

NOTIFICATION OF DECISION TAKEN – FOR PUBLICATION

PLEASE NOTE: THIS FORM MUST BE HAND DELIVERED TO THE DEMOCRATIC SERVICES TEAM WITHIN 1 WORKING DAY OF THE DECISION BEING TAKEN.

FOR USE WITH ALL PORTFOLIO AND OFFICER KEY DECISIONS

See checklist below and Guidance Note 4 – Guidance Notes for Individual Member/officer Decision-making.

Decision taken by: Director - Children's Services and
Cabinet Member for Education, Children's Services and Protection

Summary of Decision Taken including reasons (If appropriate, please specify relevant paragraphs).

- 1.1 This Report seeks approval for the re-structuring of the Early Years' Service (EYS) to achieve the required savings for 16/17 whilst minimising the impact on achievement and outcomes. The proposal will achieve savings of £250,800 to base budget and a further £20,610 reduction to the Dedicated Schools Grant (DSG), representing the required 7% cut to the latter.
- 1.2 In order to meet the savings required over the next four years, this report is the first phase of an ongoing restructuring process.
- 1.3 The approach to the changes described in this paper will ensure that the service can continue to meet its statutory responsibilities in terms of the provision of 2, 3 and 4 year olds places and maintain a level of support and challenge for providers to promote high quality intervention for our most needy families.
- 1.4 There is also a need to ensure that the restructured team is sufficient to meet future government developments such as the move to 30 hours of free entitlement for eligible three and four year olds which is due to come into effect by September 2017. Work for this initiative will need to commence by September 2016 at the latest.
- 1.5 The savings to the general fund and reductions to funding from the Dedicated Schools Grant will be achieved by a combination of deleting a number of posts across the service, by reducing posts from full time to part time, a reduction of 'other costs' and by increasing income generation and by substituting funding sources.
- 1.6 Finally, to ensure continuance of the required outcomes, the reduced EYS will need to retain its core purpose whilst continuing to work closely, engaging directly with, and supporting, Headteachers and managers of other educational settings. EYS also needs to continue to work strategically and operationally with Health, Education, and with other relevant statutory and voluntary sector partners to identify trends and gaps and commissioned services to ensure sufficiency within the London Borough of Enfield.

PLEASE SPECIFY CATEGORY OF DECISION: Key

If Key, please quote Forward Plan reference. Reference No. 4288

Any alternative options considered and rejected:

Retaining existing structures - This option will not deliver the necessary savings.

Deleting the Service completely – This option would have to rely on alternative providers to deliver the required places and could not ensure sufficiency of provision; nor that the quality of that provision would be of sufficient quality. This would seriously weaken the Council's ability to intervene effectively, as it is statutorily required to do, if a school or setting was failing.

Was the decision made in Part 1 or Part 2 ? If Part 2 please give the relevant paragraph of the Access to Information Act.

Interests Declared in Respect of the Decision (and by who):

NOTE: This form must be signed and dated by the decision taker(s) – see below:

Signed:



Date:

26, 4, 16

**CABINET MEMBER
EDUCATION, CHILDREN'S SERVICES AND
PROTECTION
COUNCILLOR AYFER ORHAN**

Signed:



Date:

24 / 04 / 2016

**DIRECTOR - CHILDREN'S SERVICES
TONY THEODOULOU**

MUNICIPAL YEAR 2016/2017 REPORT NO.

