

Public Document Pack



The following reports are Information Items for the Education for Life Scrutiny Committee.

- 1 Childcare Offer for Wales.
- 2 Budget Monitoring 2018/19.
- 3 Cwmcarn High School - Closure Update.



EDUCATION FOR LIFE SCRUTINY COMMITTEE - 8TH JANUARY 2019

SUBJECT: CHILDCARE OFFER FOR WALES

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

1.1 This report presents an annual update of the first year of implementation of the Childcare Offer across Caerphilly borough.

2. SUMMARY

2.1 The Welsh Government recognises that childcare is one of the biggest challenges facing working families in Wales and developing an enhanced childcare offer was a top priority. Supporting families with quality, flexible and affordable childcare aims to support economic regeneration, can reduce pressures on family income and help parents to participate in or extend work, thus reducing a family's risk of poverty. It also supports the wellbeing of children through positive and rich childcare experiences.

2.2 The Welsh Government manifesto in 2016 launched a new Childcare Offer for working parents of 3 and 4 year olds in part time Foundation Phase education. The Welsh Government is working towards nationally providing 30 hours of funded early education and childcare per week for working parents of 3 and 4 year olds in part time Foundation Phase provision, for 48 weeks per year by the end of their term in Government 2020/21.

2.3 Caerphilly joined the Early Implementers for the Childcare Offer phase 1 in March 2017 with implementation of the first funded childcare places in September 2017 and full roll out across the borough by April 2018.

2.4 This report highlights the key statistics from year 1 for Caerphilly borough as well as highlighting some of the key headline statistics from the Year 1 Welsh Government external evaluation.

2.5 A Childcare capital bid of £6.357 million has been submitted to Welsh Government, and a decision on which projects have been successful is anticipated by Christmas 2018 for delivery 2018-2021.

3. LINKS TO STRATEGY

3.1 The Childcare Offer contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2016:

- *A prosperous Wales* – the Childcare Offer will support working families across the borough, to increase their disposable household income through the funded childcare places to enable them to work. The offer aims to remove childcare as a barrier to gaining employment for those who are not currently working, as well as support parents to be able to increase their working hours if wished thereby improving the household income.
- *A resilient Wales* – the Childcare Offer aims to support community based childcare provision to become sustainable businesses embedded in their local environment, as well as improve the quality of provision. The Offer will support local jobs and improve the childcare market, thereby increasing the availability and flexibility of childcare offered locally for families.
- *A healthier Wales* – childcare settings offer healthy snacks through the healthy snack award scheme and are supported to be part of the Healthy and Sustainable Pre School Scheme locally known as HEY (Healthy Early Years) which assures parents of the settings' commitment to children's health.
- *A more equal Wales* – part of the Childcare Offer is to encourage and support parents living in poverty to access employment without the barrier of affordable childcare. Employment will reduce the risk of children growing up in poverty and a potential gap in attainment.
- *A Wales of cohesive communities* – children will be accessing local childcare provision whose ethos is embedded in community based delivery and access to community resources. This pilot will seek to connect community based childcare provision with their local schools to ensure cohesion of services for families and consistent support for the young children accessing the offer.
- *A Wales of vibrant culture and thriving Welsh language* – under the national minimum standards for regulated childcare, settings are required to support children's understanding of the Welsh language and culture. In addition there will be sufficient places developed and offered through Welsh medium providers to meet parental demand.
- *A globally responsible Wales* – wellbeing of children and families will be monitored as part of the Offer to ensure that the impact of longer formal childcare provision and any potential transition between different providers is not detrimental to the wellbeing of the children.

4. THE REPORT

- 4.1 Welsh Government recognises that childcare is one of the biggest challenges facing working families in Wales and developing an enhanced childcare offer is a top priority. Supporting families with quality, flexible and affordable childcare supports economic regeneration, can reduce pressures on family income and help parents to participate in work, thus reducing a family's risk of poverty. It also supports the wellbeing of children through positive and rich childcare experiences.
- 4.2 The Welsh Government is providing 10 hours of funded early education and up to 20 hours of funded childcare per week for working parents of 3 and 4 year olds in part time Foundation Phase provision, plus up to 9 weeks of childcare in the school holidays per academic year by the end of their term in Government 2020/21.
- 4.3 The current eligibility criteria for the Childcare Offer is that parents in the household must be earning the equivalent of 16 hours per week minimum wage or more. In dual parent households both parents must be earning the equivalent of 16 hours each or more, up to £100,000 each. This may be reviewed after the evaluation of year 2 implementation.
- 4.4 Within Caerphilly borough we offer Foundation Phase places in both maintained (school nursery) and non-maintained childcare (private, voluntary sector) providers. Following the full roll out of the Offer, we anticipate that more childcare will be needed across the borough to offer the additional 20 hours per week but especially during the additional holiday provision required. To date more than 150 childcare providers have signed up to deliver the Childcare Offer from across Caerphilly borough and neighbouring boroughs, and all display the Window Sticker to promote their offer to parents as well as promoting through their social media pages.

