

Agenda item:

[No.]

Cabinet On 8th February 2011

Report Title. The Sustainability of Children’s Centres in Haringey	
Report of Peter Lewis, Director of the Children and Young People’s Service	
Signed :	
Contact Officer : Ngozi Anuforo, Children’s Centre and Extended Services Strategic Manager (x4681)	
Wards(s) affected: All	Report for: Key Decision
<p>1. Purpose of the report (That is, the decision required)</p> <p>1.1. To set out proposals for the future delivery of Children’s Centre services within budget constraints whilst ensuring high quality services continue to be offered to those most in need.</p> <p>1.2. To seek agreement from Cabinet to the recommendations set out at 4.1 – 4.4 of this report.</p>	
<p>2. Introduction by Cabinet Member (if necessary)</p> <p>2.1. Our Children’s Centres have been popular with families across the borough and have delivered an important range of services including childcare and early education, ante-natal and infant health, employment advice and parent support. In addition to being a universal service for all families they have enabled us to engage with families where children are particularly vulnerable. Childrens Centres have been a fantastic success story. So successful that we had two new centres</p>	

in the pipeline.

2.2. It is bitterly disappointing therefore to present this report which outlines how we have to reduce these services because of Central Government cuts. Officers and members have spent long hours trying to stretch the money to keep as many centres open and services available as possible. We have substantially reduced central support and individual centre management costs. We have prioritised those children living in the most severely deprived areas.

2.3. However, it is clear that we cannot avoid some reductions in service and we may have to close some centres. We will reach a final decision on this once we have been able to assess the impact of changes to fees as well as the ongoing support from other stakeholders and have completed the consultation with centres.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. The plans reflect the Council Plan vision set out in strategic priority 3 to “*Encourage lifetime well being*”. The proposals address this priority by seeking to ensure there is integrated, good quality early childhood service provision available from the earliest point in a child’s life.

3.2. To support the delivery of the Children’s Trust Preventative Strategy and Child Poverty Strategy and to provide a sound basis for early intervention across all services.

3.3. In addition, the proposals link to the Children and Young People’s Plan 2009 - 2020 priorities set out below;

Priority 1 – to improve health and well-being throughout life

Priority 3 – to improve safeguarding and child protection

Priority 4 – develop positive human relationships and ensure personal safety

Priority 5 – develop sustainable schooling and services with high expectations of young people

Priority 6 – engender lifelong learning for all across a broad range of subjects both in and out of school

Priority 10 – Empower families and communities

3.4. The proposals also link with the Council’s Sustainable Community Strategy 2007-2016, in particular the outcomes;

-Economic vitality and prosperity shared by all

-Safer for all

-Healthier people with a better quality of life.

3.5. The proposals have clear links to the Council’s Child Poverty Strategy and Action Plan 2008-2011, namely;

Objectives 1: Addressing worklessness and increasing parental employment in sustainable jobs

Objective 2: Improving the take-up of benefits and tax credits
Objective 3: Reducing educational attainment gaps for children in poverty

4. Recommendations

- 4.1. That Cabinet agrees that the future children's centre programme should be re-configured so that it can be delivered within the budget constraints whilst ensuring that children living in the 0-30% most deprived super-output areas are able to access the full range of children's centre services;
- 4.2. That Cabinet asks officers to complete the detailed work required to meet 4.1 above including a commissioning strategy which sets out the required service level, revised formula for the allocation of funding and a revised fee structure that maximises income and supports the maintenance of services where parents/carers are able to contribute to the cost;
- 4.3. That Cabinet agrees that consultations on this strategy and proposals should take place with each Children's Centre and school in the current programme in order to ensure that service delivery is protected for the most vulnerable families, resources are targeted to the areas that will be most effective and the programme is delivered within the available budget from April 2011.
- 4.4. That Cabinet delegates the final decisions on the matters identified in Recommendations 4.1, 4.2 and 4.3 above to the Cabinet Member with portfolio responsibility for Children's Services, in conjunction with the Director for CYPS, following appropriate consideration of the results of any consultation and with due regard to the Council's duties under the Equality Act 2010.

