

Item No:	Classification: Open	Date: 16th December 2003	Meeting Name: Executive
Report Title:		Reference: Early Years Budget	
Ward(s) or Group affected:		All	
From:		Overview & Scrutiny Committee [15/12/03]	

RECOMMENDATIONS

1. That the Executive considers as a matter of urgency the recommendations of Overview & Scrutiny Committee of 15 December 2003 in respect of the Early Years budget, i.e.
 - (i) *“Overview & Scrutiny Committee notes the problems caused to date by the implementation of the Best Value Review of Early Years in terms of affordability and viability;*
 - (ii) *Overview & Scrutiny Committee believes that cuts of 50% in funding to all community nurseries and the Pre-School Learning Alliance in 2004/2005 appear not to be sustainable;*
 - (iii) *Overview & Scrutiny Committee notes the Council’s policy on Early Years Strategy that no pre-school nurseries will close. This Committee is concerned that the achievement of the current savings target of £800,000 will require savings to be found in other parts of the Early Years budget. This Committee asks the Executive to review whether 50% budget cuts in 2004/2005 can be implemented given the no closure strategy and requests that the full range of budgetary options, including growth, be considered.”*

BACKGROUND INFORMATION

2. Members will recall that the Early Years Best Value Review was called-in by Overview & Scrutiny Committee on 18 December 2002. At that meeting this Committee made a number of immediate recommendations and in addition asked officers to report back to OSC on the implementation of the BVR.
3. On 4 November 2003 a progress report on the implementation of the Best Value Review of Early Years was considered by the Executive. Immediately prior to this meeting the Executive Member for Education & Culture and officers had sought to resolve stakeholder concerns by inviting engagement in a round table discussion of problems experienced, the provisional date being 4 December 2003.

4. On 10 November 2003 Overview & Scrutiny Committee received a verbal deputation from the Director of Southwark Community Care Forum which highlighted problems with the implementation of the Best Value Review in its first year. The Early Years, After School and Play Services Manager was present to respond to concerns raised by the deputation and Members. At this meeting OSC resolved as follows, i.e:
- 1) *“That Overview & Scrutiny Committee asks the Executive Member for Resources to consider in detail whether the proposed level of savings from the Best Value Review of Early Years can be achieved for 2004/05 without having a negative impact on Early Years provision in the borough.*
 - 2) *Overview & Scrutiny Committee agrees to consider the second update report on the implementation of the Best Value Review of Early Years on 15th December 2003, following a meeting between Early Years officers and community nurseries in Early December 2003.*
 - 3) *That Angela Stanworth [Director of Southwark Community Care Forum] be invited to the next meeting of Overview & Scrutiny Committee on 15th December 2003.”*
5. On 15 December 2003 Overview & Scrutiny Committee received deputations from Southwark Community Care Forum and the Copleston Children’s Centre in respect of the BVR of Early Years. The Early Years, After School and Play Services Manager was present to respond to points raised. Members of OSC were concerned to note that the aforementioned round table discussion between officers and community nurseries had not taken place as expected, and following further discussion Members agreed that:
- (i) *“Overview & Scrutiny Committee notes the problems caused to date by the implementation of the Best Value Review of Early Years in terms of affordability and viability;*
 - (ii) *Overview & Scrutiny Committee believes that cuts of 50% in funding to all community nurseries and the Pre-School Learning Alliance in 2004/2005 appear not to be sustainable;*
 - (iii) *Overview & Scrutiny Committee notes the Council’s policy on Early Years Strategy that no pre-school nurseries will close. This Committee is concerned that the achievement of the current savings target of £800,000 will require savings to be found in other parts of the Early Years budget. This Committee asks the Executive to review whether 50% budget cuts in 2004/2005 can be implemented given the no closure strategy and requests that the full range of budgetary options, including growth, be considered.”*

6. In accordance with the Council's Overview & Scrutiny Procedure Rules the Executive is asked to take into account the concerns expressed by Overview & Scrutiny Committee, as set out in paragraphs 7 (i)-(iii), at such time as it considers Item 22: "Policy & Resourcing Strategy and Budget 2004/07 – Revenue", elsewhere on the agenda for the current meeting.

RESOURCE IMPLICATIONS

7. Advice on the resource implications of the recommendations contained in this report are not included.

LEGAL IMPLICATIONS

8. Legal advice on the implications of the recommendations in this report is not included in this report, but may be sought from the Borough Solicitor & Secretary.

REASONS FOR LATENESS AND URGENCY

9. This report was not available for circulation at the time of main Agenda despatch the recommendations only having been made by OSC on 15 December 2003.
10. Members are asked to consider these recommendations as urgent as they relate directly to Item 22: "Policy & Resourcing Strategy and Budget 2004/07 – Revenue", elsewhere on the agenda for the current meeting.

Background Papers	Held At	Contact
Executive Committee – Agenda and Minutes	Town Hall, Peckham Road, London, SE5 8UB	Ian Millichap Constitutional Unit Manager T: 020 7525 7225
Overview & Scrutiny Committee - Agenda and Minutes	Town Hall, Peckham Road, London, SE5 8UB	Stephanie Dunstan Scrutiny Team T: 0207 525 4393

Audit Trail

Lead Officer	Shelley Burke, Head of Overview & Scrutiny	
Report Author	Lucas Lundgren, Scrutiny Team	
Version	Final	
Dated	16 December 2003	
Key Decision?		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	No	No
Chief Officer	No	No
Executive Member	No	No