- 4.5 The number of applications has increased significantly during the first year of implementation increasing from 98 applications for funded places in autumn term 2017 to a cumulative total of 1036 applications by end of August 2018. All places are funded at £4.50 per hour as a universal rate set across Wales for year 1 and 2. The cost of places for September was £17,759.25 which increased to £206,100 for the month of July 2018 bringing substantial funding into the childcare sector and impacting family household incomes.
- 4.6 During the year the data has been analysed and returned to Welsh Government. Of the 1036 applications, 933 were approved of whom:
- 14 (2%) children had Additional Learning Needs
 - 572 (75%) parents found it somewhat difficult or very difficult to afford childcare
 - 129 (17%) parents wished to access Welsh medium childcare provision
 - 50 (7%) wanted bilingual provision
 - 96 (13%) were from Flying Start areas
 - 505 (66%) were accessing their Foundation Phase place
 - 526 (69%) of the declared main parents earnings' were below £25,599
 - 318 (42%) of the second parent earnings were below £25,599
 - Only 44 of 1364 parents (3.2%) earned more than £52,000
 - 167 (22%) families were single parents.
- 4.7 The Welsh Government also commissioned an external evaluation of the Childcare Offer delivery in the first year, which was published on 22/11/18 on the Welsh Government website. Some of the headlines are:
- 4101 children accessed the childcare element of the Offer
 - 743 childcare providers delivered the childcare element of the Offer
 - 92% of parents reported the application process was straightforward
 - Submitting evidence of employment was a particular challenge for parents self-employed, on zero hour contracts or working irregular flexible hours
 - 40% childcare providers reported an increase in the number of children since the previous year
 - 72% childcare providers reported improved profitability
 - 76% reported improved sustainability
 - The median earnings of those accessing the Offer are comparable with the median earnings of the general population £20,800-£25,999
 - 37% of parents accessed Welsh medium childcare
 - 88% parents report having more disposable income
 - 67% parents now have more opportunity to increase earnings
 - 66% feel work related decisions are more flexible
 - Interviewed parents reported reduced stress and anxiety
 - 60% parents were earning the equivalent or below the Wales median salary
 - 30% were earning £15,999 or less.
- 4.8 During this initial year of implementation it has been critical to work in partnership across departments in Caerphilly Council including Council Tax, procurement, information governance, admissions, Statutory ALN team, Communications, IT, legal, translation team and printing. Council Tax links have allowed us to confirm families' home addresses and situations as well as supported lone parents to access the single person's allowance which they had not realised they were entitled to apply for.
- 4.9 A childcare capital bid of £6,357,000 for 13 projects has been submitted to Welsh Government for 2018-21 and a decision on any successful projects is anticipated prior to Christmas.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This proposal contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act. The long term strategy is to reduce the in-work poverty faced by families due to childcare costs, as well as encourage parents to gain employment by removing the barrier of childcare costs. Prevention of poverty through increasing opportunity to access employment will support children's long term outcomes. In addition quality childcare provision will positively impact on children's development and may contribute positively to long term attainment outcomes for children through increased access to quality learning opportunities.
- 5.2 During the course of initial implementation it is anticipated that the funding may primarily benefit those already working and using formal childcare provision, but in doing so aims to encourage other families in the long term to take up employment support programmes and gain access to employment opportunities. It will also create a stable and more sustainable childcare sector with the potential to create further local employment opportunities.
- 5.3 Working in collaboration with employment support programmes, childcare providers, schools and training providers, this pilot project will also provide support for those wishing to train for jobs in the childcare sector, as well as create sustainable businesses for the longer term. If all providers and the local authority officers work in collaboration with families and stakeholders, the offer can be developed in a holistic, bespoke but sustainable way to ensure that providers and families are able to make a workable solution for delivery.
- 5.4 Integration of maintained and non-maintained provision to enable a flexible offer for parents will be critical to the success of the childcare offer through increasing take up as well as potentially having a greater beneficial impact for children. Much of the Foundation Phase offer in Caerphilly borough is currently through maintained school nurseries and so this needs to be carefully considered to ensure that children continue to access their Foundation Phase entitlement as well as being able to access wraparound provision to meet parental working hours' requirements within reason.
- 5.5 Involvement and active participation of all stakeholders will be critical to ensure the learning from and during the pilot phase enables dissemination across the Early Implementers and wider regionally prior to roll out of the offer across Wales.

