

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Children's Services
Date of Decision:	11 March 2010
Decision Title:	Proposed changes to the number and type of children's centres in Hampshire
Decision Reference:	1313
Report From:	The Director of Children's Services

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1. Executive Summary

- 1.1. On 17 December 2009 the Executive Lead Member for Children's Services authorised consultations on proposed changes to children's centres following new guidance from the Department for Children, Schools and Families (DCSF) communicated through Together for Children (TfC), the Government's agent overseeing the development and implementation of children's centres.
- 1.2. The proposed changes will support children's centres to become a more sustainable resource for the county delivered in a more efficient way to provide better value for money.
- 1.3. Access to the services of a children's centre will not be reduced should the proposed changes go ahead and the emphasis on improving outcomes for families, in particular those living in the most disadvantaged circumstances will be both maintained and improved.
- 1.4. The changes outlined in the proposal were:
 - Merging of Mill Hill Children's Centre and Small Steps Children's Centre in Havant
 - Merging of The Windmill Children's Centre and The Sails Children's Centre in Eastleigh and change of status from a full core offer (30% model) children's centre to a graduated (70%) model
 - Merging of the phase 3 East Hants 7 Children's Centre and Hillside Children's Centre in East Hants
 - Merging of Butterflies Children's Centre and Dragonflies Children's Centre in Rushmoor

- A change of status for The Phoenix Children and Young People's Centre in the New Forest from a full core offer (30%) model to a graduated (70%) model.

- 1.5. This report provides details of the outcome of those consultations and seeks approval to proceed with the changes proposed in paragraph 1.4.
- 1.6. The consultation document (Appendix 1) was published on the children's centres website and was distributed to children's centre partnership boards, parents, staff and other stakeholders including health and district councillors via the children's centre. Additionally the document was sent directly to County Councillors in the areas affected by the proposed changes and trade union representatives via the Education and Inclusion consultation group.

2. Contextual information

- 2.1. Hampshire County Council currently provides services to children under five and their families through 60 Sure Start Children's Centres. This figure, following local consultation and national agreement, is proposed to increase to 85 centres by March 2010, meeting the Government's target for every community to be served by a children's centre. This will bring to an end three phases of children's centres development covering the period 2004 to 2010 and represents a capital investment in excess of £40m.
- 2.2. The number of children's centres to be developed in Hampshire was set out by the Department for Children, Schools and Families (DCSF) and is overseen by the agents managing the roll-out and implementation of the development of children's centres, Together for Children (TfC). The requirement was for Hampshire County Council to provide a minimum of 53 children's centres in phase 2, in addition to the seven that had been developed in phase 1 with a further 25 being added in phase 3. A request was made by Hampshire County Council to reduce the number of phase 2 children's centres from 53 to 45, however this application was refused. The guidance further required the Local Authority to develop full core offer children's centres within the top 30% most deprived Lower Super Output Areas (LSOAs) based on the Index of Multiple Deprivation (IMD). Further to this, the County Council took a decision in 2006 to extend the full core offer to all phase 2 children's centres with an IMD ranking up to 35%. This resulted in the development of 28 full core offer children's centres.
- 2.3. The number of full core offer children's centres in Hampshire was agreed by TfC and the DCSF. All phase 3 children's centres are graduated models.
- 2.4. Current TfC guidance recommends that children's centres have a reach area of between 800 – 1200 under fives but, higher numbers are acceptable where appropriate and agreed with TfC. Within Hampshire, reach areas currently range from 346 – 1326 with 23 children's centres having a reach area of less than 800, eight of which are less than 500.
- 2.5. A full core offer children's centre is required to have integrated early education and childcare on site or within 0.5 miles of the centre, to employ a fully qualified early years teacher and have opening hours of five days per week, ten hours per day, 48 weeks of the year. This differs to a graduated

centre which does not have the same requirement to provide integrated early education and childcare and whose opening hours can be reduced to a minimum of 7.4 hours per day if still in line with the needs of the community. There is also no requirement to employ a teacher. Both full core offer and graduated centres are required to deliver a range of other services including links to Jobcentre Plus and childminders, access to health services, family support and outreach and the provision of advice, information and guidance. However, it is expected that the style of service delivery will differ with much more emphasis within a graduated centre being on delivering services through outreach and in partnership with other agencies and organisations.

