

DERBYSHIRE COUNTY COUNCIL

CABINET

26th January 2016

Report of the Strategic Director for Children's Services

CHILDREN'S CENTRE SERVICES – (Children's Services)

1. Purpose of Report

- 1.1 To seek Cabinet approval to consider the implementation of a new model of service delivery, which, following public consultation, could potentially result in the closure of some Centres.
- 1.2 To seek Cabinet approval to consulting on a proposal for an integrated model and 0-5 support pathway with partners such as health, schools and the voluntary sector and to consult on a review of the current staffing of the children's centres
- 1.3 To seek Cabinet agreement to the methodology and timetable for the review.

2. Information and Analysis

2.1 Background and Context

The Comprehensive Spending Review and associated Local Government Finance Settlement, announced in December 2015, provide clear indications of likely levels of Government support up to 2019-20.

The ability of the Council to fund services is influenced by a number of factors, one of the most significant of which is the availability of support from Government in the form of Revenue Support Grant (RSG). Throughout the current period of cuts in public sector spending, since the global financial crisis in 2008, the Government has consistently reduced its support to local authorities and by 2019-20 it is forecast by the Department for Communities and Local Government that the Council's support through RSG will have fallen

to around £13m and the Council is expecting this support to end in totality in the following year (2020-21). By way of comparison the Council received £98.050m of RSG in 2015-16.

This will bring to an end decades of support to local authorities through the allocation of a large non-ring fenced Government grant; other, less significant, grant streams are also expected to reduce and some to end over the forthcoming five years. By 2021-22 it is envisaged the vast majority of the Council's funding will come from Council Tax and Business Rates, topped up by direct charges for services where appropriate.

The reduction in Government grants is only part of the problem faced by the Council; there are significant pressures, particularly in Adult Care which require the Council to allocate approximately £20m to that service alone in each of the next five years and probably around £115m a year thereafter. The pressures in Adult Care are a combination of additional cost arising from the Chancellor of the Exchequer's announcement about the introduction of a National Living Wage and increasing numbers of clients requiring support and the increasingly complex needs of those clients.

In mitigation, the Government have announced that councils will be able to increase their Council Tax by an additional 2% per annum in each of the next four years and there is provision for further payments to be received from the Better Care Fund, potentially reaching £25m per annum by 2019-20. However, neither of these measures will offset the pressures in Adult Care on an annual basis and are not available to help prevent savings being required in other service areas.

Overall, the Council's revised Five Year Financial Plan which is also on the agenda for approval at this Cabinet Meeting indicates cuts of at least £115m are still required from 2016-17 until 2020-21. This is in addition to cuts identified in the period 2010-11 to 2015-16.

In the last five years Children's Services has seen its budget fall from £126.8m to £95.3m, a reduction of almost 25%. The Council's need to make further cuts means that the Children's Services budget could ultimately reduce to circa £70m, around half of the 2010-11 budget. Consequently, the Service has no alternative but to consider implementing savings in key service areas. It is important to note that the pressing financial position is the driver for the changes set out in this paper, the services themselves are of a high quality and are valued by service users.

In order to help meet the Children's Services savings requirement it is proposed that the Children's Centres budget be reduced by £4.3 million plus an associated reduction in respect of business services support.

Sure Start Children's Centres are a key part of the Early Help Offer provided by Children's Services, and part of a Statutory Duty for Local Authorities. The Sure Start Statutory Guidance 2013 states that the Local Authority's duty is to "ensure there are sufficient children's centres, so far as reasonably practicable, to meet local need." In short, the law requires that we provide sufficient services to meet the needs of young children and their families.

For some families in Derbyshire who experience child poverty having access to children's centre services in these vital years of life will have a significant impact on their positive life chances. It has been evidenced that from birth to aged 18 months, connections in the brain are created at a rate of one million per second. The earliest experiences shape a baby's brain development, and have a lifelong impact on that baby's mental and emotional health. Children's Centre services support parents in the critical early years of a child's life providing a foundation for positive emotional and physical development and in achieving good levels of educational development for successful outcomes in the future. In a seminal review undertaken in 2010, Graham Allen MP refers to research which demonstrated that a child's development score at 22 months can serve as an accurate predictor of educational outcomes when they are 26.