5. Reason for recommendation(s)

- 5.1. High quality early year's provision, including Children's Centre services are a proven element of prevention and early intervention and have a profound impact on the life chances of children into adulthood. Haringey has a long history of high quality work in this area and we want to maintain this at the highest level for those most in need.
- 5.2. The Cabinet aims to ensure that with, less resources, the new pattern of provision will ensure that we continue to target our children's centre programme to children and families with the highest level of needs, within a universal early years education and health service offer.
- 5.3. The merging of some functions, including central administration and management and greater flexibility in deploying staff across more than one site will enable the Council to maximise the effectiveness of limited resources on improving outcomes for children under 5 and their families and bring spending in line with available resources.

5.4. The Council is required to continue the delivery of a 15 hour offer of free education for vulnerable 2 years olds. We will discharge this responsibility through the remaining network of children's centres in order to provide high quality places that support transition into three year old free education. Maintaining the 2 year old offer as part of the core services within children's centres will ensure we are well placed for the anticipated introduction of a statutory duty on Local Authorities to provide 15 hours of free early education from 2013.

5.5. The proposed model will enable the Council to meet its statutory duty to provide sufficient children's centres to meet local needs and support the Council's ability to fulfil its duties under the Childcare Act 2006.

6. Other options considered

6.1. To retain the current number of Children's Centres in Haringey as full service centres . This cannot be achieved within the available budget.

6.2. To only resource those that deliver the full core offer to the most vulnerable families. It is possible that when detailed financial modelling is completed that this will be the outcome. However the initial aim will be to produce a 'hub and spoke' network of full service and associate centres.

7. Background

7.1. By April 2010, Haringey Council had met a target set by the Department for Children, School and Families (DCSF) to establish 19 designated children's centres across the borough. The current network of main centres and link sites were designed to provide universal access to approximately 16,000 children under 5 and their families

7.2. Children's Centres as designated by the DCSF were required to deliver the 'full core offer' (FCO).

- Early education integrated with day care
- Family support and parental outreach
- Child and family health services
- Links with schools and Children's information Services
- Links with Jobcentre plus

The DfE no longer specify a core offer. However, the Council believes that high quality early years services are the foundation for prevention and early intervention in Haringey. This means ensuring that good health and opportunities to thrive and learn are made available to all young children. In circumstances where young children are at risk, services must be able to intervene quickly and appropriately and this relies on having practitioners that are skilled with good knowledge of child

development and able to support children and families appropriately

7.3. The Council's key priorities for Early Years delivery are:

- safeguarding – ensuring the well-being of all children
- prevention and early intervention – focusing on key known risks
- improvement – raising attainment and ensuring high quality early years provision; and
- equality – reducing the gap in outcomes and ensuring that children with special educational needs and social disadvantage receive their entitlement to early years education.

7.4. Given the financial constraints the new commissioning strategy will prioritise the establishment of lead centres which will provide the full service offer. If financial resources allow, and/or other strategies can be developed to support sustainability of other centres the lead centres will be encouraged to work with other centres in a 'hub and spoke' style model providing a full range of service in areas of high need and a more 'standard' offer of services in all other areas.

7.5. The table below outlines the range of services to be made available through the "full" and "standard" children's centre service offers.

Full Service offer
Family support and parental outreach Linked Social worker/supervised contact/targeted support Access to Family support Parenting programmes Targeted parent support groups Targeted outreach Access to housing advice and support Information about available childcare for parents and parents to be
Child and family health services Access to speech and language support Links with Family Nurse Partnership programme New parents support Visits to all new births Antenatal services Access to psychology services
Employment and training support Access to benefits and employment advice Family learning
Access to Early education integrated with day care Free 15 hour early education offer for disadvantaged 2 year olds Access to the 3 & 4 year old free early education entitlement

Support for children with SEN and or disabilities
 Support, advice and training for early years providers
 Parent support group e.g. stay and play

Standard Service offer

Family support and parental outreach

Supervised contacts
 Access to Family support
 Targeted outreach
 Parent support group e.g. stay and play
 Information about available childcare for parents and parents to be

Access to early education integrated with day care

Access to the 3 & 4 year old free early education entitlement
 Access to free early education for vulnerable 2 year olds

Child and family health services

New parents support
 Visits to all new births
 Antenatal services

7.6 The balance of full service / lead centres and any other centres will be determined by the available resources. Income for childcare provision is one factor that can contribute to the viability of both full service and standard service centres.

