



Case Study of Day Nursery X Hertfordshire – September 2018

Purpose

To illustrate the impact and effectiveness of business support with this provider.

Scope

- To engage with key people within the provision to enable strategic thinking and planning.
- To work through the issues that created barriers to sustainability.
- To support the provider to work towards/attain sustainability.

Introduction

CBIS were first introduced to this provider in September 17 by HCC. The provider had been established for 20 years as a committee run charity in a disadvantaged ward and had occupancy of 60 children from age 0-4. In January 17, HCC took the decision to assist the provision to undergo significant refurbishment to enable further provision of vulnerable 2 year olds. The refurbishment should have taken 8 weeks, but due to issues with contractors it had taken 6 months.

As a result of the extended works, large parts of the provision were not operational and therefore the provider had serious sustainability issues. In the first instance some parents left because they felt that the environment was not conducive because it was in effect a building site for a considerable time, and in the second instance, it was not viewed by new parents as a viable option until works were completed.

Because of these ongoing issues, HCC supported them with a grant to enable them to sort out immediate costs, so that the provider could be fully operational and engage in actively marketing the provision

Case summary

A. Problems

- The first area of concern at the initial CBIS visit in September 17 was the lack of engagement with all staff present. There was one committee member and the manager who knew that change was necessary; the deputy manager and administrator were obstructive to all ideas.
- The next area of concern was that although the works were nearly completed – the building was safe and had a building inspection report and fire certificate, because of staff reluctance and the feeling that they couldn't resource it, the new room that had been developed for the additional 2 year olds was empty.
- No marketing had been completed for the new provision or existing provision therefore numbers of all ages were very low.
- Staff were still in the employ of the provider at the same rate of pay/number of hours as when the setting was in a previous sustainable position.

As at March 18

- 5 staff members had resigned.
- 4 of the resigned staff were not working their notice.
- Ofsted arrived to do an inspection because they had received a complaint.
- Cashflow is very tight.

As at July 18

- Financial irregularities are uncovered which concern ex- members of staff.

B. Analysis of alternatives

As at September 17 and as at March 18

- One alternative was for the provider to close, however, the significant investment would then be lost and the need for places would still exist. Another provider could then have been put in place in the premises, however, this would have taken time and resource and therefore children accessing provision would be displaced and may not return.
- Another alternative was to engage with business support from CBIS and continue to work with HCC to ensure that all contractors snagging was completed.

C. Recommended solutions

As at September 17 - During CBIS' initial visit, a comprehensive action plan was discussed and agreed, which included:

- a) Preparation of financial forecasts for the immediate 3 month period and also for 12 months
- b) Preparation of dedicated marketing plan
- c) Details of resources necessary to open the new room
- d) Calculation of additional hours worked by staff that were working over ratio and cost savings available
- e) Preparation of plan for detailing ages and types of places offered and income generation.

As at March 18 - It was established that all further meetings would be between CBIS and the Board.

An action plan was discussed and agreed which included:

- How to strengthen the Board
- To look at management positions with clarity of roles and responsibilities
- Preparation of a business plan for 2 years to include clear admissions model, including stretching for all ages, marketing and finance
- Establish a plan for recruitment of and deployment of existing staff;
- Commence using social media for marketing immediately
- Thinking creatively about different income streams
- How to inject positivity back into the setting, staff, community and communications.

June 18 - An action plan was discussed and agreed which included to hold an open day in July to launch the new building and facilities; to overhaul the parental terms and conditions to make them fit for purpose; to look at partnership working opportunities; to put a plan in place for social media delivery; to create an operational business plan.

July 18 - An action plan was agreed and discussed which included the completion of all outstanding actions; to put everything in place operationally and to review; communicate better with staff to remove the confusion about the changes taking place. It was also discussed at this meeting about the problem – see section above, which had created an additional burden to the Board at this time.

D. Implementation



The initial action plan was not implemented by the provider and no correspondence received, until an email at the end of October that stated 'I have passed it onto our Board for consideration'.

CBIS had numerous discussions with HCC about this provider.

In February 18, CBIS was asked by HCC to recontact the provider as the Board were now able to put their efforts into resolving the issues.

The March 18 action plan was implemented by June 18 with the exception of an operational business plan

The June 18 action plan was partially implemented by July 18. Most of the action points had been commenced but not completed with the exception of the open day which attracted 15 families with 4 conversions, equalling £9 k increase over next term. The problem, as described above, has impacted on the Board's ability to fully complete this action plan.

The next meeting is planned in October 18 to review July 18 action plan

E. Results

The provider is in a much better position than it was a year ago. The Board are now focussed and have been approachable and eager to learn and develop practices which will establish the foundations for a sustainable future provision. Strengthening the Board has been integral to their development. CBIS has made a significant impact on their journey to sustainability to date and this support will continue in the coming months. Here is feedback from the provider:

"I am speaking for the whole Board when I say that we have found the CBIS sessions very positive, helpful and supportive. We have now had two long virtual meetings with you, following each of which we have had a clear set of recommendations about next steps in terms of business planning and structuring the work of the Board to enhance the viability of the nursery.

What has been apparent to us is that CBIS really know your stuff! Inevitably, there are some suggestions which do not seem to work with our situation or specifics of our setting, but generally we have found that you have provided a rationale for the suggestions which has allowed us to examine recommendations while recognising that the overall picture is the key issue, that we need to make our offering plain, provide the very best care for the children that we can, while also maintaining the necessary profitability for our ongoing viability. It has also been helpful to have very specific suggestions of what works better or worse in your experience. As a volunteer Board to a charity we are not experts in this business area, and it is helpful to be able to unpick issues such as the details of funding for 'free' childcare from our pricing model and offering to parents. You have also encouraged us to tackle the issue of our social media presence and how to use it effectively.

Generally, I would say that we would welcome your ongoing input to our business plan development, which we fully recognise is going to be an ongoing effort."

Summary

This study demonstrates achievements with clear rationale and content illustrating how the support received from CBIS to date has enabled the provider to start a journey of business understanding, gain confidence about implementing new concepts and engaging fully in the support process.