

Report to the Deputy Leader of the County Council
Report to the Cabinet Member for Children, Young People and Schools
Report submitted by: Head of Service Financial Management (Development and Schools)
Date: 23 January 2017

Part I

Electoral Divisions affected:
All

Reconfiguration of the Wellbeing, Prevention and Early Help Service Children's Centre provision and its impact on Schools

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Executive Summary

The reconfiguration of the Wellbeing, Prevention and Early Help Service is resulting in the removal of provision from 23 maintained schools and changes within the 21 schools where provision is being retained. This is causing financial distress to the schools sector and this report sets out transitional funding arrangements to address this.

Recommendation

The Deputy Leader of the County Council and the Cabinet Member for Children, Young People and Schools are recommended to approve that, to support schools in the transition of the Children Centre provision, the authority's estimate of property costs totalling circa £0.658m for 2016/17 is paid to all 44 schools affected for the 2017/18 financial year. This will provide one year of certainty for schools funding and assist in ensuring financial viability where this is an issue.

Background and Advice

As part of the Wellbeing, Prevention and Early Help (WPEH) transformation the Children's Centres provision is currently being re-configured. This is resulting in the vacation of provision in 23 schools and a revised offer being retained within 21 schools. The Local Authority initial current premises cost estimates relating to these facilities at a variety of types of buildings are £0.658m. These are cost estimates have been produced with the best available information.

In July 2016, the then Chairman of School Forum, David Pearson, wrote to Asset Management following a presentation given at the July School Forum meeting. The letter, whilst understanding the financial necessity for change, asked the following:

- that LCC works closely with specifically affected schools; and
- to "make available transition funding to allow schools the necessary time and financial support to remain stable and viable as the new arrangements are implemented".

Later in the Summer, Cabinet deferred making a definitive decision at that point pending further information. There has been significant concern around this issue and this report re-examines the situation as it currently stands, explains the existing mechanisms around schools financial viability and provides a recommendation for action.

Current Activity

Currently WPEH, Asset Management and the Statutory School Finance teams are meeting each of the impacted schools, these meetings started in December and are due to run until mid-January. The purpose of these meetings is fourfold:

- for WPEH to explain how the service will meet the needs of children in areas where provision within the school setting is being withdrawn and what level of provision will be provided where WPEH are remaining;
- for Asset Management to understand what are the issues on the ground concerning current and future premises related usage. This includes what provision LCC will utilise (including non-WPEH usage) and what needs the school has in terms of space. The aim of this work being to define a new shared use agreement with schools which defines how the premises costs will be shared in future. LCC does not work on a rent basis but one of shared costs given that all buildings are ultimately the County Councils. Detailed on-site visits will be undertaken by the Asset Management Team in late January and February to determine these new shared use documents;
- for the Finance team to understand any financial viability issues that the withdrawal or change of provision may have on the individual schools budget and to advice and support as needed. Also to assist Asset Management with any financial issues that may arise;
- to allow individual schools to raise any concerns or issues they may have with the services present.

Proposal

The Estates service and WPEH are currently reviewing the space requirements at 21 schools the WPEH service will be remaining in. This will result in changes to the amount of funds that schools receive from LCC in the 2017/18 financial year. This will be funded from on-going LCC revenue budgets and will be reviewed moving forward as and when provision changes over time.

It is proposed that the c. £0.658m transitional funding will be funded across all schools currently with Children's Centres irrespective of whether the authority is remaining in them or removing provision. Payment is proposed to be at the level of "running costs" identified by the authority for 2016/17. These payments are

additional to any new shared use payments for the schools we are remaining within and is a one-off transition funding.

Consultations

Consultations have taken place with the Schools Forum and with the individual schools affected by the proposals.

Implications:

This item has the following implications, as indicated:

Risk management

- Financial

The allocation of circa £0.658m for the 2017/18 financial year to be paid to 44 schools affected by the County Council's proposals will provide one year of certainty for schools funding and assist in ensuring financial viability where this is an issue. This will be funded from the Transitional Reserve.

List of Background Papers

Paper	Date	Contact/Tel
WPEH and Property Strategy consultations	2016	Paul Bonser (01772) 531815

Reason for inclusion in Part II, if appropriate

N/A