6. EQUALITIES IMPLICATIONS

- 6.1 As a Welsh Government initiative, the team have considered the potential equalities implications. During this initial phase the early implementers will need to identify any barriers and work with Welsh Government to ensure that parental choices and needs of families are considered and met on an individual basis including but not limited to:
- Welsh medium provision
 - Support for children with ALN
 - Working families who may access childcare provision outside of the initial area set
- 6.2 The learning from the Early Implementers across Wales will inform the full equality impact assessment.
- 6.3 In Caerphilly parents have been supported to have their choice of childcare provision to meet their and their child's needs, including support for the setting to become inclusive and support a child with additional learning needs, wider support to the sector to develop inclusive practice, access to all Welsh medium provision in the borough and working with the sector to develop flexible hours of work to meet the needs of shift workers, longer hours, etc.

7. FINANCIAL IMPLICATIONS

- 7.1 The Childcare Offer is funded by Welsh Government grants for infrastructure staff, SEN grant and childcare places grant. There has been recognition that the finance did not fully cover the time taken to develop and implement full delivery and was slightly increased by Welsh Government.

8. PERSONNEL IMPLICATIONS

- 8.1 There are 2.5 staff employed on fixed term contracts under the annual Childcare Offer infrastructure grant – Administrator and Development Officer.
- 8.2 The grant is complemented by core funded Management posts to support implementation and delivery across the borough.

9. CONSULTATIONS

- 9.1 All responses from consultations have been incorporated in the report.

10. RECOMMENDATIONS

- 10.1 The recommendation is to note the contents of the report and the implementation to date.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To note the contents of the report and the implementation to date.

12. STATUTORY POWER

- 12.1 Childcare Act 2006 (Local Authority Assessment) (Wales) Regulations 2016.

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EDUCATION FOR LIFE SCRUTINY COMMITTEE - 8TH JANUARY 2019

SUBJECT: BUDGET MONITORING 2018/19

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION & CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To outline the projected 2018-19 outturn position for the Directorate of Education and Lifelong Learning (LL), based on the most recent information available.

2. SUMMARY

- 2.1 The report identifies projected under / overspends currently forecast for 2018-19 (full details attached in Appendix 1), together with an update with regards to any issues relating to the progress of the 2018/19 savings targets.

3. LINKS TO STRATEGY

- 3.1 The report considers the use of resources within the Directorate to ensure that key strategies are achieved.
- 3.2 Effective financial planning and financial controls contribute to the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015. In particular as follows:

A healthier Wales, supporting vulnerable learners can improve their well-being and educational achievement.

A more equal Wales, a society that enables people to fulfil their potential no matter what their background is; and

A Wales of cohesive communities, improving quality of life with attractive, viable, safe and well connected communities.

4. THE REPORT

- 4.1 The report deals with the budget monitoring information for Education and Lifelong Learning (LL). The revenue position for the Directorate is summarised in Appendix 1, with a breakdown for the 3 service areas of Planning & Strategy; Learning, Education and Inclusion (LEI); and LL respectively.
- 4.2 The projected outturn position is based on actual income and expenditure details to the end of October 2018, together with data used to forecast income and expenditure. Account is also taken of the outturn position for 2017-18 and information available following discussions with Managers.

4.3 A net overspend of £813k is currently forecast, details with regards to each of the service areas are outlined below. To advise, £518k relates to the in year variance position and £295k relates to the projected deficit on closure of Cwmcarn High School.

4.4 Members are advised that the projected outturn position for Corporate Services is an underspend of £1.091m, consequently overall the projected outturn position for Education and Corporate Services (excluding the Cwmcarn High position which will be treated separately) is an underspend of £573k. The details with regards to the Corporate Services position will be reported to Policy & Resources Committee in January 2019.

4.5 **Planning & Strategy (Including Home to School Transport) – (Overspend £530k)**

4.5.1 The main variances in this service area relate to the following:

	£'000 (Under / (Over))
<i>Cwmcarn High School (On-Closure)</i>	(295)
Relief Supply Cover (SRB's & Maternity)	(221)
Retirement / Severance School Based Staff	(53)
Rationalisation / Vacant Properties	(39)
Management & Support Service Costs	68
Net Other	10

Total	(530)
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4.5.2 In February 2018, as part of the 2018/19 budget process, Members will recall that agreement was made to set aside £1.4m from the General Fund to meet the then projected deficit on closure of Cwmcarn High School. This projected deficit position is now updated to a figure of £1.7m. Since the financial position is not concluded (low value invoices are still being received), a final update on the deficit at closure will be included as part of the outturn report for 2018/19. The variance of £295k represents an additional cost in excess of the £1.4m. Consequently an update will be provided to Cabinet which will include funding options. The options could include the following:

- General Fund Reserves
- Education & Lifelong Learning (General) Reserves
- LMS Contingency Reserves

4.5.3 Due to the unpredictability of sickness in our Special Resource Bases and maternity absences across all school sectors, the relief supply cover spend on school based staff is always very closely monitored. Whilst it is very difficult to be able to forecast an outturn position, current data identifies an increase in maternity absences in our schools and previous trends suggest there will be an increased sickness pressure in the winter months. Monitoring is on-going due to the volatility and uncertain nature of the spend. The level of projected overspend has increased by circa £100k since the previous update, however due to the uncertain nature of this spend the budget position could improve or deteriorate further by the end of the financial year. This projected in year overspend has already been reduced on the assumption that the Directorate will need to access funding of £39k in balances (Relief Supply Equalisation Account – this is the full balance currently held in balances for this purpose).

4.5.4 The projected overspend of circa £53k, on the early retirement pension costs budget for school based staff, is impacted by staff losses resulting from the closure of Cwmcarn High School. In addition there are £39k of costs linked to the rationalisation of the Oakdale, Pontllanfraith and Cwmcarn sites, these are unavoidable costs linked primarily to short term security of the Pontllanfraith and Cwmcarn sites.

- 4.5.5 The underspend in relation to Management & Support costs relates predominantly to in year savings on staff costs. This variance is due largely to in year vacancies that are not on-going as posts are linked to delivering support through SLA Agreements with our Schools.
- 4.5.6 Members will recall that in September we reported a potential budget pressure (circa £18k) relating to the Home to School College Transport Budget. As Members are aware this area of the service is managed by the Engineering Division (with any variances ring fenced to Education). The update is currently a breakeven position.
- 4.5.7 In summary the net projected variance for Planning & Strategy is an overspend of £530k, this includes £295k relating to the closure of Cwmcarn High.

4.6 Learning, Education & Inclusion – (Overspend £571k)

- 4.6.1 The most significant variances within LEI are as follows:

	£'000 (Under / (Over))
Psychological Service	38
14 – 19 Initiative Transport	24
EOTAS / Adn. Support / Out of County	(879)
Early Years – Rising 3's	75
Early Years Central Team	94
Support Services & Resources	49
Music Service	(30)
Education Achievement Contract	28
Education Improvement Grant (Match)	27
Net Other	3
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Total	(571)

- 4.6.2 The underspend in the Psychological Service is linked to in year staff savings. This is largely attributable to delays in recruitment due to a shortage of appropriately qualified staff.
- 4.6.3 The projected underspend on 14-19 transport (which allows pupils wider course access between Schools), is a trend that continues into 2018-19. This spend will continue to be monitored and is part of the Directorates savings proposals moving forwards.
- 4.6.4 The significant cost pressure within the Directorate continues to be in relation to the EOTAS (Education Other Than at School) provision. The provision accommodates learners who are unable to attend and learn in a mainstream school setting. In reviewing the continuum of additional support provided to pupils, our alternative EOTAS provision and Out of County Placements, the projected overspend against this budget heading is currently estimated at £879k (this is an increase of £49k on the previously reported projection). A review of demand, costs and structures is on-going. In recent years, savings in other areas of the Directorate have contributed towards funding this pressure, with the Directorate underspending as a whole. Based on projections for 2018/19 this will not be possible in the current financial year and going forwards. This pressure has been recognised in the Budget Proposals 2019/20 for the Authority.
- 4.6.5 The spend on Early Years – Rising 3's is very much demand led, as it is driven by the number of age 3 pupils who access nursery provision in the term following their 3rd birthday. This can vary from year to year, with spend based on the birth rate and parental choice with regards to accessing this “early” provision. Current projections do not indicate a significant increase in uptake, consequently based on recent trends the current projection is a saving of £75k. The Budget proposals 2019/20 include a budget reduction of £50k based on realignment to trend.

- 4.6.6 The projected underspend against the Early Years Central Team is consistent with the position in 2017/18 and is largely due to successfully accessing grant funding to contribute towards supporting specific posts within the Team. This update is an improved position and again a £20k budget reduction is part of the Proposals for 2019/20.
- 4.6.7 The variance against Support Services & Resources relates predominantly to in year vacancy gaps. The position in the Music Service relates to a mix of additional expenditure and reduced income to the original predication.
- 4.6.8 In 2018-19, the charge on the main contract with the Education Achievement Service is less than current budget provision. Similarly the budget for the Authority's match funding requirement against the Education Achievement Grant is greater than required. These variances are part of savings proposals for future years.
- 4.6.9 In summary, the net projected variance for Learning, Education & Inclusion is an overspend of £571k. Overall this is a marginal variance to the £586k reported in September.

