

<b>Meeting:</b>	<b>Cabinet</b>
<b>Meeting date:</b>	<b>Thursday 14 September 2017</b>
<b>Title of report:</b>	<b>Future use of children centre buildings</b>
<b>Report by:</b>	<b>Cabinet member contracts and assets, cabinet member young people and children's wellbeing</b>

## **Classification**

Open

## **Decision type**

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## **Wards affected**

(All Wards);

## **Purpose and summary**

To agree the future management, use and operation of children centre buildings.

The recommendations are based on making the most of buildings currently in the council's ownership as a resource for children and families. The proposals are based on the buildings being operated by other parties or operated by the authority where there is no obvious community delivery partner, supported by generating an earned income to contribute to costs.

The recommendations take account of the recent consultation on children centre buildings, cabinet recommendations regarding customer services and libraries and the executive response to the recommendations of the health and social care overview and scrutiny committee on early years services.

## **Recommendation(s)**

**That:**

- (a) Greencroft, Broadlands and Ledbury children centre buildings be operated by the schools on site under agreements with each school to deliver 0-5 year services including hosting health and midwife clinics;**
- (b) subject to provision being made in the 2018/19 capital programme and to reaching appropriate agreement with Ross Town Council, Ross children centre services be provided from Ross Library and the Old Chapel;**
- (c) Kingstone children centre building operated by Kes Childcare for 0-5 year services based upon reaching appropriate agreement with Kes Childcare for lease of the land and building;**
- (d) Coningsby children centre services in Leominster to be relocated to the under-utilised space at the council's multi agency office (next door) and additional activity at Leominster library;**
- (e) further to d) above, Honeybees nursery be granted a ten year lease at a rent of £16k per annum for use of Coningsby children centre;**
- (f) subject to appropriate procurement and agreement of lease terms enable part of the ground floor of Widemarsh centre for child care services; and**
- (g) the chief finance officer be authorised to take all operational decisions necessary in consultation with director children's wellbeing to implement the above recommendations within approved budgets and in accordance with the council's corporate property strategy.**

## **Alternative options**

1. An alternative option is to retain the status quo. This is not recommended as it does not reflect the changing model of service delivery, does not address the need for additional places in nurseries nor the pressures on schools for spaces, and misses the opportunity for efficiencies through shared use of sites.
2. Another alternative option is to close the children centres – creating a full saving on the running cost of buildings compensated with an outreach model based on current revenue spend by children centre services. This is not recommended as the buildings at the current time still have a role to play as places to support families and children. It would also not support community, schools and nursery need.

## Key considerations

### Background

3. Herefordshire Council cabinet approved a strategy for the development of children centres in September 2003 following a review of national childcare policy published in 2002. In 2006 councils were given the statutory duty to provide children centre services under Section 5A of the Childcare Act 2006. Since 2010, there has been a change in approach with a new “core purpose” focusing on outcomes and impacts and the removal of the requirements on centres to provide access to childcare in the most disadvantaged areas.
4. Further changes to the statutory guidance for children centre services no longer make it an explicit requirement that children centre services are building based. This potentially means all services could be withdrawn from their current buildings and delivered by outreach based on a targeted model of support. Despite this children centre buildings are still part of the Ofsted inspection, though this has not happened in Herefordshire since 2015 and the requirement is likely to be subject to announcement that children centres will not be inspected.
5. As a consequence of the changing use of buildings, revised national policy and reductions in council funding, many councils are reviewing their delivery of children centre services. In 2015 the council’s health and social care overview and scrutiny committee conducted a review – below are areas of specific relevance to this report and the executive response outlined to cabinet on the 13 October 2016:
  - Consideration is given to the use of the building space that the council has direct responsibility for to ascertain how they could be used better.  
Executive response: Accepted. Target: detail about building requirements from an early years / children centre services perspective are fed into the corporate decision making.
  - A review into the use of children centre buildings is completed to ensure that the services provided are offered in a more holistic manner for the whole age range (0-5) and meet the needs of the children and family.  
Executive response: Accepted. Target: Have a clear statement of the most relevant and cost effective approach to the use of children centre buildings.
  - Early years provision not be tied to specific buildings; this could include the unsustainable use of buildings for example being used by community groups during evenings and weekends.  
Executive response: Accepted. Target: Data and information about how services to improve outcomes can be configured differently is established and acted upon, including long term plan for children centre services.
6. Also at the 13 October 2016 cabinet, as part of the review of Customer Services and Libraries it was agreed that: “with a view to development of a longer term enhanced service model providing prevention and early help to children, families and vulnerable adults an option appraisal on the potential use of children centre buildings and libraries be undertaken along with the opportunity of creating a network of well-being hubs”.

