

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Children & Young People’s Policy Development & Scrutiny Panel	
MEETING	14 <sup>th</sup> March 2017	
TITLE:	Children’s Centre Services Commissioning Options Update	
WARD:	All	
AN OPEN PUBLIC ITEM		
<b>List of attachments to this report:</b>		
Appendix 1 – Completed Options Appraisal for the future commissioning of Children’s Centres		
Appendix 2 – Modelled and costed Children’s Centre service		
Appendix 3 – Options appraisal template		

## **1 THE ISSUE**

- 1.1 The contract for the Children's Centre Service in Bath West expires at the end of September 2017. The service will need to be recommissioned through a tender process in order let a new contact. This provides an opportunity to review the overall commissioning arrangements for the whole of the Children's Centre service in Bath and North East Somerset and ensure this is sustainable in the future.
- 1.2 This paper updates the Panel on the Children's Centre Options Appraisal which has been undertaken to explore and test out different commissioning options and help determine the best way to commission the overall service in the future.
- 1.3 The options appraisal process has identified six potential options for the future commissioning of Children's Centre services. This paper explains the purpose of the options appraisal, the process undertaken, details of the six options and summarises the advantages and disadvantages of each in appendix 1.

## **2 RECOMMENDATION**

- 2.1 For Panel Members to review the six potential options and provide a steer on any additional advantages or disadvantages associated with each.

- 2.2 For Panel Members to share their views to inform a decision in regards to a preferred option for future commissioning of a Children's Centre service.

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

- 3.1 The current budget for Children's Centre services is approximately £1,700,000. The options set out in this report are based on a children's centre service which has been modelled up and costed to maintain the current level of targeted support (as agreed by Cabinet in 2014) and maintaining four Children's Centre Hub buildings. This model children's centre service has been tested against the 6 options and all are deliverable within the £1.7m budget (Appendix 2)
- 3.2 The future funding and management of council buildings would need to be considered and planned depending on the future commissioning option agreed. For instance if its agreed that the council run children centre services are to be tendered at any stage (options 2, 4 and 6), it would be a requirement of the tender to use the Council hub Children's Centre buildings and these will need to be formally leased from the Council with agreed Head of Terms on an agreed market rent. The running, management and upkeep of these buildings would transfer to which ever organisation won the tender and these costs would have to be met within the Children's Centre budget. Consideration will also need to be given management oversight of other Children Centre buildings if the agreed commissioning option means the internal Children's Centre service is transferred to an external provider.

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

- 4.1 Ofsted have previously managed an inspection programme for Sure Start Children's Centres under Part 3A of the Child Care Act 2006. An announcement about this inspection programme was due last autumn but none has been made to date. Officers believe is it now likely that Children Centre services will be included with within the early help element of the 'Inspection of services for children in need of help and protection, children looked after and care leavers'.
- 4.2 Ofsted expectations around early help have increased in the last few years, and they now expect individual child and family assessments and plans to be of similar quality to those developed within social care and expect local authorities to have good management oversight and quality assurance systems in place. Ofsted will make an assessment of how effective our early help model is in B&NES in reducing referrals to social care and in terms of the outcomes that are being achieved for those that use early help services and ensuing services are working together at the right level.
- 4.3 Many local authorities are developing models where Children's Centres are working with other 0-5 early help services including health visitors to provide one access and referral pathway to enable a seamless transition from universal to targeted support. This is consistent with the B&NES Early Help Strategy which advocates for families receiving the right help at the right time by the right service to prevent their needs escalating.

## **5 THE REPORT**

- 5.1 The aim of the options appraisal is to help determine the best way to commission an efficient and sustainable Children's Centre service whilst continuing to improve outcomes for families by reducing inequalities and improving child and family health and life chances and enabling a planned and affordable contribution to the council's financial plan without adversely affecting front facing services.
- 5.2 Currently Children's Centre services are provided directly by Bath and North East Somerset Council in Bath East, Keynsham and Chew Valley and Somer Valley and commissioned externally through First Steps, Bath who cover Bath West. The current contract for Bath West is due to finish at the end of September 2017. As part of the commissioning cycle, it is usual to undertake an options appraisal to inform future procurement and commissioning options.
- 5.3 It is not proposed to change the model of delivery, we would still want to commission a community based Children's Centre service which delivers local services, and responds to meet local needs in each area with strong community links. This has been a strength of the Children's Centre model and our Children's Centre services locally. The service will also continue to deliver targeted early help to children and families who meet the threshold for early help services through groups, courses and 1-1 outreach support.