- 2.6. Over recent months it has become clear through discussions with TfC, that DCSF requirements have changed and there is now greater flexibility regarding the number of children's centres that have to be developed by Local Authorities. Along with this, the criteria for full core offer centres has also been relaxed, enabling the County Council to review its current number of full core offer centres.
- 2.7. Centres should now only be designated as full core offer if a minimum of 50% of the under fives in their Notional Catchment Area (NCA) live within LSOAs in the top 30% of the most deprived areas. Based on this current guidance Hampshire would only have five centres that qualify as full core offer and as such, would be funded accordingly in order to provide the services as described in 2.4 above.
- 2.8. TfC requires the County Council to strategically review both the overall number and the geographical make-up of its children's centres as well as the number designated as full core offer centres. While this needs to be an ongoing process, it would be advantageous to take action at selected sites and implement the changes prior to the March 2010 designation deadline. Work will continue beyond this initial review period to identify further opportunities for rationalisation of children's centres across Hampshire. As appropriate further reports will be brought to the Executive Lead Member for Children's Services detailing options available to better align service delivery with available resources. While this review is a requirement and expectation, the County Council is committed to working out the detail of any changes and identifying the best way forward for the effective delivery of services to meet the local needs of children and families through children's centres.
- 2.9. It is expected that any required changes to staffing structures as a result of this initial review would be dealt with through vacancy management as outlined at 5.11. While further reviews would seek to deal with staffing issues in a similar fashion, where required to deliver service improvements redeployment and/ or managed redundancy would be considered.

3. Proposed changes

- 3.1. The following changes to the structure of the County Council's children's centres are proposed. These changes would allow an initial reduction in the number of full core offer centres from 28 to 25 and reduce the overall number of centres from 85 to 81. The reduction in the overall number of centres would be achieved by merging Hampshire County Council managed

centres where there are already twinned management arrangements in place. Significant integrated working and joint service delivery is already being achieved in the following centres affected by these proposals, Eastleigh (3.2), Havant (3.3) and Rushmoor (3.4 and 3.5)

- 3.2. **Eastleigh** – The Windmill Children’s Centre serving the Wards of Bursledon and Old Netley to be merged with The Sails Children’s Centre serving the Wards of Hamble-Le-Rice, Butlocks Heath and Netley Abbey. The merged centre to become a graduated model, in line with TfC guidance providing services for 1055 under fives. Currently the two centres are twinned with shared management arrangements which would initially remain, ensuring stability and minimising disruption. Over time the situation would be reviewed and when opportunities arise staffing levels would be adjusted to make best use of resources. Current service delivery would remain unchanged.
- 3.3. **Havant** – Mill Hill Children’s Centre serving the Ward of Stakes to be merged with Small Steps Children’s Centre serving the Ward of Waterloo. The merged centre to remain as a full core offer centre providing services for 1012 children under five. Management and service delivery to remain unchanged, future opportunities for change to be considered as set out at 3.2 above.
- 3.4. **Rushmoor** – Butterflies Children’s Centre serving the Wards of Westheath and Empress to be merged with Dragonflies Children’s Centre serving the Wards of Cove and Southwood, and St Johns. The merged centre to remain a graduated offer centre based within the existing Butterflies building serving 1413 under fives. As outlined in 3.2 management arrangements and service delivery to remain unchanged at the present time.
- 3.5. **Rushmoor** - Owls Children’s Centre currently serving the Wards of Mayfield, Fernhill and Grange to have its NCA adjusted to take in parts of the Ward of Empress, increasing the number of under fives by 141 to 1420. This adjustment is necessary to allow the merger of Butterflies and Dragonflies (paragraph 3.4), ensuring the number of under fives in each NCA is maintained around 1400, a figure acceptable to TfC.
- 3.6. **East Hampshire** – Hillside Children’s Centre to be merged with the newly proposed phase 3 centre serving the Wards of Selborne, Downland, Binstead and Bentley. The new centre to provide services for 909 children under five. Management to be provided through the existing arrangements at Hillside Children’s Centre. Due to the rural nature of the area being incorporated into the current Hillside NCA and its dispersed population there will be a need to increase the use of the mobile unit currently supporting services within the existing Hillside NCA. This will expand the reach of the mobile unit to cover the newly formed catchment area.
- 3.7. **New Forest** – The Phoenix Children and Young People’s Centre serving the Wards of Milton, Barton, Bashley, Becton, Hordle, Milford and Fernhill to be re-designated to a graduated centre from a full core offer in line with the level of deprivation identified within its NCA.