In addition to this, Children's Centres provide easy access to a range of other services including health, parenting and family support, and early education and childcare. They can also provide links to employment and training opportunities to families with children under the age of five with a focus on removing the contributing factors to child poverty and therefore this meets the needs of the families in greatest need of support as determined in the Sure Start Statutory Guidance.

2.2 The Review

It is proposed that the review referred to below will inform further work to develop a long-term model for the delivery of Children's Centre services in Derbyshire, in order to maximise their impact on positive outcomes for young children.

i) Buildings

There are currently 51 Children's Centres across the six localities within Derbyshire. The locations of these centres vary. Some are on school sites, others share buildings and some are in purpose-built venues. The size of the buildings and functionality vary considerably, as do the communities they serve.

Traditionally, Sure Start Children's Centres are often viewed simply in terms of buildings but it is clear from the 2013 Statutory Guidance of Children's Centres that "children's centres are as much about making appropriate and integrated services available, as it is about providing premises in particular geographical areas." With this in mind, there is a need to consider a new model for delivering support which looks "beyond buildings" and considers other ways of reaching families most in need. To meet the budget reduction we propose to look at the current geographical location of existing centres and their effectiveness in adhering to the guidance and meeting the needs of our most vulnerable families.

In considering current Children's Centre buildings we propose to look at what is reasonably practicable and sustainable in line with budget cuts and reductions in resources.

ii) Children's Centre service delivery

In using the existing infrastructure in the shape of Sure Start Children's Centres, there is an opportunity to build and expand into a more joined up and integrated model between different sectors to target support effectively to the right families when they need it. To achieve this, we will need to remove universal services which can be accessed by all families and work with our partners to enhance our service in alternative ways.

Groups which have traditionally been available to all families in Children's Centres, such as Stay and Play sessions, would need to be replaced by groups for those families who have been identified as needing specialist support through Starting Point, social care, our partners in health, education or the voluntary sector.

The difference from the existing Children's Centre model is that other professionals who support children and young people would need to effectively reach the right families when they need it with the appropriate skills for the point of need. The specialist support offered by the Children's Centre workforce would be through direct one-to-one work in families' homes or by targeted groups.

This will cause a reduction in the number of children aged 0-5 who the children's centre workforce can work with, and will reduce the spend per child from £134 to £51 per year (based on the whole population).

It is proposed that the remaining children's centres are used in additional alternative ways by the community and voluntary sector with an opportunity to develop the "Thriving Communities" model. This would promote community cohesion and ownership.

2.3 Criteria to determine proposed Children's Centres to remain operational in Derbyshire

Phase 1 Consultation

In May 2014, Cabinet agreed to consult with residents, service users, interested organisations and other key partners to seek their initial views on:

- options for reducing the Children's Centre budget; and;
- criteria that would be applied to identify Children's Centres for more in-depth impact assessment work.

Following the phase 1 consultation, the criteria that were approved by Cabinet in September 2014 were:

- i) Needs of the centre's local population
- ii) Number of people using the centre
- iii) Financial costs of the centre

These criteria were applied to generate the recommendations to consult on the closure of two centres (Ashbourne and Duffield) and reduction in opening hours of other centres.

2.4 Proposed criteria for closure of centres

It is proposed that priority (i) approved by Cabinet in September 2014 is initially applied so as to identify Centres where there is a high level of deprivation and need. The rationale for this approach is

taken from the Sure Start Children's Centre Statutory Guidance 2013;

"The core purpose of Children's Centres is to improve outcomes for young children and their families, with a "particular focus on families in greatest need of support" in order to reduce inequalities in: child development and school readiness; parenting aspirations, self-esteem and parenting skills; and child and family health and life chances".

It is proposed that we do not use priority ii) approved by Cabinet as to adhere to the guidance we are focusing on the need of the local population rather than the number of people using the centre. In simple terms if there are a lot of families using the centre but they are not presenting with a high level of need then this is not the best use of Council resources.

It is also proposed that although priority iii) has been taken into consideration to meet the overall budget reductions, it is not an overriding factor for the choice of centres proposed for closure and will only be considered after level of need and the following factors are taken into account;

- i) Geographical spread of provision across the county and related transport links and travel routes between centres
- ii) Suitability of the building in terms of condition and location
- iii) Locations where Thriving Communities projects are in existence
- iv) Other services within a locality which are accessible to families; health services, other children's services including schools, and community services

It is proposed to retain Centres in the areas of highest need across the County using data from the 2015 Index of Multiple Deprivation. This data locates areas within each Children's Centre reach area that are in the top 10% level of deprivation across England, followed by the top 20% and 30%. The proposal is to retain centres where there is a 10% level of deprivation and then consider others with 20% and 30% alongside factors i) to iv) above.