### **The Options Appraisal Process**

- 5.4 The options appraisal process began in October 2016 when officers began setting objectives required for a Children's Centre service for B&NES and reviewing options for how to achieve these through the commissioning process. The objectives are to commission a children's centre service that:
- Improves outcomes for and reduces inequalities in child development and school readiness, parenting skills and aspirations and child and family health and life chances
  - Is sustainable in the longer term and makes a planned and affordable contribution to the Council's financial plan
  - Provides value for money and makes efficient use of commissioning resources
  - Meets the early help/targeted support needs of families with children aged 5 and under and sustains the current level of targeted support (as agreed by Cabinet 2014) and is able to sustain four children's centre hub buildings and outreach in key areas of need
  - Facilitates and enables partnership working with wider partners
  - Provides a consistent children's centre offer and practice across B&NES within one access and referral pathway whilst being responsive to the needs of families
  - Meets future Ofsted requirements around Early Help

- Is fully aligned with the Early Help Strategy and with Connecting Families and the Family Support and Play service to provide a coherent and coordinated targeted support offer to families aged 0-19 through a whole family approach

5.4 A working group was convened to include representatives from Public Health, Commissioning Support, First Steps and the Council managed Children's Centre service to agree the objectives, identify potential options to achieve these and to provide challenge whilst analysing and testing each option.

## **The Options**

5.5 The options below were identified as different ways of potentially achieving the objectives.

1. Maintain current arrangements and mixed economy and proceed with tender for Bath West only
2. Tender for a two Children's Centre service model (one for Bath and one for North East Somerset)
3. Explore and strengthen partnership arrangements between Bath West and B&NES delivered Children's Centre services
4. Bring Bath West into the Council to deliver as one Council managed Children's Centre service
5. Tender both the Council run and external Children's Centre services to procure one new contract for one Children's Centre service
6. Include in Your Care Your Way (prime or through dynamic purchasing system)
7. Explore potential to commission a coherent, co-ordinated, aligned and integrated 0-19 service for families e.g. family hubs

5.6 Through the options appraisal process it emerged that option 3 referred more to current arrangements and was no longer relevant given that any future model would be expected to strengthen partnership working. Regarding option 7, although any future model would be expected to align with existing services, timescales for commissioning a fully integrated 0-19 service do not fit with the recommissioning timescale for Children's Centre services. The working group therefore agreed to remove these options from this exercise.

5.7 In essence the options considered are to commission one or two children's centre services; bring Bath West into the council to be managed, include the services within YCYW as part of the prime contract with Virgin, or to tender all or part of the service in or outside YCYW.

5.8 Officers developed a theoretical model of delivery to ensure that a future Children's Centre service would be sustainable and able to meet the current levels of targeted support to families (see Appendix 2). The model was then further analysed, tested and challenged from members of the working group as well as from B&NES Business Support and HR officers.

The agreed final model was tested out against each of the options and then each option was critically assessed against the following criteria:

- Financial assessment (the costed impact of each option)
- Non-financial assessment and benefit analysis looking at the advantages and disadvantages of each option in terms of contributing to the achievement of each objective
- The impact on service users
- The impact on the current providers/organisations
- The impact on the Council (risk and reputation)
- Social and Added Value

5.9 Appendix 1 provides details associated with each option.

## **6 RATIONALE**

6.1 The options appraisal process has engaged provider organisations openly in terms of sharing information about costed options and testing these out to develop a preferred option. Each option has now been fully assessed and, though complex, the advantages and disadvantages associated with each are clear. Once the preferred option is confirmed a procurement plan will be developed to include a full risk assessment and business case with clear timescales for the future commissioning of Children's Centre services from September 2017.

## **7 OTHER OPTIONS CONSIDERED**

7.1 None. All options considered are within this report and fully detailed in Appendix 1.

## **8 CONSULTATION**

The options appraisal process has involved consulting with the following teams and services.

- First Steps Bath
- Bright Start Children's Centres (Council managed service)
- Public Health
- Commissioning Support
- B&NES Human Resources
- B&NES Business Support

8.2 Many views have been considered although not all agreed by commissioners and the option appraisal has been completed from a commissioning perspective. As expected there are many contrasting views and it hasn't been possible to include all of these.

8.3 Once a preferred option is confirmed officers will undertake further consultation with service users and wider stakeholders.

## 9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance. Risks have been assessed and detailed against each option.

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<b>Background papers</b>	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	