4.7 Life Long Learning – (Underspend £288k)

- 4.7.1 In 2018-19 the main budget variances are as follows:

	£'000 (Under / (Over))
Community Education (Adult & Youth)	107
Library Service	181
Net Other	Nil
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Total	288

- 4.7.2 The projected underspend within Community Education is a mix of both the Adult Education and Youth Services. In adult education an underspend of £41k is attributable to a vacant management post following a retirement and a further in year vacancy gap. The Youth service underspend of circa £65k relates largely to in year gaps in the part time youth service. These vacancies form part of the MTFP budget proposals in 2019/20.
- 4.7.3 The Libraries variance relates primarily to a one off rebate for NNDR (National Non Domestic Rate) charges of £130k. This refund relates to 4 libraries covering financial year 2010/11 through to 2017/18. A further projected net saving of £51k relates largely to in year vacancies and supply cover arrangements.

4.8 Progress Made Against the 2018/19 Revenue Budget Savings Targets

- 4.8.1 The 2018/19 revenue budget settlement for Education and Lifelong Learning included a specific savings target of £1,221k. Managers have progressed implementation of the targets set and there are currently no significant issues causing concern. The impact has been referenced in the narrative of this report and the projected outturn position for 2018-19.
- 4.8.2 Members will be aware that the revenue budget of £333k for Maintenance of School Buildings (50/50 Funding with Schools) formed part of the £1,221k savings target for 2018-19. In 2018-19, the Authority has continued to support building maintenance projects on a 50/50 basis with our Schools by accessing funds from LMS Contingency balances. The details of planned expenditure are contained in the Education Capital Report 2018/19, which went to Education for Life Scrutiny on 26th February 2018.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Effective financial management is a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

6. EQUALITIES IMPLICATIONS

- 6.1 Equality Impact Assessments (EIA's) have been completed for all the savings proposals in 2018/19 that are anticipated to have a public impact.

7. FINANCIAL IMPLICATIONS

- 7.1 In summary, based on information currently available there is a projected revenue overspend for Education & Lifelong Learning of £813k. This includes £295k linked directly to the deficit on closure of Cwmcarn High School. The net balance is £518k is significantly impacted by the current spend position on our most vulnerable learners and this has been recognised in the Budget Proposals for 2019/20.
- 7.2 In 2018/19 there are a number of one off savings which have assisted with regards to reducing the projected overspend position, most notably an NNDR net refund of £130k within the Library Service. In addition current projections assume that circa £39k is utilised from an earmarked equalisation account. However it's important to be clear that the pressures relating to Relief Supply & Maternity costs is not linked to a mismatch with regards to the number of school days that fall in the 2018/19 financial year.
- 7.3 Overall the current projected outturn position for Education & Corporate Services is an underspend of £573k.

8. PERSONNEL IMPLICATIONS

- 8.1 In 2018-19 the Directorate will continue with the strategy of prudent vacancy management.
- 8.2 The budget proposals include provision to pay the living wage, as agreed by Council.
- 8.3 In striving to achieve these budget proposals the service area will have regard to the Council's Workforce Flexibilities Policies. However, should employees still be placed at risk, either through the achievement of any agreed budget savings or grant funding reductions, they will be supported via the Council's agreed HR policies to address any issues.

9. CONSULTATIONS

- 9.1 There are no consultation responses that have not been reflected in this report.

10. RECOMMENDATIONS

- 10.1 Members are requested to note the contents of this report and the detailed budget monitoring information contained in Appendix 1.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 The Council Budget is based on the achievement of both expenditure and income targets. In order to ensure that these are met and the Council's financial integrity maintained Directors are required to review income and expenditure trends.

12. STATUTORY POWER

12.1 Local Government Act 1972.

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- Appendices:
Appendix 1: Projected Revenue Outturn Figures 2018-19

EDUCATION & LIFELONG LEARNING	Original Estimate 2018-19 £	Estimated Outturn 2018/19 £	Variance Under (Over) 2018/19 £
<u>SUMMARY</u>			
PLANNING and STRATEGY	104,976,523	105,506,126	(529,603)
LEARNING, EDUCATION and INCLUSION	15,237,131	15,807,931	(570,800)
LIFELONG LEARNING	4,350,049	4,062,407	287,642
TOTAL SERVICE EXPENDITURE (Revenue)	124,563,703	125,376,464	(812,761)