### Children centre services

7. Appendix one gives a more detailed overview of activity that takes place in children centres. It is worth noting that children centre services cover more than the operation of buildings and includes outreach activity based on eight geographic “reach” areas of the county.

8. There are ten children centre buildings (two of which are satellite provision catering for spill-over activity). There is a concentration of centres in the more urban areas due to a combination of population base and need. By their nature the buildings seek to create a welcoming environment where families and children feel comfortable, often on a shared site with a school and/or nursery. The centres currently offer a range of functions, each with different levels of activity depending on their catchment and facilities. Increasingly activity is targeted at children and parents that need support rather than open access and universal services.
9. Only Hope Centre in Bromyard and Peterchurch are run independently of the council through separate agreements.
10. As part of a commissioned statutory service, midwife and health visitor surgeries take place requiring specialist spaces including sink, bed and access to on-line records (provided by Wye Valley NHS Trust). Also, facilities will continue to be used for supervised contact, and can be shared with specific teams within the council along with MAOs (multi agency offices).
11. There are a number of factors influencing change in the use of children centre buildings. These cover:
  - Department of Education recognising that there can be flexibility in the continued operation of children centres.
  - The county's rural geography means that outreach activity needs to take place in different areas due to parent's inability to get to central locations.
  - Need to target provision for the highest need children and families using the resources available.
  - Increase in community led programmes for universal services.
  - Demand for spaces for council and private nursery places with additional free places being made available as part of The Childcare Bill 2016 for 2, 3 and 4 year olds.
  - Site development for schools due to increase in population base relating to housing provision.
  - Technology altering how and where people access advice and support especially for universal services.
  - Decrease in the need for supervised contact as the service changes its model of delivery.
12. Therefore, in understanding the factors of change and previous scrutiny / cabinet reports, the principles for the future operation of sites for early years is as below:
  - a) Families able to access children centre services through retained sites or via community venues
  - b) The buildings see an increased range of uses as a local resource for children, families and wider community use
  - c) That facilities are community led including by schools where there is a firm basis to achieve this
  - d) That other assets in the community, particularly libraries, leisure centres, schools and nurseries provide universal services for children
  - e) That sites are used to proactively support the increased demand for nursery and school places in the county
  - f) Where a service, function or office facility is displaced every effort is made for an alternative to be available for affected families
  - g) A financial consideration is factored into decision making relating to the wider responsibility of the local authority in meeting its financial obligations and priorities.

## Financing the buildings

13. The current property running costs for the premises are as below (based on average spend for 2015/16 and 2016/17):

Centres	Gross Annual Premises Costs £000	Income £000	Net Annual Premises Costs £000
Widemarsh, Hereford	63	-	63
Coningsby, Leominster	40	(2)	38
Greencroft, Hereford	40	(17)	23
Ledbury	31	-	31
Hope Bromyard	30	-	30
Ryefield, Ross	68	(2)	66
Peterchurch	12	-	12
Broadlands, Hereford	8	-	8
Kingstone, Golden Valley	8	-	8
South Meadow, Hereford	40	-	40
<b>Totals</b>	<b>340</b>	<b>(21)</b>	<b>319</b>

\*not a council owned building

14. Revenue spend on operational costs for children centre services (separate from the operation of the buildings) is £405,000 - the spending profile of the service will be considered in terms of a new model of delivery linked to early help and early years services.