MEETING TITLE AND DATE:

REPORT OF:

Jenny Tosh
Chief Education Officer

Contact officer and telephone number:

Jenny Tosh: Ext. 3284

Email: jenny.tosh@enfield.gov.uk

Agenda – Part:

Item:

Subject: Restructure of the Early Years' Service

Wards: All

Key Decision No: 4288

Cabinet Member consulted:

Ayfer Orhan

1. EXECUTIVE SUMMARY

- 1.1 This Report seeks approval for the re-structuring of the Early Years' Service (EYS) to achieve the required savings for 16/17 whilst minimising the impact on achievement and outcomes. The proposal will achieve savings of £250,800 to base budget and a further £20,610 reduction to the Dedicated Schools Grant (DSG), representing the required 7% cut to the latter.
- 1.2 In order to meet the savings required over the next four years, this report is the first phase of an ongoing restructuring process.
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- 1.4 There is also a need to ensure that the restructured team is sufficient to meet future government developments such as the move to 30 hours of free entitlement for eligible three and four year olds which is due to come into effect by September 2017. Work for this initiative will need to commence by September 2016 at the latest.
- 1.5 The savings to the general fund and reductions to funding from the Dedicated Schools Grant will be achieved by a combination of deleting a number of posts across the service, by reducing posts from full time to part time, a reduction of 'other costs' and by increasing income generation and by substituting funding sources.
- 1.6 Finally, to ensure continuance of the required outcomes, the reduced EYS will need to retain its core purpose whilst continuing to work closely, engaging directly with, and supporting, Headteachers and managers of other educational settings. EYS also needs to continue to work strategically and operationally with Health, Education, and with other relevant statutory and voluntary sector partners to identify trends and gaps and commissioned services to ensure sufficiency within the London Borough of Enfield.

2. RECOMMENDATIONS

This Report seeks approval for the re-structuring of the Early Years' Service:

- 2.1 In order to meet the required savings to both Base and DSG budgets, the following restructuring of the Service is recommended. (See Appendix for Structure Charts)

- 2.1.1 The following posts will be deleted by August 2016 to achieve the required savings from Base Budget. All posts are Full-Time Equivalent (FTE) unless otherwise stated.

Role Title	Scale
Entitlement Service Manager	MM2
Childminding Support and Network Manager	PO2
Childminder Support and Network Co-ordinator (0.4 FTE) (Vacant Post)	SO1
Childminder Support and Network Co-ordinator (0.6 FTE)	SO1
Childminder Support and Network Co-ordinator (Fixed term post which expired 31/12/15)	SO1

- 2.1.2 Due to the decline of the two year old Trajectory Funding, the following fixed term posts are to be removed from the Service's structure.

Engagement and Brokerage Advisor x 2 (Fixed term posts which expires 31/03/16)	SO1
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- 2.1.3 In addition to the above, to achieve the required savings, it is proposed that the following three posts are changed from full time or part time to term time only (TTO).

PVI & Children's Centre Advisor x 2	PO1
Engagement and Brokerage Advisor x 1	SO1

- 2.1.4 To achieve the required savings of 7% recently applied to the DSG budget for 2016/17, a reduction of 0.6 FTE needs to be made across the existing Teacher Advisor roles. Through discussion, it has been agreed that this will be achieved by two Teacher Advisors reducing their current number of days by 0.2 FTE and by the existing 0.6 FTE role moving to TTO. Included within these changes is the 0.2 FTE post currently outside the service's established posts but which has been funded from within the Early Years' budget for several years. This forms part of the above 0.6 FTE deletion.

- 2.1.5 Further reports will be submitted in due course to meet the ongoing restructuring required to achieve the savings identified in the medium term financial plan.