EDUCATION & LIFELONG LEARNING	Original Estimate 2018-19 £	Estimated Outturn 2018/19 £	Variance Under (Over) 2018/19 £
<u>PLANNING and STRATEGY</u>			
Individual Schools Budget	102,404,172	102,404,172	0
Cwmcarn High School (On-Closure)		294,741	(294,741)
Post 16 Initiative (Grant Income)	(4,003,381)	(4,003,381)	0
Earmarked Formula Funding (inc. Joint Use Sites)	214,064	214,115	(51)
Schools LMS Contingencies	192,687	192,687	0
Other Direct School Related			
Learning Support Staff Registration Fee	19,690	19,690	0
PFI Funding Gap	322,117	322,117	0
PFI Building Maintenance	48,230	48,230	0
Former Key Stage 2 Grant	1,370,822	1,370,822	0
Secondary Additional Funding	1,059,471	1,059,471	0
School Meal Admin. Utility & Telephone	423,893	413,893	10,000
Relief Supply Cover (SRB's & Maternity)	467,077	688,360	(221,283)
Copyright and Licensing (Schools)	69,461	68,623	838
	3,780,761	3,991,206	(210,445)
Home to School/College Transport (Environment)		(31)	31
Early Retirement Pension Costs of School Based Staff	1,815,907	1,868,831	(52,924)
School Rationalisation & Vacant Properties	-	39,124	(39,124)
Management & Support Costs	572,313	504,662	67,651
<u>EXPENDITURE TO DIRECTORATE SUMMARY</u>	104,976,523	105,506,126	(529,603)

EDUCATION & LIFELONG LEARNING	Original Estimate 2018-19 £	Estimated Outturn 2018/19 £	Variance Under (Over) 2018/19 £
<u>LEARNING, EDUCATION and INCLUSION</u>			
Social Inclusion			
Psychological Service	476,492	438,716	37,776
Behaviour Support	174,704	155,971	18,733
Education Welfare Service	404,597	408,661	(4,064)
Youth Offending Team	52,292	51,666	626
School Based Counselling	278,243	270,452	7,791
	1,386,328	1,325,466	60,862
Additional Learning Needs			
ALN Advisory Support Service	218,572	223,319	(4,747)
Learning Support	10,693	4,691	6,002
Professional/Statementing	63,760	85,123	(21,363)
Language Support Primary	428,848	420,756	8,092
Specialist Resources	42,239	42,205	34
ALN Improvement Initiative	349,478	349,478	0
Childrens Centre	46,900	41,250	5,650
SNAP Cymru	37,744	39,606	(1,862)
Outreach Trinity Fields	49,657	49,657	0
Speech Therapy	50,406	56,384	(5,978)
SENCOM (Sensory Service)	715,647	723,992	(8,345)
Autism	198,962	198,962	0
	2,212,906	2,235,423	(22,517)
Learning Pathways Partnership			
14 - 19 Initiative (Transport Costs)	166,967	142,944	24,023
	166,967	142,944	24,023
EOTAS, Additional Support & Out of County Provision			
	7,277,092	8,156,468	(879,376)
Early Years Provision & Support			
Early Years (Rising 3's)	865,868	791,248	74,620
Early Years Central Team	373,198	279,433	93,765
	1,239,066	1,070,681	168,385
LEI Service Provision			
Service Support & Resources	312,802	263,860	48,942
SACRE	2,490	2,490	0
Outdoor Education Advisor SLA	29,568	29,568	0
School Improvement	344,858	338,586	6,272
Music Service	499,949	530,005	(30,056)
WJEC & Subscriptions	35,704	38,618	(2,914)
	1,225,371	1,203,127	22,244

EDUCATION & LIFELONG LEARNING	Original Estimate 2018-19 £	Estimated Outturn 2018/19 £	Variance Under (Over) 2018/19 £
Education Achievement Service (EAS) & Regional Grant Match Funding			
Contribution to EAS Joint Working	1,070,012	1,041,858	28,154
Education Improvement Grant - Match Funding	659,389	631,964	27,425
	1,729,401	1,673,822	55,579
EXPENDITURE TO DIRECTORATE SUMMARY	15,237,131	15,807,931	(570,800)
<u>LIFELONG LEARNING</u>			
Community Education	1,663,832	1,557,221	106,611
Library Service	2,595,826	2,415,259	180,567
LLL Insurance & Non Operational Property/Land	90,391	89,927	464
<u>EXPENDITURE TO SERVICE SUMMARY</u>	4,350,049	4,062,407	287,642



EDUCATION FOR LIFE SCRUTINY COMMITTEE - 8TH JANUARY 2019

SUBJECT: CWMCARN HIGH SCHOOL – CLOSURE UPDATE

REPORT BY: CORPORATE DIRECTOR OF EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

1.1 To provide Members with an update in relation to the closure of Cwmcarn High School.

2. SUMMARY

2.1 The report provides a background to the decision to close Cwmcarn High School and the subsequent agreement for a new classroom build at Newbridge School and demolition works at Cwmcarn High School.