### Recommended service change

15. The following section reviews each centre for delivery based on:
- Recommendations and findings from cabinet and scrutiny
  - Influencing factors, including changing approach of Dfe and the need for nursery and school places and how options meet the principles
  - Impact and needs assessment including feedback to consultation.
16. **Greencroft, Hereford:** to be managed by Marlbrook Primary School under a new service level agreement as part of a combined family centre that caters for children at the school and their parents, as well as the wider local community. Under the service level agreement midwife and health visitor clinics will continue as part of an integrated service within a reconfigured space that includes a MAO.
17. **Widemarsh, Hereford:** for the council to continue to operate the centre as a combined facility. To let part of the building on the ground floor to a child care provider under a commercial lease. All other services including community garden, café, forest school, community room, play nursery and health rooms to remain as existing.

18. **Kingstone:** for 0-5 year old services to continue to operate from the site run by Kes Childcare under a new lease to enable the expansion of its existing on-site operation.
19. **HOPE Centre, Bromyard:** the building retained through the independent operation of the Hope Centre subject to a future decision on the services commissioned from the council and review of lease arrangements.
20. **Broadlands, Hereford:** to be managed by Aylestone School under a service level agreement as part of a combined family centre, with provision for midwife and health visitor clinics and community activity.
21. **South Meadow, Hereford:** to recognise the current practice with the site largely operating as a supervised contact centre and base for the children's wellbeing team.
22. **Ledbury:** for the primary school to operate the building for 0-5 year old services linked to the network of buildings on site under a service level agreement to meet the future needs of the school to include midwife and health visitor clinics available along with community activity.
23. **Coningsby, Leominster:** a new lease of the children centre to Honeybees nursery to expand their nursery places to meet demand. Clinics and other children centre services to operate from underutilised space in the MAO building next door and additional universal service provision for children at Leominster library alongside health campaigns for the wider family as part of the establishment of a well being offer.
24. **Ryefield, Ross:** a long term proposal to relocate the children centre to a new school site. In the short term children centre services provision to take place at the Old Chapel under a new agreement with the town council, along with use of the library. It is also envisaged that the MAO and additional office space will be available at the Old Chapel thereby freeing the Ryefield Centre for alternative use which will be subject to a separate decision.
25. **Peterchurch:** aside from its religious function the church is currently used as a community library and children's services are provided by a voluntary pre-school group under two separate long term agreements held by the council. These agreements will continue but will be subject to future review.

## Community impact

26. Cabinet on 20 October 2016 also agreed the Early Help Strategy 2016-18 which links strongly to support for early years, based on the following:

The Early Help provided will be:

**Family focused** – and designed to address the issues of the whole household in a holistic way;

**Community focused** – drawing on the strengths and services in each locality;

**Targeted** – to ensure the right level of support at the right time;

**Multi-agency** – to reflect the complex and multi-faceted issues that families can often face;

**Aimed at building resilience in families** - to provide them with the tools and skills to help and support themselves in the future.

27. The recommendation of this report supports delivery of the council's corporate plan priorities to "secure better services, quality of life and value for money" and "keep children and young people safe and give them a great start in life". Related actions are as follows:
- Work in partnership to make better use of resources, including sharing premise costs through co-location of services and local solutions for community use facilities such as libraries
  - Improve the provision of good information and signposting to enable people to support themselves and each other, getting the right help at the right time as needs change
  - Reconfigure £3.5m to deliver early years services including children centres, health visiting and school nursing to improve the health, well-being, developmental and educational outcomes of children aged 0-5 years
  - Continue to develop a range of provision that can effectively identify and respond to safeguarding risks and needs; from the initial signs of the call for early help to a range of evidence-based interventions for a variety of complex situations
  - Promote and enable access to universal opportunities and services for children with disabilities and their families and ensure a range of provisions to meet identified need.