It is also proposed to use detailed customer segmentation information which is drawn from 2011 census data and is an "in house model" used to identify family structures and trends in specific small geographical areas.

Based on this information and within the budget limitations, it is proposed to keep open the following Children's Centre buildings as these fall within the top 10% most deprived reach areas;

Staveley
Cotmanhay
Birdholme
Bolsover
Shirebrook
Holme Hall
North Wingfield
Matlock
Ironville
Langley Mill

From the analysis of this additional information it is also proposed that the following Children's Centres, which would not have qualified on the application of the top 10% most deprived are also retained

Children's Centre	Priority 1	Rationale
Long Eaton 1 (urban)	Areas in top 20% and 30% levels of deprivation	Good transport links to and from other local areas and spacious building which accommodates other services
Woodville	Areas in top 20% and 30% levels of deprivation	Area of need and provision needed south of the county
Fairfield	Areas in top 20% and 30% levels of deprivation	Large facility in area of need which also accommodates other services
Alfreton	Areas in top 20% and 30% levels of deprivation	Has good transport links to and from other local areas. Bus station nearby
Heanor	Areas in top 20% and 30% levels of deprivation	Suitability of building and accessibility to targeted families
Glossop	Areas in top 30% levels of deprivation	Spacious facility accommodating other services in area of need
Hadfield	Areas in top 30%	To provide services to

	levels of deprivation	area of high level need with the proposed closure of Gamesley
Creswell	Areas in top 20% and 30% levels of deprivation	High level of need
Old Whittington	Areas in top 20% and 30% levels of deprivation	High level of need

Based on levels of deprivation the children's centre reach areas in Newhall and Sandiacre will continue to receive a service but it is proposed that the buildings will close. Staff will be retained and based at nearby children's centres that are proposed to stay open.

2.4 Proposed Closures- options for alternative use

Although we are proposing to close a number of centres which do not fit within the criteria of high level need, there is a possibility of utilising them to offer support in an alternative way.

Section 7 of the Childcare Act 2006 places a duty on English local authorities to secure early years provision free of charge. The extended free entitlement offer outlined in the Government's manifesto increases the number of free nursery education hours from 15 to 30 for the three and four year-old children of working parents. This means that the duty of the local authority to secure sufficient provision has significantly increased. One of the challenges is identifying appropriate accommodation, preferably on school sites.

A number of the proposed closures sites are ideally situated to provide this extended offer which could be provided either by the school or a Private, Voluntary or Independent sector partner. The provider would then take responsibility for the running costs of the accommodation.

The children's centres we will be consulting on for a potential closure will be;

Crich
Belper
Blackwell
Whaley Thorns
Arkwright
Dronfield

Clowne
Bakewell
Chapel
Harpur Hill
Wirksworth
Coton in the Elms
Etwall
Long Eaton 2 (rural) In Long Eaton, there were two children centres in one building. Under the plans, there would only be one.
Sandiacre
West Hallam
Somerccotes
Chesterfield Town Centre (Queens Park)
Brimington
Newhall
Stonebroom
South Normanton
Ripley
Hasland
Brampton
Clay Cross
Tupton
New Mills
Killamarsh
Eckington
Gamesley
Kirk Hallam- It is proposed that the children's centre service will be relocated to Charnos Family Support Centre.

The first 14 of these centres are not located in areas where there is a 30% level of deprivation. The remainder of the list has been drawn up following detailed consideration of location, building suitability, travel and access to other services. Full details of the rationale in respect of each centre proposed to be closed will form part of the consultation.

Appendix 1 details how families who live within the areas of the children's centres that we are proposing to close would be able to continue to access services. This aspect will be considered in further detail alongside an analysis of travel availability, distance and cost, during the period of public consultation and equality analysis. Consultation will also include seeking comments on the proposed criteria as detailed in this report, as well as the provisional identification of the centres proposed for closure.

2.5 Proposed Staffing Model

It is proposed that, subject to decisions following consultation, the Centres would be staffed by a total of 40 FTE front line workers (Foundation Years Practitioners and Family Support Workers- Early Years) across the county. The combination and level of workers allocated to a Centre would be determined by a resource allocation based on local need and priorities.

