

## **Report of the Cabinet Member Children's Services and Schools**

I have been asked to report as follows for Full Council on 3 October 2019:

1. By Councillor Hannaford on:

*The National Education Union has estimated that 392 nursery schools are at risk of closing by September 2020, because of chronic under funding. Over recent years-maintained nursery schools have on average seen a one third loss of funding. The recent announcements about additional funding for schools and education do not include this service area.*

*Are any nursery schools in the DCC area at risk of closure?  
What service reductions have been made to cope with the one third loss of funding? What further cuts would have to be made to manage the worsening financial outlook for maintained nursery schools? What investment funding would be required to reinstate the lost funding? What formal representation will be made to central government to adequately address this issue?*

### **1. Maintained Nursery School funding**

Devon has 2 Nursery Schools, Chestnut and West Exe, both in Exeter. These are funded via the Early Years Block of the Dedicated Schools Grant. There has been no indication from either school that they are at risk of closure or are having to reduce their service. Their current take-up of two, three- and four-year olds is high; 86 funded children at Chestnut and 130 at West Exe.

#### Background to funding:

The DfE introduced the National Funding Formula in April 2013 and in 2014, Devon completed a Funding Formula review in consultation with all sectors. It was agreed that Devon would have an hourly funding rate for all sectors based on take-up. However, it was recognised that there were additional costs specifically related to the Nursery Schools requirement to have a Head Teacher and therefore it was agreed that further funding would be allocated to them as an annual grant.

In April 2017 there were further changes to Early Years funding with the introduction of 30 hours and a second consultation requested by the Dfe took place to review the funding formulae and identify different models of delivery. Following this consultation Nursery Schools were given a separate Supplementary Grant from the Dfe that was added to the Early Years block funding. For 18/19 the grant income split between the two schools was £110,000. However, the Supplementary Grant has not been confirmed post July 2020.

If the Supplementary Grant is not confirmed an investment of 110k would be required to replace the loss of funding. The Early Years block is 36.8 million and the loss of the supplementary grant would require Devon to review the formula for Nursery Schools to see if the lump sum contribution should change or be funded from the Early Years budget.

Formal representation to central government is being made through a variety of channels including a petition through F40 and the National Education Union.

**James McInnes**  
Cabinet Member  
Children's Services and Schools