3. BACKGROUND

- 3.1 The EYS was created in 2014 in response to the need for a more co-ordinated approach. Previously, the support and provision for early years' education, child development, childcare and play was the responsibility of a number of teams and services across Schools and Children's Services (SCS).
- 3.2 Major government investments in Early Years over the last ten years in terms of development of Children's Centres and two year old provision (since 2009) have now ceased. Additionally, the financial constraints on the Council which resulted in a re-structuring of Children's Centres in 2015 means that there is a further urgent need to rationalise the work of the EYS to ensure a coherent way forward for the Council over the next financial year.
- 3.3 The creation of EYS was in response to a sharp increase in focus from OFSTED on maximising the educational attainment for children in early years settings and their readiness for school; a reduction in national funding and a change in direction with a sharper focus on external evaluation, maximising progress on attainment for CYP across all settings, nurseries and childcare. Whilst reforms in 2013 took away the monitoring role for the Local Authority, it also introduced a statutory role for maintaining and driving up standards.
- 3.4 The work of the EYS has had the following positive impact:
- 91% of providers in Enfield are now graded as 'Outstanding' or 'Good' by Ofsted as of February 2016, up from 72% in 2014;
 - Around 70% of eligible two year olds are now accessing their free entitlement, of which, around 97% are in 'Outstanding' or 'Good' provision;
 - It is estimated that in excess of 1,000 additional two, three and four year old sessional places have been created on the back of the Department for Education's (DfE) capital funding allowance of just over £1m;
 - Currently 14 schools in the Borough now take two year olds within their nursery with four school's having taken part in the DfE's Two-Year-Old in Schools pilot;
 - Despite the massive expansion of eligible two year olds in provision, the take up by three and four year olds has also continued to increase, up two points to 87% based on January 2015 Census;
 - The restructuring of the 22 children's centres in the Borough into a five Hub and Spoke model.
- 3.5 The further re-structure is now required to meet the identified savings for 16/17. The proposals will enable the service to meet its statutory responsibilities in terms of delivering 2, 3 and 4 year old places terms and still maintain **a level of support and challenge for providers to promote high quality intervention for our most needy families**. The service will still have a key role in ensuring all settings are judged to be good or outstanding by Ofsted and supporting them to narrow the achievement gap in the early years.
- 3.6 Although every attempt will be made to maintain the quality and effectiveness of the Service, inevitably reductions in staff will narrow the Service's ability to continue to ensure the high quality of provision within the borough, which in turn is likely to have an impact on the number of two year old places delivered for the 40% most disadvantaged families. Additionally, reductions to the Entitlement

Team will impact on the Council's ability to broker childcare places for these disadvantaged two year olds and limit the Council's ability to meet DfE targets.

- 3.7 The proposed option for a revised structure seeks to mitigate as far as possible the necessary cuts in personnel, whilst ensuring the Service continues to meet its current and future requirements. This will be achieved through a continual process of reviewing existing procedures and processes to identify further savings across the service.
- 3.8 Looking forward, the Service will still need to address the roll out of the Government's pledge to increase the number of hours available to eligible three and four year olds from 15 to 30 hours and the pressure this will place on existing places. Work on this initiative will need to have commenced by September 2016 at the latest.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 **Retaining existing structures** - This option will not deliver the necessary savings.
- 4.2 **Deleting the Service completely** – This option would have to rely on alternative providers to deliver the required places and could not ensure sufficiency of provision; nor that the quality of that provision would be of sufficient quality. This would seriously weaken the Council's ability to intervene effectively, as it is statutorily required to do, if a school or setting was failing.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The new structure will achieve the required savings, as well as offering the best chance that the Council's statutory requirements can still be met.
- 5.2 The proposed structure offers the best chance to enable the EYS to continue to work in partnership and ensuring maximising expertise and resources in schools and settings by:
- Maintaining a core service;
 - Continuing to work in partnership;
 - Maintaining as far as possible Enfield's reputation for delivering excellent services locally and nationally;
 - Continuing to ensure that the early years' workforce is confident and expert in meeting the needs of Enfield children and young people;
 - Developing links with other LAs to share expertise and explore ways to maintain high quality services;
 - Delivering eligible 2 year old places required by the government;
 - Deliver the roll out of the expansion to 30 hours childcare for eligible three and four year olds by September 2017.
- 5.3 The changes to the leadership team within EYS takes into account the reduction in the service as a whole, and also to key areas of work that will no longer be funded by the government.

6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS

6.1 Financial Implications

The proposed deletion of five posts, one of which is vacant and the expiration of three fixed term posts will effectively meet the £250k general fund savings required. The DSG saving of £23k would be met from a combination of reducing work hours per week for two staff members and one changing to term time only. Any redundancy costs will be met corporately. Indications are that early retirement implications will affect two employees which will be borne by the service over a period of 5 years.