It is proposed that the centres are managed across the county by a total of 9 FTE Children's Centre Coordinators, with a responsibility of 2 or 3 centres each dependent on the distance between each centre in each locality.

Timescales

The proposed process and timescales for the review are set out in Appendix 2. Initially, a period of consultation is proposed on the new model of Children's Centre buildings and the related need for a potential reduction in the cost of Children's Centres and staffing.

Following this period of consultation, officers in Public Health and Children's Services will carry out detailed Equality Impact Assessment work to inform the decision-making on the proposals. This consultation would be for a period of two months, following which final recommendations would be presented to Cabinet.

Cabinet is asked to agree the process and timescales for carrying out the review. It is proposed that consultation takes place between February 2016 and April 2016.

3. **Financial Considerations**

The proposed disestablished posts as set out in Appendix 3 would result in a saving of £3,986,000 to the Children's Centre staffing budgets, including Business Services.

The proposed closure and changes to buildings as detailed in the report would result in a saving of £670,000. £72,000 of this figure relates to payments to external landlords which would be achieved as break clauses in lease agreements arise.

A significant proportion of the savings would come from the cessation of internal payments including those to other parts of the

Council, and a number of schools for shared accommodation and contributions towards running costs of sites total £121,000.

A further £144,000 saving relates to Derbyshire County Council's Property Services for caretaking and cleaning services. Any potential impact on staffing levels for Property Services will be dependent upon the future use of each site and will be considered by Property Services during the consultation process, and subject to a separate Cabinet paper if required.

If the proposals are eventually agreed the total saving to Children's Centre budgets would be £4,656k.

4. Legal and Human Rights Considerations

The Childcare Act (2006) Section 5A places a duty on Local Authorities *"to make arrangements so that there are sufficient Children's Centres, so far as is reasonably practicable, to meet local need"*.

The Act (Section 5C) also places a *"duty on local authorities to ensure there is consultation before any significant changes are made to children's centre provision in their area"*.

A Sure Start children's centre is defined in the Act as a place or group of places:

- Which is managed by or on behalf of, or under arrangements with the local authority with a view to securing that early childhood services in the local authority's area are made available in an integrated way;
- Through which early childhood services are made available (either by providing the services on site, or by providing advice and assistance on gaining access to services elsewhere); and
- At which activities for young children are provided.

The Sure Start Children's Centre statutory guidance states that local authorities *"should not close an existing children's centre site in any reorganisation of provision unless they can demonstrate that, where they decide to close a children's centre site, the outcomes for children, particularly the most disadvantaged, would not be adversely affected and will not compromise the duty to have sufficient children's centres to meet local need. The starting point*

should therefore be a presumption against the closure of children's centres”.

The Guidance also emphasizes that local authorities should allow adequate time for responses, actively encourage parents from disadvantaged groups to participate, and demonstrate in their decision how they have taken consultation responses into account.

An equality analysis will be required as a part of or additional to the impact assessment referred to in the report. Any safeguarding implications should also be fully considered and documented.

Once the consultation and the equality analysis has been completed and the original or amended proposals represented to cabinet Members will need to give careful consideration, in particular, to the Council's duties under the Equality Act.

5. Human Resources Considerations

The scope of the review, based on the proposals and subject to consultation, will include 100 FTE Family Support Workers (Early Years), 48 FTE Foundation Years Practitioners, which if the proposals are implemented, would see a reduction of 101 FTE posts from these staff groups. In addition, the service currently employs 23 FTE Children's Centre Coordinators, which again, if the proposals are implemented, is a reduction in 15 FTE posts – equating to a total reduction of 116 FTE.

The scope will also include staff within the Business and Public Services job family based at the Children's Centres. Staff within Corporate Property again based at the Children's Centres will also be in the wider scope for the proposals in terms of providing Caretaking and Cleaning Services. A separate report will be submitted by Corporate Resources regarding the Property Staff and the process will work in conjunction with Children's Services.

All employees identified above and Trade Unions will be consulted, alongside the public consultation on the proposals as key stakeholders. Initial briefing sessions have taken place with staff and their Trade Union Representatives and these will be on-going. Following the consultation process, a further report will be submitted to Cabinet with the finalised proposals and the impact for employees. Consultation with staff and Trade Unions with regard to employment consequences will continue.