4. Finance

- 4.1. The changes to the current children's centre structure as outlined in section 3 would incur no additional costs. Existing staffing structures would be maintained for the short to medium term with 2010/11 revenue allocations continuing to be available. Where NCA alterations are required, existing budget allocations will be adjusted accordingly through the overall funding formula. This will be managed in consultation with the centres and if necessary transitional arrangements implemented to ensure current levels of service delivery are maintained and changes are managed appropriately. During 2010/11 the long term funding implications will be assessed and consulted on if necessary.
- 4.2. It is estimated that savings in the region of £270,000 per annum could be achieved as a result of future staffing changes. This includes the reduction of 2 fte in the number of qualified children's centre teachers being employed where the centres are being re-designated from a full core offer to a graduated centre and, 0.5 fte teacher post with the merger of Mill Hill and Small Steps. However, this resource would continue to be available within the community as outlined in 5.11. Over time, a more cost-effective management and staffing model will be developed to take account of the merging of centres and any associated costs. This will potentially cover co-ordinator posts, administrative costs required to cover extended opening times and the number of family support outreach worker hours allocated. Changes will be discussed and agreed by the Children's Centre Board, and agreed by the Chair person as will the use of any savings made.
- 4.3. Changes to staffing models will take place through vacancy management, with opportunities for transferring staff considered where possible. During this process particular attention will be given to ensuring that high quality service delivery is maintained and where required transitional arrangements put in place. Staff will be fully involved, and Trade Unions consulted as necessary.

5. Consultation

- 5.1. The consultation exercise with key stakeholders was a positive and well received opportunity for groups and individuals to raise any issues they had about the proposals contained within the consultation document. It has provided a positive outcome ,with a total of 20 consultation forms returned some of which referred to more than one centre. The breakdown was as follows:
 - 14 – agreed
 - 9 – disagreed
- 5.2. The source of the responses was as follows:
 - 1 – Parent
 - 8 – Staff
 - 4 – Partnership Board members
 - 4 – Partners delivering services in children's centres
 - 3 – Others

- 5.3. **County Councillors** - No written responses have been received from county councillors.
- 5.4. The consultation document (Appendix 1) that included a summary of the proposed changes was available through the children's centres website and was also distributed to key stakeholders including parents, partnership boards and partners including health through the children's centres themselves and directly to local County Council members for each children's centre's NCA.
- 5.5. A schedule of meetings that have taken place with regard to the proposed changes are attached at appendix 2. Questions raised at the meetings or via email and letter are listed in appendices 3 – 8 and responses are summarised within the report, paragraphs 5.6 – 5.14.
- 5.6. The proposed changes to Dragonflies and Butterflies Children's Centres received five responses against and two in support of the changes. The reasons cited for disagreeing to the proposals related primarily to concerns regarding service delivery, particularly given the increased size of the NCA. However it is not anticipated that there will be an adverse effect upon service delivery as outlined at 5.10 and resource allocation will take full account of the number of under fives within the NCA as outlined at 5.10.
- 5.7. Positive comments included recognition that joint management and service delivery was already taking place and it therefore 'seems to be a sensible action to take', 'Butterflies is a wonderful centre and parents are very complimentary.... It doesn't need two management teams in the one building' and 'this would be more cost effective and avoid duplication of services'.
- 5.8. The proposed changes to the Phoenix Children's Centre received two responses against the proposal with no responses in favour. Concerns raised related to the effect the proposed change would have on service delivery and the level of resource. However, it is not anticipated that the change would have an adverse effect upon service delivery as outlined at 5.10.
- 5.9. The main areas of concern raised across all of the consultation events primarily related to the areas of childcare provision, budgets, service delivery, staffing and the availability of accurate data. These areas and the concerns raised are addressed in paragraphs 5.10 – 5.14.

5.10. Service delivery

A main area of concern was that service delivery could be adversely affected by the recommended changes. All of the existing children's centres that are proposed to merge, i.e. those referred to at 3.2, 3.3 and 3.4 already deliver many of their services jointly including through outreach. This approach to service delivery would be continued and it is not expected that there will be any reduction in the quality or level of service being provided over and above the ongoing review of services that is undertaken by all

children's centres. The aim of which are to ensure centres continue to meet the changing needs of the communities they serve.

5.10.1 Where the proposals seek to change centres from full core offer to graduated centres the provision of services will be maintained, and will not be directly affected by the merger. Although graduated centres are able to have reduced opening hours it is not expected that these would be changed as part of this process. Any future changes would be driven by central government funding allocations and local need and would only be introduced after consultation with parents, partners and partnership boards.

5.10.2 The size of the proposed NCA for Dragonflies and Butterflies was raised as a particular concern. However, it is not expected that any services will be withdrawn as a result of the merger and the formula funding for children's centres takes account of the number of under fives within the NCA as well as other factors such as level of deprivation.