8. Statutory duties on the Local Authority and context for change

8.1. The Council's statutory duties are included as **Appendix 1**. In May 2010, the Coalition Government began a review of early years and children's centres and this remains on-going at the time of writing this report. The Children's Centre programme has been funded through a combination of core, grant and Direct Schools Grant (DSG) funding. The grants that were available to us for this area in 2010-11 were:

Sure Start, Early Years and Childcare Grant: 2010-2011 allocation	
Grant Stream	£(000)
Children's Centres	6,693
Sufficiency and access	591
Quality and Inclusion	840
Sure Start Local Programme	2,924
2 Year old Pilot programme	1,004
TOTAL	12,052

- 8.2. In addition, £1.557 million was allocated from the DSG and £124,000 core funding. This made a total of £13.733 million that supported the delivery of our early year's programme, including Children's Centres.
- 8.3. The Comprehensive Spending Review in October 2010 announced a change in the current funding arrangements for children's centres. Although the Coalition Government set out its commitment to continue to fund the existing network of Children's Centres, it announced that from April 2011, a new Early Intervention Grant would replace the Sure Start, Early Years and Childcare grant; currently the main source of children's centre and early years funding in Haringey.
- 8.4. The Early Intervention Grant (EIG) is not ring fenced and there is no obligation to use the grant for any of these purposes. It also subsumes a number of other grants that were previously allocated separately. In April 2010, the total of all of the separate grants amounted to £20.3m. However, Haringey's EIG allocation for 2011-12 is £15.7m (£16m in 2012-13) which represents a reduction of over £4m per annum..
- 8.5. Appendix 2 sets out the list of grants that have been subsumed by the EIG. The level of the EIG allocated to Haringey is insufficient to fund all of these activities at the same level as they were in previous years.
- 8.6. Further to this, in the summer of 2010, the Government announced plans to reform the children's centre programme; introducing greater flexibility for local authorities to decide where and how they invest grant funding to meet local needs.
- 8.7. The Government have stated their intention to become much less prescriptive about the services children's centres offer, instead seeking a "commitment to improve the quality of outcomes for the most disadvantaged children"

9. Delivery of Haringey's Children's Centre programme from April 2011

- 9.1. In order to deliver this service within the challenging financial circumstances facing the Council from April 2011, consideration has been given to options for reducing spending across the whole of the early years service, whilst ensuring that the most vulnerable children can be identified at the earliest opportunity and enabled to access support through a universal offer.

- 9.2. The Haringey commissioning framework for children's centre service delivery will

be focused on impact and improving outcomes for all children, but particularly those children that we consider to be the most vulnerable or disadvantaged. This will be achieved by

- ensuring access to children's centres services for children and their families living within our 0-30% most deprived super output areas.;
- delivery of the offer of a 15 hour, free early education for disadvantaged 2 year olds; with additional outreach and family support for those who need it.
- improved access to the 15 hour free entitlement for 3 and 4 year olds and supporting the transition into these places for those children taking up the 2 year olds offer;
- provision of targeted outreach to those least likely to engage in services;
- provision of high quality, integrated family support that engages families and enable us to identify and intervene at an early stage;
- partnerships and multi-agency working that reduces duplication, maximise resources and enhance professional practice; and
- evidence-based practice and interventions that have been proven to make the biggest difference to improved outcomes for children and families.

9.3. The proposed approach to delivering these services is to maintain full service delivery in those centres that provide for the most vulnerable, who are living in the most deprived areas. Central management and administration costs will be reduced and wherever possible in centres whilst maintaining a safe service. The Council will work with centres, where appropriate, to maximise fee income, particularly in the areas of least deprivation using a sliding scale of fees. The centres providing for the most vulnerable will be least affected by funding changes.