An indicative timetable of the organisational review is attached as Appendix 2.

As the proposals identify possible staffing reductions, the Council will seek to mitigate the number of compulsory redundancies and also seek alternative employment in line with the provisions set out in the Council's Redundancy, Redeployment and Protection of Earnings Policies.

6. Other Considerations

In preparing this report the relevance of the following factors has been considered: Prevention of Crime & Disorder, Equality of Opportunity; Environmental, Health, and Transport Considerations.

7. Key Decision

Yes.

8. Call-In

A waiver of the call-in procedure will not be required for this report.

9. Background Papers

1. Department for Education Sure Start children's centres statutory guidance - April 2013.
2. Cabinet papers: May 2014 and September 2014.
3. Customer Segmentation Information

10. Strategic Director's Recommendation

It is recommended that Cabinet:

- i) Agrees that a review of Children's Centre services is undertaken, which could potentially result in the closure of some Centres and reductions to staffing.
- ii) Agrees the proposed methodology and timetable for the review, including a period of public consultation on a new model for Children's Centre service delivery.
- iii) Agrees that consultation takes place on the proposals contained in the report and that a full equality analysis also be undertaken

- iv) Agrees that a further report be submitted to cabinet once these processes have been completed.

Ian Johnson
Strategic Director for Children's Services

Appendix1- Proposed children's centre closures and considerations for local alternative services

Proposed Children's Centres for closure	Alternative local services available(further analysis through EIA)
Sandiacre	Staffing to be retained-out reach provision and Long Eaton Children's Centre
West Hallam	Services transfer to Charnos Family Support Centre and Cotmanhay Children's Centre
Kirk Hallam	Services transfer to Charnos Family Support Centre and Cotmanhay Children's Centre
Somercotes	Services accessible at Alfreton and Ironville Children's Centres
Chesterfield Town Centre	MAT based at Parkside School and Birdholme Children's Centre
Brimington	Staveley Children's Centre
Newhall	Staffing to be retained- outreach provision and Woodville Children's Centre
Stonebroom	Services accessible at Alfreton Children's Centre and North Wingfield Children's Centre
South Normanton	Staffing to be retained based at Pinxton Youth Centre for outreach support
Ripley	Heanor Children's Centre and Ironville Children's Centre
Hasland	Services available at Birdholme Children's Centre
Brampton	Holme Hall Children's Centre
Clay Cross	North Wingfield Children's Centre and Clay Cross MAT
Tupton	North Wingfield Children's Centre and Clay Cross MAT
New Mills	Glossop Children's Centre
Killamarsh	Staveley Children's Centre or Old Whittington Children's Centre
Eckington	Staveley Children's Centre or Old

	Whittington Children's Centre
Gamesley	Hadfield Children's Centre and Gamesley Early Excellence Centre

Appendix2-Proposed timeline to implement children's centre review

<u>Date</u>	<u>Activity</u>	<u>Comments</u>
26 th January 2016	Cabinet	
February- April 2016	Commence formal Consultation with Public on the new model / closures.	
February- April 2016	Consultation Meetings	Consultation to include possible staffing structure if changes are subsequently approved
April 2016	Complete Consultations	
April – May 2016	Equality Impact Analysis and Findings / Mitigation	
June 2016	Proposals to SMT / DJC	
14 th June 2016	Cabinet	Seek approval to implement changes.

Appendix 3 Possible Adjustment to Establishment based on proposals contained within the report

Service Area	Post Title	FTE's	Structure Adjustments						Annual Costs / Saving	
			Current Salaries			Proposed Salaries			Immediate	Ultimate
			Min Point	Max Point	Grade	Min Point	Max Point	Grade		
	<u>Posts to be deleted</u>									
Children's Centres	Children Centre Co-ordinators	15	£34,171	£37,221	12				£558,315	£558,315
	Family Support Workers & Foundation Years Practitioners	101	£21,321	£23,042	8				£2,327,242	£2,327,242
	Business Services Assistants	18	£14,657	£15,445	4				£278,010	£278,010
									£3,163,567	£3,163,567
	Estimated on-costs (excluding pension deficit element) 19.6%								£620,059	£620,059
	Additional saving to Children's Services (i.e. pension deficit element of on costs 6.4%)								£202,468	£202,468
									£3,986,094	£3,986,094