Current Established Posts 2016-17	Mid point 2016-17	Restructure Proposals	Proposal reductions	Revised Structure 2016-17	Revised Structure
		Deleted posts	-140,259		
		Fixed Term Posts	-104,039		
		Posts changed to Term time only	-26,534		
Employee Costs Savings 16/17	717,644			Employee Costs	446,812
	-250,800	Savings identified	250,800		
				Unallocated Budget	20,032
ED1255 EARLY YEARS TOTAL	466,844		-20,032		466,844

Current Established Posts 2016-17	Mid point 2016-17	Restructure Proposals	Proposal reductions	Revised Structure 2016-17	Revised Structure
		Reduction of 0.8fte to 0.6fte & Hours changed to Term Time Only	-33,979		
Employee Costs Savings 16/17	149,983			Employee Costs Savings 16/17	116,004
	-23,140	Savings identified	23,140		
				Unallocated Budget	10,839
ED1256 SOULBURY TOTAL	126,843	ED1256 SOULBURY TOTAL	-10,839		126,843

Signed.....Dawn Amos... Date.....21st April 2016.....
(Accountant)

6.2 Legal Implications

- 6.2.1 The Council has a duty to ensure continuous improvement to ensure value for money in accordance with the Local Government Act 1999. Therefore, the restructure must be in accordance with the Council's current applicable policies and procedures to ensure such continuous improvement/value for money is achieved. The changes outlined in the report will assist in achieving value for money.
- 6.2.2 By section 139 (1) of the Employment Rights Act 1996 (the 1996 Act) a redundancy situation arises where the Council needs to reduce its work force in a particular area. Redundancy is deemed one of the fair reasons for dismissal under S.98 of the Act provided proper consultation has taken place with the employee and/ or their representative and the employee was not unfairly selected for redundancy. Where an employee is threatened with redundancy, the Council must take steps to find the employee suitable alternative employment.
- 6.2.3 If the restructure has led to the creation of new posts; under the Local Government Act 1972 the Council is able to appoint such officers as it thinks fit for the proper discharge of its functions. However, any new posts must be advertised and recruited to in accordance with the Council's applicable policy and procedure.
- 6.2.4 Employees of local authorities are subject to the provisions of the Superannuation Act 1972, and the detailed regulations made there under, including the Local Government Pension Scheme Regulations 1997 (as amended).

6.3 HR Implications

Consultation has taken place with Trade unions and with staff. Staff consultation is due to end on 17th April 2016 and all affected staff have been issued with early warning letters and given access to the Council's' redeployment job site. In addition to redeployment potentially displaced staff will also be invited to access available staff support programmes including interview preparation and skills workshops

The Council's Recruitment and Selection process to be followed, in the event that a selection process is required.

Whilst every effort will be made to redeploy displaced staff, in the event that this is not possible, a redundancy payment and early retirement benefits will be payable as appropriate to contracted employees with over 2 years continuous service.

In the event that redundancy proves unavoidable, a redundancy payment approval form must be completed and signed off by the Director of the service. This will then require final authorisation by the Director of finance before formal notice can be issued and relevant redundancy payments released.