9.4. There are three basic blocks of expenditure used to support the management, delivery and monitoring and evaluation of service delivery and we have considered the changes that can be made to each of these in order to deliver services within budget constraints:

- Central retained resources including management, administration and childcare places commissioned centrally;
- Commissioned services;
- Devolved budgets to Children's Centres.

9.5. Significant reductions are being made to the central management, administration and support functions and changes are proposed in the way that childcare places are targeted at need. In total these services are set to reduce from a cost of around £3.5m in 2010-11 to £1.6m.

9.6. Currently commissioned services include:

- Health services;
- Grants to the voluntary sector for specific programmes of outreach work;
- Sustainability grants to voluntary childcare groups; and
- Targeted childcare places.

Subject to consultation, it is proposed to reduce the level of funding for health services, grants to the voluntary sector and sustainability grants to childcare groups. It is anticipated that the increase in funding levels to the PVI childcare sector which will be delivered through the new Early Years Single Funding Formula will support the sustainability of community and voluntary childcare providers and therefore individual grants from the Early Intervention Grant will cease. In addition the targeting of childcare places centrally will enable a more cost effective solution than the current approach.

Commissioned Services will reduce from a cost of £1.1m in 2010-11 to around £0.8m.

9.7. The proposals for the future delivery of services through the children's centre programme is as described in this report., The priority will be to ensure that we can sustain a number of centres as lead centres where they serve communities with high levels of need / deprivation thereafter if the funding strategy allows we will support the development of linked centres offering the more standard offer.

9.8. Therefore, the formula for allocating the different elements of funding to each children's centre will be revised so that resources are targeted to the children and families who are most vulnerable and management and administration costs are reduced.

9.9. The revised formula will be supported by a clear Service Level Agreement between Haringey Council and each centre and this will set out the contribution that each centre will make to the delivery of our priorities.

Appendix 3 lists the current number of Children's centres in Haringey. **Appendix 4** provides a provisional view of which centres would be considered as full service and those which, subject to finances, would be linked centres. Current analysis of the financial resources available suggests that Haringey cannot maintain a network beyond the full service centres without support from other agencies or sustainable plans to maximise income.

9.10. In total the resources for Children's Centres provision devolved primarily through the formula will reduce from £9.1m in 2010-11 to £4.8m.

9.11. The above changes are summarised in the following table. The budgeted costs show for the future are the estimated full year position once all changes have been implemented. In 2011-12 only a part year effect will be seen.

£m	2010-11	Estimated Future Cost	Variance
Centrally Retained Resources	3.5	1.6	1.9
Commissioned Services	1.1	0.8	0.3
Children's Centre Provision	9.1	4.8	4.3
Total	13.7	7.2	6.5

10. Implication of the changes and future challenges

10.1. Haringey children's centre portfolio will be re-commissioned; with centres serving the most vulnerable continuing to offer the full range of children's centre services, whilst others, subject to available resources, will offer a 'standard' service

10.2. The sustainability of children's centres services relies heavily on the continued commitment to, and development of, partnership working and multi-agency approaches. Reductions in funding to other public sector bodies as well as the limited availability of funding to support the voluntary and community sector agencies will have a significant impact on the future delivery of services by partners. Whilst this may be offset by the national Government's commitment, from autumn 2010, to create 4,200 Health Visitors posts.

11. Chief Financial Officer Comments

11.1. Whilst, in cash terms, year on year funding for schools through the Dedicated Schools Grant has been broadly maintained between 2010-11 and 2011-12, the Council's Formula Grant and Core Grant funding has been reduced by some £34m. The new Early Intervention Grant of nearly £16m is itself over £4m less than the comparable funding available in 2010-11.

11.2. This loss of funding allied to £14.2m of budget pressures, including £7.4m in Children's Services, has resulted in a potential funding shortfall in 2011-12 of £41m across all of the Council's general fund services. Service areas have therefore been required to review their budgets and develop options for both reducing expenditure and increasing income. The proposals in this report form part of a range of savings proposals across Children's Services totalling £14.1m over the next two years. These savings have been incorporated into the Council's Medium term Financial Plan (MTFP) which is itself considered in a separate report on this agenda.

