

<b>Bath &amp; North East Somerset Council</b>	
MEETING/ DECISION MAKER:	<b>Early Years, Children &amp; Youth Policy Development &amp; Scrutiny Panel Committee</b>
MEETING/ DECISION DATE:	<b>14<sup>th</sup> October 2013</b>
	<b>E 9999</b>
TITLE:	<b>Re-structuring of the Early Years, Children's Centre and Early Help (0 - 11 years) Services 2014 - 2016</b>
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<b>List of attachments to this report:</b>	
<ol style="list-style-type: none"> <li>1. Appendix 1 - Terms of Reference for the Task &amp; Finish Group</li> <li>2. Appendix 2 – Design and Commissioning Principles</li> <li>3. Appendix 3 - Proposed Children’s Centre Hub model</li> <li>4. Appendix 4 – Proposed staffing structure for the Children’s Centre Hub model</li> </ol>	

## **1 THE ISSUE**

In March 2013 a request was made for the EYCY PDSP to review proposals to re-structure the Early Years and Children’s Centre Services in order to deliver the overall saving of £2.335m as part of the Medium Term Service Resource Plan 2013 – 2016 for the Children’s Service. Each Department had been tasked with identifying areas of activity where either efficiencies or service reductions could be made. Within the Children’s Service the Early Years and Children’s Centre Services area was identified as an area for significant savings. This recommendation followed considerable service deliberation and reflected the fact that other service areas had been subject to substantial levels of savings in previous years. The proposed reductions were as profiled below:

2013 – 14	£ 273,000
2014 – 15	£ 228,000
2015 – 16	£1,834,000

At Council on 19<sup>th</sup> February 2013, which agreed the MTSRPs and budget for 2013 – 16, an amendment was agreed deferring the implementation of this budget reduction until 2014 – 15. The revised savings profile is set out below:

2013 – 14	£	0
2014 – 15	£	501,000
2015 – 16	£	1,834,000

The amendment included an instruction to ‘provide a report to the Early Years, Children and Youth Policy Development and Scrutiny Panel to allow further consideration of the implications of these savings and for potential alternative options to be reviewed.’ This was agreed at the Early Years, Children and Youth Policy Development and Scrutiny Panel at its meeting on 25<sup>th</sup> March 2013.

Subsequently Terms of Reference were developed for a Task & Finish Group to consider the proposed reductions in budget and services (Appendix 1)

## **2 RECOMMENDATIONS**

The Task and Finish Group make the following recommendations to the Panel for discussion, amendment and agreement and onward transmission to the Cabinet on 13 November 2013: The EYC&Y Panel agrees;

- (1) That the design and commissioning principles set out in Appendix 2 are adopted and applied to any future model of service delivery.
- (2) That the approach to Play; Specialist Family Support and the Early Years Foundations Stage are dealt with separately from Children’s Centres
- (3) That funding reductions for these services are considered separately in line with service models
- (4) To recommend the emerging hub model as the basis for delivery of Children’s Centre Services recognising the reduced budgets (*see Appendix 3 & 4*)
- (5) To retain all existing Children’s Centre buildings.
- (6) To further explore the potential of commissioning an integrated model with health services
- (7) To acknowledge the impacts and risks associated with these reductions.
- (8) To propose that Cabinet reconsiders the overall Council budget to determine if alternative areas of saving can be identified. The reasons being:
  - a) Information gained by the Task & Finish Group shows that early support to vulnerable people can lead to savings overall, There is concern that such significant cuts could lead to more costly interventions by statutory services of the council at a later stage.
  - b) A commitment by the Panel to recommend some changes to services to meet part of the potential savings if the Cabinet are prepared to do likewise.

## **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

The proposed savings are: £501,000 for 2014-15 and £1,834,000 for 2015-16. This budget resources:

- Children’s Centres in the voluntary and statutory sectors
- support to early years and childcare settings from the Early Years Foundation Stage Team;
- voluntary sector services for Play and specialist Family Support.
- Parent Support Advisers for targeted primary schools
- Some commissioned health services

The proposals will result in significant staffing reductions via redundancy, the number of posts to be deleted is yet to be fully determined. With regard to property, the 9 Council run Children’s Centres were built with Sure Start Capital Grant from the DfE, conditions of this grant require the LA to continue to utilise the building for the purpose for which the capital grant was allocated otherwise a grant “Claw back” can be instigated by the DfE. This means that the Council has to seek to retain all of the buildings with a “core” Children’s Centre service offer. This does not preclude the option of seeking alternative agencies to run the Centres and /or deliver the core service.

The reductions are significant and form a major part of the MTSRP for the Children’s Service, there are no alternative options available to the service.

#### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

Consideration has been given through all the preparatory and on-going work of the Task & Finish Group, of issues relating to need, poverty, disability and disadvantage of children and families. Service reductions have been designed to ensure those children most in need of help continue to receive “early help” services.

#### **5 THE REPORT**

After the March 2013 panel decision to request further consideration of the implications of these savings, and for potential alternative options to be reviewed, two presentations were provided by Officers:

- (1) In May, the presentation outlined the current scale of need across Bath & North East Somerset 0-11 years using both national and local data sets; the national and local drivers (including statutory duties for the local authority); data illustrating who is currently reached through services; current staffing levels and the buildings used to provide services and finally the proposed budget reductions.
- (2) In June, the presentation outlined the evidence base used to deliver all early years services, including those delivered in or through Children’s Centres and by the Early Years Foundation Stage Team. This included evidence from families of the outcomes achieved; national evidence of need including increases in poor communication skills in very young children, increases in numbers of children with complex special needs, emergent neurological research into the brain development in babies and evidence of impact through the home learning programme. The service also provided evidence of reach and impact from all Children’s Centres, Parent Support Advisers, Southside Family Project and Family Play Inclusion work.
- (3) Following these meetings a Task & Finish Group was set up from 5 of the Councillors represented on the Panel, and supported by Officers. This report provides the recommendation and conclusions of this Task & Finish Group.

- (4) Over the course of the Task & Finish Group meetings were held to consider three options of delivering services. These options were: (i) to reduce all budgets as proposed with existing services scaled back accordingly, offering targeted services only; (ii) option 2 was a model that reduced budgets and considered a health provider to run an even more integrated model of delivery of all services; (iii) option 3 was a model to reduce budgets and outsource all services to the third sector. All models considered a small commissioning team remaining in the Council. Models were tested throughout the process and led to some of the proposed recommendations above.
- (5) Information was provided on what a more targeted and reduced “Hub and Community Children’s Centres” model (*see Appendix 3*) would provide. In investigating this model it was proposed that partners such as relevant schools would be asked to consider running buildings on behalf of Children’s Services, so that they could be sub-let back to Children’s Centres for part-time delivery: thus ensuring that services could still run in local communities, albeit at a reduced timetable and no permanent presence of Children’s Centres staff. Where building partners have been consulted on this proposal the response has been positive.
- (6) Information was sought and provided about whether other partners in the wider market, consisting of both national and local providers, would consider tendering for 0-11 Preventative Services, as an initial testing of the market. 12 organisations expressed an interest.
- (7) A set of design principles were considered, alongside the “hub” model proposed for Children’s Centres, for any future commissioning of these services.
- (8) Over August and September over 80 parents were consulted on questions about how they accessed services; whether they were happy with the services they received and what impact they had had on their lives. Responses were largely very positive and services were valued, whether they were run by the voluntary sector or the Council.
- (9) A series of meetings were held with the 5 Children’s Centre Boards; the voluntary Play and Specialist Family Support Services and the 0-11 Multi-Agency Group that reports to the Children’s Trust Board. These meetings were attended by members from the Task & Finish Group who asked questions relating to the impact of reduced budgets; how this could be delivered better or differently and whether income could be sought from elsewhere to support delivery.
- (10) The Task & Finish Group are indebted to all those who took part in the research, they have appreciated everyone’s input & honesty whether it be the effort that went into preparing the background information or being prepared to share the personal stories with the Task & Finish Group on the reason for using the services. All of this gave the Group a clear understanding of the role these services play in children & families lives.
- (11) A final meeting of the Task & Finish Group was held in early October and reviewed all the information and views provided over the last 5 months. The meeting considered the recommendations contained in this report (see section 2 above).

## 6 RATIONALE

Recommendations contained in this report take into account local data; statutory requirements under the Childcare Act 2006 (sufficient Children's Centres; sufficient quality places for 2, 3 and 4 year olds) the public sector Equalities Duty and the local authority's duty to moderate the Foundation Stage Profile at the end of Reception Year in school. The outcome of any change will be to secure statutory duties and target resources upon those children and families in greatest need.

## 7 OTHER OPTIONS CONSIDERED

None

## 8 CONSULTATION

Consultation took place during September. The Task & Finish Group visited the Children's Centre Boards and consulted with 2 voluntary sector Play providers; 1 voluntary sector Family Support service and 1 strategic multi-agency group representing services 0-11 years. Parents/users were present in most of these meetings.

## 9 RISK MANAGEMENT

A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

<b>Contact person</b>	<i>Sara Willis, Service Manager 0-11 Outcomes x5023</i>
<b>Background papers</b>	<i>Ofsted Inspections of nurseries, including those run by Children's Centres</i> <i>Ofsted Inspections of First Steps Children's Centre &amp; St Martin's Garden Children Centre</i> <i>Ofsted Inspection of Children's Services – March 2013</i>