5.11 Staffing

As staff vacancies arise staffing structures will be reviewed. This approach is currently employed across all Hampshire County Council managed children's centres and is not exclusive to those centres affected by the proposed changes. Some of the centres affected may see a change to their current management model sooner as vacancies that exist now, need to be considered in-light of these proposals. If the mergers proceed consideration will be given to the most effective ways of deploying staff across the merged centres. Over time and if required opportunities for redeployment would be explored. A graduated centre is not required to employ a qualified children's centre teacher. There are no plans to move the current teachers based in the centres although over time the role may become more community rather than children's centre focused.

5.12 Childcare

There is a requirement to provide integrated early education and childcare in full core offer centres. The childcare provision linked to The Windmill Children's Centre and The Phoenix Children's Centre is provided by third party suppliers. They will continue to deliver and develop services regardless of any changes to the children's centre. The proposed changes would allow greater flexibility for the childcare provider in relation to the age ranges catered for and the opening hours required, both of which will support the sustainability of their provision longer term. For example, where there is little demand for provision 8am – 6pm, the provision can operate for less hours thus saving money on operational costs. There is no such flexibility for full core offer childcare provision. Concern was raised regarding the level of early years education provision in the Dragonflies and Butterflies Children's Centre. However, as these are both graduated models there is no childcare currently on site and no requirement for this. Therefore the merger will not affect delivery of this aspect of the service in any way.

5.13 Budget

It is not proposed to change the indicative centre budgets set for 2010/2011 and the budgets will continue to be monitored through Children's Centre Services budget monitoring arrangements. However, during 2010/2011 a review of the overall budget for Children's Centre Services will take place as a result of the new funding allocation from DCSF. This will subsequently require all children's centres budget to be reviewed, not just those of the centres affected by the proposed changes in this report. Where NCA alterations are proposed existing budget allocations would be adjusted accordingly if this directly impacts on the formula for the allocations.

5.14 Data

Concerns were raised that the data available for the Dragonflies and Butterflies NCAs did not reflect the current situation. The data provided was generated from the 2004 Index of Multiple Deprivation (IMD) rather than the 2007 data that was referred to in the meeting. However, there has been no significant change in the level of deprivation during this time. Additionally whilst it is acknowledged that Rushmoor is the third most disadvantaged district in the county, this is not reflected within the NCAs of Dragonflies and Butterflies which are in the more advantaged 50% and are therefore graduated rather than full core offer models.

6. Efficiency Savings

- 6.1 The streamlining of management structures and administrative functions if the proposed changes are approved will result in financial savings, some of which can be released and re-allocated for direct service delivery ensuring that the level and quality of support to families is maintained in-line with changing community priorities. More detailed reports will be taken to the Children's Centre Board as appropriate.

7. Legal Implications

- 7.1. There will be no legal implications for the County Council to implement the proposed changes detailed in this report.

8. Financial Implications

- 8.1. There will be no additional cost to the County Council to implement the proposed changes as detailed in this report.
- 8.2. As detailed in paragraph 4.2, future savings will be generated through the proposed staffing changes. However, it is not possible at this point in time to be exact as to when these savings will be realised.

9. Personnel Implications

- 9.1 There are no personnel implications up to March 2011 as budgets are already set for this period. Beyond this period, because of the uncertainty around the level of central government funding there may be a need to consider staffing models at some centres. Where this is the case, Human Resources' guidance will be followed.

10. Recommendations

- 10.2 That the changes as set out in section three of the paper are approved and implemented with immediate effect.
- 10.3 That the Children's Centre Board, in discussion with the Executive Lead Member for Children's Services, undertake consultations on any further changes to children's centre provision and report on the outcomes to the Executive Lead Member for Children's Services.

11. Impact Assessment

- 11.1. A full impact assessment has been undertaken and is attached at appendix B.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Business plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Business plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	
<i>NB: Only complete this section if you have not completed any of the Corporate Strategy tick boxes above. If it is not applicable, please delete.</i>	

NB: If the 'Other significant links' section below is not applicable, please delete it.

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Proposed changes to the number and type of children's centres in Hampshire	<u>Reference</u> 1029	<u>Date</u> 17 December 2009
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. Equalities have been considered and no adverse impact identified

2. Impact on Crime and Disorder:

- 2.1. These proposals would have no impact on crime and disorder

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

Opportunities will be assessed to reduce the impact in developing a model of service delivery.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No specific measures have been identified