11.3. This report sets out the basis for delivery of Children's Centre Services over the next two financial years, 2011-12 and 2012-13. The proposals in the report reduce the cost of service provision over the two years by £6.5m (£5.2m in 2011-12 and a further £1.3m in 2012-13).

11.4. The proposed cost reductions will be achieved in three broad categories of

expenditure:

- Central retained resources including management, administration and childcare places commissioned centrally;
- Commissioned services;
- Devolved budgets to Children's Centres.

The focus of the revised service will be supporting the most vulnerable children in Haringey.

11.5. Both the scale and the nature of the expenditure reductions will mean that there will be risks associated with elements of the delivery programme timelines. In particular the need to design, consult and agree the detail of a new formula for the funding of Children's Centres, many of which are aligned with schools, is unlikely to be implemented before the start of the 2011 academic year. For this reason the MTFP includes a contingency for programme slippage of up to £1.3m between 2011-12 and 2012-13.

12. Head of Legal Services Comments

12.1. The Head of Legal Services has been consulted on the content of this report. As indicated in the report and its appendices the provision of the Children's Centre Service by the Council falls within the statutory duties on the authority set out in Part 1 of the Childcare Act 2006 and subsidiary legislation made under the 2006 Act governing the Early Years Foundation Stage. Section 5D(1)(b) of the 2006 Act requires the Council to secure that such consultation as is thought appropriate is carried out before any significant change is made in the services provided through a relevant children's centre. Recommendations 4.1, 4.2 and 4.3 must be decisions taken in principle only, subject to the outcomes of both the equality impact assessment and consultation identified in the report. The outcomes concerning these matters should be considered by the Children and Young People's Service, and the responsible Cabinet Member. Any final decision concerning these two recommendations should be the subject of delegation to the Cabinet Member with portfolio responsibility for Children's Services.

13. Head of Procurement Comments – [Required for Procurement Committee]

13.1. [click here to type]

14. Equalities &Community Cohesion Comments

14.1. An Equalities Impact Assessment will be undertaken on the proposals contained

within this report by the end of March 2011.

- 14.2. The proposed levels of service are intended to ensure that our most vulnerable and disadvantaged children are able to access children's centre services and continued commitment to outreach into our communities will ensure that we continue to strive to engage our most in need families, within a universal service offer.
- 14.3. It is anticipated that the proposals set out in this report may be refined based on the outcome of the Equality Impact Assessment.

15. Consultation

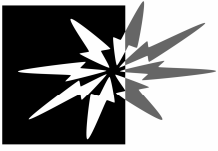
- 15.1. The Apprenticeship, Skills, Children and Learning Act 2009 requires that the Local Authority comply with the regulations and guidance on the staffing, organisation and operation of Sure Start Children's Centres and consult, as it considers appropriate, if any changes are proposed to the provision of a children's centre.
- 15.2. The proposed changes to the delivery of children's centres will be consulted on. The consultation will be undertaken with key stakeholders and partners. At the time of writing, some limited consultation on service delivery has been undertaken.
- 15.3. Consultation on the proposed changes to the configuration of Haringey's children's centres is on-going. The timescale between the notification of levels of EIG funding in mid-December 2010 and the ability to develop viable proposals in light of anticipated reductions in funding has proved to be extremely challenging. To this end, it is anticipated that the proposals set out in this report may be refined in the light of the feedback from consultation.