6.4 Property Implications

6.1 There are no property implications.

7 KEY RISKS

Risk	Likelihood (l) (scale: 1 – 5)	Impact (i) (scale: 1 – 5)	Level of risk (l x i) Low (green) = 1-8 Medium (amber) = 9-17 High (red) = 18-25
Local Authority Statutory responsibilities re: CC Services - Reducing EYS will limit the LA's monitoring function of existing CC's and there is a risk the LA may be judged inadequate by the new Ofsted Common Inspection Framework	2	5	10
Statutory responsibility regarding the placement of 2, 3 & 4 year olds and the providing of information, advice and assistance to parents will be compromised	2	5	10
The current Team is judged by the DfE for its performance in ensuring sufficient 2, 3 and 4 year old places. Cutting the Entitlement Team will require this responsibility to be covered elsewhere	1	3	3
It is hoped that the remaining Quality and Outcomes Team will have a limited role in ensuring that the achievement gap continues to narrow. However this is a reputational risk and could bring an Ofsted Inspection to the LA	2	5	10
There will be limited support for settings either in preparation for Ofsted or in intervention for those judged to be inadequate.	1	4	4
If any Centres or settings are judged to be inadequate by Ofsted we will have a statutory role to intervene and therefore additional resources/budget would have to be identified to support this role.	3	2	6

8 IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for all

8.1.1 Tackling the inequalities faced by many children and young people in Enfield through a range of interventions:

- Address the causes of child poverty and facilitating parental access to work including ensuring adequate provision of childcare places and increase take up of benefits;
- Providing intensive support for families with a range of complex needs.

8.1.2 Keeping children and young people safe:

- Increasing the effectiveness of early intervention services to reduce the need for specialist services;
- Continuing to improve attendance and behaviour at school with fewer permanent exclusions;
- Ensuring we have an effective, suitably qualified and well managed children's services workforce.

8.2 Growth and Sustainability

8.2.1 Ensuring young people have the skills they need to achieve economic well-being in adulthood by giving them the best possible start to their educational pathway by ensuring they are ready for school.

8.3 Strong Communities

8.3.1 Working with the NHS and voluntary sector to offer information, advice and support on breastfeeding, healthy eating and access to Healthy Start, vitamins, immunisations, oral health and early years development through children's centres and other under 5's settings.

9 PERFORMANCE MANAGEMENT IMPLICATIONS

9.1 There are no Performance Management Implications.

Background Papers

Appendix A – Current Early Years' Service Structure

Appendix B – Proposed Early Years' Service Structure with effect from Summer 2016

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graph TD
    H[Head of Early Years' Service H0S2] --> C[Children's Centre Social Worker MM1]
    H --> E[Entitlement Manager MM2]
    H --> ED[Edmonton Children's Centre]
    H --> PD[Play Development Team]
    H --> Q[Quality & Outcomes Manager MM2]
    H --> HR[HR & Workforce Development P01 (0.6)]

    Q --> CM[Childminding Support & Network Manager P02]
    Q --> EDL[Engagement & Delivery Co-ordinator P01]
    Q --> EBM[Engagement & Brokerage Manager P02]

    CM --> CS[Childminding Support and Network co-ordinator S01]
    CM --> C2S[Childminding Support and Network co-ordinator S01]
    CM --> C3S[Childminding Support and Network co-ordinator S01 - VACANT]
    CM --> C4S[Childminding Support and Network co-ordinator S01 (0.6)]
    CM --> C5S[Childminding Support and Network co-ordinator S01 (0.4) - VACANT]

    EBM --> SIO[Senior Information Officer P02]
    EBM --> SEB[Snr Engagement & Brokerage Advisor S02]
    EBM --> EB1[Engagement & Brokerage Advisor S01]
    EBM --> EB2[Engagement & Brokerage Advisor S01]
    EBM --> EB3[Engagement & Brokerage Advisor S01]
    EBM --> EB4[Engagement & Brokerage Advisor S01 Fxd Term to 31/3/16]

    EDL --> A1[Apprentice]
    EDL --> A2[Apprentice]

    HR --> TA1[Teacher Advisor (Soul)]
    HR --> TA2[Teacher Advisor (Soul) (0.8)]
    HR --> TA3[Teacher Advisor (Soul) (0.6)]
    HR --> TA4[Teacher Advisor (Soul) (0.2)]

    E[DELETED]
    ED[DELETED]
    PD[DELETED]
    CM[DELETED]
    C3S[DELETED]
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Posts to be deleted

Appendix B – Proposed Early Years' Service Structure with effect from Summer 2016