2.2 The report updates Members on the closure from a staff, pupil and Authority perspective.

3. LINKS TO STRATEGY

3.1 The report links directly to the Education, sustainability and regeneration strategies, particularly in the context of provision of modern fit for purpose teaching and learning environments.

3.2 The report links directly to the Authority's Corporate Plan and specifically Well-being Objective 2018 – 2023, Improving Education Opportunities for All.

3.3 The report contributes to the Well-being Goals within the Well-being of Future Generations Act (Wales) 2016. In particular, as follows:

- A prosperous Wales, by ensuring appropriate levels of education provision for learners thus enhancing their employment potential.
- A healthier Wales, supporting vulnerable learners can improve their well-being and educational achievement.
- A more equal Wales, a society that enables people to fulfil their potential no matter what their background is.
- A Wales of cohesive communities (in the context of improving quality of life with attractive, viable, safe and well connected communities).
- A globally responsible Wales – By contributing to the continued improvement of the Economic, Social, Environment and Cultural Well-being of the Borough.

4. THE REPORT

- 4.1 At its meeting on 27th June, 2016, the Governing Body of Cwmcarn High School made the difficult decision to seek to close the school.
- 4.2 Welsh Government's Cabinet Secretary for Education wrote to the Chair of Governors on 5th October 2016 advising that she had consented to the Governing Body issuing notice under the Schools Standards and Organisation (Wales) Act 2013 to discontinue the school in view of the Governing Body's decision on 27th June.
- 4.3 The Chair of Governors, on behalf of the Governing Body, wrote to Welsh Government's Cabinet Secretary for Education on 10th October, 2016, to give Welsh Ministers two years written notice of their intention to discontinue the school. The Council was also informed of this decision at that time by letter.
- 4.4 The school therefore closed on 10th October 2018, under Schedule 1, Paragraph 7 of the Schools Standard and Framework Act 1998 on dissolution of the Governing Body the land and buildings automatically transferred to the Authority.
- 4.5 In order to plan for closure, the Council submitted a £3m business case to Welsh Government (21st Century Schools) as follows:
- additional classrooms at Newbridge School to manage the initial increase and to accommodate any Cwmcarn High School pupils who advised that they wished to transfer there at the date of decision to discontinue Cwmcarn High School, and
 - undertake demolition works at both Cwmcarn High School and Newbridge School.
- 4.6 Members agreed, at the Cabinet meeting on 30th November 2016, that the Authority would meet the required capital investment of £1.5 million (50%) of match funding to the project.
- 4.7 Welsh Government approved the scheme, in principle, on 14th September, 2016 and following the submission of a full business case confirmed the grant allocation of £1.5M as part of the 21st Century Schools and Education Band A programme in September 2017.
- 4.8 The works at Newbridge School are now complete.
- 4.9 The demolition works will commence at the Cwmcarn High site as soon as possible to minimise standing and security costs and to remove the anti-social behaviour/vandalism risk. The relatively new build Arts Block is the only school building in good condition and this will be excluded from the demolition works.
- 4.10 Members will be aware that the Authority's 21st Century Schools and Education programme includes a proposal to use the site for future educational provision.
- 4.11 The Council, along with the Education Achievement Service (EAS) and the school, have worked collaboratively to ensure the pupils' education has not been disadvantaged during the 2 year closure period.
- 4.12 Senior Officers from the Authority have met regularly with the Executive Headteacher, Staff and Governors throughout the process to discuss and offer support and advice when needed.
- 4.13 Through collaborative working support mechanisms were put in place from a number of Directorates to ensure that robust procedures were established to assist throughout the final months before school closure. This has included ensuring smooth transition of pupils, staff support and the re-locating and safe storage of all pupil and staff records and site security.
- 4.14 All suitable surplus equipment/furniture in the first instance was taken by neighbouring schools followed by other schools within the Borough.

