The capital plans for development certainly seemed to have vision and would help a seamless transition into the educational provision at Shiphay. The partnership did, however, have some concerns about the amount of consultation with other providers within the area and felt that more needed to be undertaken with other groups to ensure that your project had their support. The partnership also felt that more research was required into the needs of the area.</i></p> <p>The EYDCP did not add to these comments during the formal consultation.</p> <p>The main arguments put forward against the proposal in these letters and at the public meeting are as follows.</p> <p><b>Shiphay Primary School held inadequate consultations before developing their proposal.</b></p> <p>As far as the extension of age range at the school is concerned, the decision-makers (i.e. the Council and SOC) need only be concerned with the shape and form of the public consultation carried out over the last two months. Officers consider that this meets the requirements. It is recommended in guidance that school governing bodies should consult with other local providers before opening extended school facilities. Shiphay Primary School has consulted over those aspects of this scheme such as childcare, breakfast clubs and after school club that are regarded as extended school facilities. Clearly, this consultation is not to the satisfaction of some providers.</p> <p style="text-align: right;">Continued</p>

	<p><b>The school should have used its DFC for some other project e.g. to improve the infrastructure for statutory age pupils</b> It is a decision for the school's governing body how to spend its DFC. The governors decide priorities. The school considers that offering early year's education will lead to better educational outcomes for its children at the statutory stage.</p> <p><b>Opening a nursery will have a negative impact on other providers.</b> The effect is uncertain, but as has been noted, the proposal will increase the supply of education places available for 3 and 4 year olds. One local pre school fears it will close. Critics suggest that ultimately choice will be reduced as the number of providers is reduced through closure.</p> <p><b>There is already an adequate supply of places in the area.</b> This is correct. There are already vacancies in existing educational providers.</p> <p><b>The differential funding arrangements for independent and LEA early education settings offer the Nursery Unit an unfair advantage.</b> This is because the LEA provides funding on the basis of the number of places, rather than the number of pupils in attendance. The LEA is to review this funding arrangement for 2006-2007.</p>
2.	If "Yes" – details and outcome of consultation, if appropriate.

Part 5

Is the proposal a Key Decision in relation to an Executive function?	<i>delete as appropriate</i>	If "Yes" - give Reference Number
	Yes	X39/2004

Part 6

**Wards**

Shiphay and the Willows

**Appendices**

Appendix 1                      Record of Public Consultation Meeting  
Appendix 2                      Shiphay Early Years Centre Proposal

**Documents available in Members' Room**

Written consultation responses

**Background Papers:**

The following documents/files were used to compile this report:

None