

Appendix 3 - Children's Centre Services - Options Appraisal

Introduction

An options appraisal is a technique for setting objectives about what it is we want to achieve in terms of a Children's Centre Service for B&NES and reviewing options for achieving this through the commissioning process. It allows the options to be tested with analysis of their relative costs and benefits, both financial and non-financial.

This information can be shared and tested openly and then be used to identify a preferred option or proposal to be approved. This document explains what we are trying to achieve in terms of a children's centre service for B&NES and sets out the various options for achieving this.

Objectives

The objectives are to commission a children 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 current level of targeted support (as agreed at 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.
- Provide a consistent Children Centre offer and practice across B&NES within one access and referral pathway whilst being responsive to the individual 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.

Options

The objectives above set out what we want to achieve, the options below have been identified as different ways of potentially achieving these objectives.

1. Maintain current arrangements and mixed economy and proceed with tender for Bath West.

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 DPS).
7. Explore potential to commission a coherent, co-ordinated, aligned and integrated 0-19 service for families e.g. family hubs.

(Consortium of partnership bids would be welcome as part of any tendering process as above).

Information Gathering

Information is required to cost out and model the options and to enable rigorous assessment of each. We suggest the following information is needed to model and cost each of the options:

- Staffing structures
- Staffing costs/budgets which include a breakdown of each post/title, start date or length of time in continuous service, contracted hours, annual salary and, where appropriate, proportion of that salary delivering the commissioned service, benefits received e.g. pension, car allowance, maternity, age or retirement age
- Summary of building costs for four main hub buildings
- Refreshed needs analysis data for 0-5 in B&NES
- Snap shot of current case load and activity
- Feedback from stakeholder consultation
- Added value – income/expenditure

Assess and analyse the options

Once each option is worked up and costed, each can then be critically assessed against the following criteria - which include the objectives above.

- Financial assessment (the costed impact of each option).
- Non-financial cost and benefit analysis looking at...

Pros and cons of each option in terms of contributing to the achievement of each objective

The impact on service users

The impact on the current provider/organisations and nursery provision

The impact on the Council (risk and reputation)

We will look at these across the whole life course of a contract not just at one moment in time (probably over a 5 year period). We could consider scoring, weighting or RAG rating. It may be that the preferred option is a combination of a number of options over a period of time.

5. Timeline and engagement process

The intention is to engage provider organisations openly in this process in terms of sharing of information about costed options, testing these out and developing a preferred option.

Timeline

- October – initial meeting with provider organisations to discuss Option Appraisal and information gathering
- November/early December – collect and analyse information (Commissioning)
- Mid-December – meeting with provider organisations to review initial findings and assessment of options
- January / February further analysis, testing and challenging with feedback from provider organisations, stakeholders and service users
- Meeting with provider organisations late Feb / early March to discuss outcome and preferred option (s)

Recommended preferred option business case finalised by Feb/March 2017.

Undertake consultation with service users and wider stakeholders on preferred option.

Options appraisal – format and overview

Criteria	Option 1		Option 2		Option 3		Option 4		Option 5	
	Pros	Cons	Pros	Cons	Pros	Cons	Pros	Cons	Pros	Cons
Financial assessment										
Objective 1										
Objective 2										
Objective 3										
Objective 4										
Objective 5										
Objective 6										
Impact on Service Users										
Impact on Service/Organisations										
Council risk and reputation										
Social Value										
Added Value										
Others										

Potential to add RAG rating