- 4.15 The Human Resources team have worked very closely with the school over the last two years in order to secure employment for Cwmcarn High staff. The Headteachers of Caerphilly Secondary Schools have been extremely supportive in facilitating these arrangements which has resulted in a significant number of Cwmcarn High staff being redeployed.
- 4.16 A number of Cwmcarn High staff requested Voluntary Redundancy or Voluntary Early Retirement.
- 4.17 At the time of closure there were 14 compulsory redundancies, consisting of 4 teaching/SMT staff and 10 support staff.
- 4.18 In line with the Authority's School Admission arrangements the pupils who were on roll at Cwmcarn School were accommodated at alternative schools.
49 of the 52 pupils were accommodated in their parent's first preference school
3 of the 52 were accommodated in the second preference school.
- 4.19 Cwmcarn High School had experienced budgetary problems over recent years and that had been exacerbated by dramatic falling rolls following the closure announcement. In February 2018, as part of the 2018/19 budget, Members agreed to set aside £1.4M from the General fund to meet the then projected deficit on closure. The deficit position is now updated to a figure of £1.7m. There remain a few outstanding queries and some smaller invoices are still being received, consequently a final position on the deficit at closure will be included in the outturn report for 2018/19. In addition an update will be provided with regards to meeting the funding gap.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This proposal contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act in that:
- **Long Term** - The reduction of surplus places in the area and the more effective use of educational resources will support schools to raise standards, improve service and increase opportunities.
 - **Prevention** - Improving the quality of the Education estate generally will support pupils in their long term education and skills.
 - **Integration** – An aligned and coherent curriculum increasing the opportunities to fulfil individual pupil needs, extending curriculum entitlement and giving the potential to share resources.
 - **Collaboration** – The Council, along with the Education Achievement Service (EAS) and the school, have worked collaboratively to ensure the pupils' education has not been disadvantaged during the closure period.
 - **Involvement** – Through collaborative working support mechanisms will be put in place from a number of Directorates to ensure that robust procedures are established to assist throughout the final months of the school closure. This will include ensuring site security, smooth transition of pupils, staff support and the re-locating and safe storage of all pupil and staff records.

6. EQUALITIES IMPLICATIONS

- 6.1 The process that has been followed by the Governing Body to close the schools under Section 80 of The Schools Standards and Organisation (Wales) Act 2013 has been outlined above and can be evidenced in the background papers. As outlined in 4.21 above all pupils currently attending Cwmcarn High School have been accommodated in alternative schools for September 2018.

7. FINANCIAL IMPLICATIONS

- 7.1 Members agreed, at the Cabinet meeting on 30th November 2016, that the Authority would meet the required capital investment of £1.5 million (50%) of match funding for the project.
- 7.2 Cwmcarn High School had experienced budgetary problems over recent years and that had been exacerbated by dramatic falling rolls due to the closure announcement. In February 2018, as part of the 2018/19 budget, Members agreed to set aside £1.4M from the General fund to meet the then projected deficit on closure. The deficit position is now updated to a figure of £1.7m. There remain a few outstanding queries and some smaller invoices are still being received, consequently a final position on the deficit at closure will be included in the outturn report for 2018/19. In addition an update will be provided with regards to meeting the funding gap.
- 7.3 Within the Secondary Sector, several years ago a sum of £1M was delegated to schools to fund redundancy, which included Cwmcarn High. For the first time in 2011/12, it was agreed to pay a 40% contribution to secondary schools due to the ever-increasing financial situation resulting from, in the main, falling rolls.
- 7.4 The Authority's share of the release costs for staff (40%) has been met from the Education Directorate's "Early retirement and pension costs" budget. It was previously reported that due to the extent of the losses at Cwmcarn High this could cause a potential pressure on this budget in 2018/19. The current projected overspend on this budget heading is circa £53k, which is linked to the losses at the School. This position will be updated at outturn, when the final spend details against this budget heading are confirmed.

8. PERSONNEL IMPLICATIONS

- 8.1 The Council worked closely with Cwmcarn High School and was extremely successful in securing alternative employment for Cwmcarn High School staff. Other secondary schools were extremely supportive in facilitating these arrangements.
- 8.2 At the time of closure there were 14 compulsory redundancies, consisting of 4 teaching/SMT staff and 10 support staff.
- 8.3 The Headteacher of Newbridge School continued in her role as Executive Headteacher of Cwmcarn High School until the date of closure. This arrangement worked extremely well.

9. CONSULTATIONS

- 9.1 The draft report was distributed as detailed below. All comments received have been reflected in the report.

10. RECOMMENDATIONS

- 10.1 Members are requested to note the contents of the report with regards to the school closure.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To provide an update in relation to the closure of Cwmcarn High School.

12. STATUTORY POWER

- 12.1 School Standards and Organisation (Wales) Act 2013.
The School Organisation Code. Welsh Government (2013).
The Schools Standard and Framework Act 1998.

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Ros Roberts, Performance Manager
Steve Harris, Interim Head of Business Improvement Services/Deputy Section 151
Jane Southcombe, Education Finance Manager

Background Papers:

- Cabinet Report 30th November 2016 – Cwmcarn High - Planned Closure.
- Cabinet Report 14th February 2018 – Budget Proposals 2018/19 and Medium Term Financial Strategy 2018/2023.
- The Chair of Governors letter to WG dated 29th June 2016.
- WG response to the above letter dated 5th July 2016.
- The Chair of Governors letter to WG dated 20th July, 2016.
- Welsh Government's Cabinet Secretary for Education letter of 5th October 2016.
- The Chair of Governors letter to Welsh Government's Cabinet Secretary for Education on 10th October, 2016.