16. Use of appendices /Tables and photographs

- 16.1. Appendix 1 – LA statutory duties
- 16.2. Appendix 2 - List of Grants subsumed by the new Early Intervention Grant
- 16.3. Appendix 3 – Current profile of Children's Centres in Haringey
- 16.4. Appendix 4 – Proposed re-configuration of children's centres: Cluster model
- 16.5. Appendix 5 - Map of Haringey's Super Output Areas

17. Local Government (Access to Information) Act 1985

--



Haringey Council

Appendix 1

ty Duties

ure sufficient high quality childcare for working parents

ure prescribed early years provision free of charge

y of LA in relation to well-being of young children

ties of the LA in relation to early childhood services

al authority and relevant partners to work together [SHA or PCT]

vide information, advice & training to childcare providers

ess the sufficiency of childcare

le comprehensive information to parents of children and young people up to 20

Outcomes Duties

ment duty

the overall attainment of all children when assessed at the end of the Early Years Foundation Stage

es duty

w the gap in attainment between the children in lowest 20% and the median of the rest when assessed at the end of the Ea
ion Stage

Appendix 2 List of grants, received in 2010-11, to be subsumed by the new Early Intervention Grant from April 2011.

The following grants were previously provided from central government and have now been subsumed by the new Early Intervention Grant(EIG). From April 2011, these areas will no longer be funded separately:

- Connexions
- Positive Activities for Young People
- Children's Fund
- Teenage Pregnancy
- Youth Crime Action Plan
- Youth Substance Misuse
- January Guarantee
- Youth Taskforce
- Challenge and support funding (youth)
- Intensive Intervention Project
- Foundation Learning
- Children's Centres
- Early Year's sustainability
- Early Year's Workforce
- Two-year-old pilot
- Think Family
- Shorts breaks for disabled children
- Targeted Mental Health in schools
- Children's social care workforce
- Contact point
- Child Trust Fund

Appendix 3

The tables below show the current profile of Children's Centres in Haringey.

Hornsey and Wood Green (Parliamentary constituency)

Centre Name	Ward	Current designation 2010-2011
Bounds Green	Bounds Green	Full service centre
Rokesly	Crouch End	Full service centre
North Bank	Fortis Green	Full service centre
Highgate	Highgate	Full service centre
Campsbourne	Hornsey	Full service centre
Stonecroft	Muswell Hill	Full service centre
Noel Park	Noel Park	Full service centre
Stroud Green	Stroud Green	Full service centre
Woodside	Woodside	Full service centre

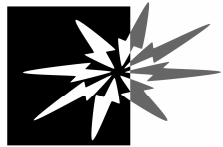
Tottenham (Parliamentary constituency)

Centre Name * denotes the provision is a link site , rather than a designated children's centre.	Ward	Current designation 2010-2011
The Ladder	Harringay	Full services centre
Park Lane	Northumberland Park	Full service centre
Woodlands Park	St. Ann's	Full service centre
South Grove	St. Ann's	Full service centre
Triangle	Seven Sisters	Full service centre
Earlsmead	Tottenham Green	Full service centre
Welbourne	Tottenham Green	Full service centre
Pembury	Tottenham Hale	Full service centre
Broadwater Farm	West Green	Full service centre
*Downhills School	West Green	Link site to Woodlands Park CC
Rowland Hill	White Hart Lane	Full service centre
* 100 Tower Gardens Road	White Hart Lane	*Link site to Rowland Hill CC
* Bruce Grove	Bruce Grove	Link site to Pembury CC

Appendix 4

The following table reflects the proposed changes to the designation and profile of children’s centres. Where linked centres are shown, it is proposed that management and co-ordination of children’s centre services will be planned, managed and co-ordinated from the lead centre. Staff will be deployed flexibly across the centres as required. Funding for the cost of maintaining the buildings in the school- based “Linked CCs sites will be drawn down to host schools through devolved formula capital.

	Lead CC (full offer)	Linked CCs (full offer)	Linked CCs (standard offer)
Cluster 1	Campsbourne		Stonecroft Highgate Rokesly North Bank Stroud Green
Cluster 2	Noel Park	Bounds Green Woodside	
Cluster 3	Rowland Hill	Broadwater farm	
Cluster 4 (stand alone)	Park Lane		
Cluster 5	Pembury House		Bruce Grove link site
Cluster 6	Triangle	South Grove	
Cluster 7	Woodlands Park	The Ladder	Downhills link site
Cluster 8	Welbourne	Earlsmead	



Haringey Council

Appendix 5

Map of Haringey's Super Output Areas