## Equality duty

28. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
29. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
30. Where a decision is likely to result in detrimental impact on any group with a protected characteristic it must be justified objectively. This means that attempts to mitigate the harm need to be explored. If the harm cannot be avoided, the decision maker must balance this detrimental impact against the strength of legitimate public need to pursue the service change.
31. An impact assessment has been completed based on the original proposals used for the public consultation (see later) containing recommendation that have altered the proposition (see appendix two). Relating to specific centres recommended mitigation is summarised below:

Greencroft, Hereford:

- As part of the new arrangement instigate agreement with the school to retain services where possible, redesigning spaces to enable activities to continue and areas for midwife and health clinics

Widemarsh, Hereford:

- Retain reception function as a well used site with multi-functional use.
- Promote nursery education funded places available due to the Children's Act 2016.
- Any future partner organisation appointed through a procurement process with criteria to support the objectives of the services.

Broadlands, Hereford:

- Reconsider option that supports the sustainability of children centre services.

South Meadow, Hereford:

- Retain the sensory room and promote where relevant.

Kingstone, Golden Valley:

- Agreement with the nursery to maintain open activities where relevant.

Hope Centre, Bromyard:

- Services provided by Hope to be part of the wider review of children centre services.

Ledbury:

- Service agreement with the school to retain element of children centre services and community activity.
- Recognise that the Masters House is not a replacement for a children centre, but could support children's activities and promote them e.g. summer reading challenge etc.

Coningsby, Leominster:

- That the design of the library, including utilisation of specific space on site currently used for activities has the ability to cater for group sessions for children centre activities.

Ryefield, Ross:

- Consider expanding to the outdoor space at the library.
- Consider an opportunity to use the library exclusively for children centre services when the library is not open (each Wednesday) and an area that can be confined on occasions for certain children centre activities.
- Additional space, preferably close the library, that can be used for 0-5 years services that could cater for the MAO and storage.

## Resource implications

32. This paper is concerned with the operation of the buildings element of children centre services. How efficiencies can be achieved are shown below – these will be subject to costings though in the region of a revenue £100k to £150K saving.

Centre	Summary of delivery and results savings costs to Herefordshire Council
Greencroft, Hereford	Operated by the school with savings on site running costs, including caretaking, cleaning and utilities.
Kingstone	Operated by the nursery with savings on running costs including caretaking, cleaning and utilities.
Hope Centre, Bromyard	No saving.
Broadlands, Hereford	Operated by school with savings on running costs including cleaning and utilities.
South Meadow, Hereford	No saving.



Coningsby, Leominster	Income from lease and save on building costs.
Widemarsh, Hereford	Income from lease.
Ledbury	Operated by the school with savings on site running costs including caretaking, cleaning and utilities.
Ryefield Centre, Ross	Save on site running costs including caretaking, cleaning, utilities, rates and building maintenance. Offset against any additional cost for new sites (Old Chapel and Library).
Peterchurch	No saving.

33. As part of agreements occupiers will be responsible for costs and compliance.
34. Depending upon the agreements with the proposed operators of the premises, the council may also benefit from reduced capital maintenance liability and in particular may be relieved from some of the maintenance backlog.
35. Capital works are needed to fulfil the recommendations as estimated one off investments form part of a business case for capital investment. These will cover:
  - Improvements to Ross Library to cater for the children centre
  - Make good relocation of services to the Old Chapel in Ross
  - Make good sites for lease
  - Change in floorplan for Leominster MAO
  - Wifi at Widemarsh centre.
36. A capital investment business case will be submitted through the council's capital programme bidding process for consideration by full council. If approved, the above capital works will be procured in accordance with the council's contract procedure rules.

## Legal implications

37. The 2000 Spending Review (Prudent for a Purpose: Building Opportunity and Security for All) outlined provision for 'one-stop' Sure Start Children Centre (SSCC), with greater local authority oversight through integration into existing children's services. The first 32 SSCCs were announced in June 2003, and a programme of expansion was set out in the 2004 multi-departmental childcare strategy. The Children Act 2004 created new duties for local authorities to plan for the provision of children's services and co-ordinate services with relevant partners.
38. Apprenticeships, Skills, Children and Learning Act included amendment to the Childcare Act 2006 to introduce the requirements for local authorities based on "so far as is reasonably practicable, include arrangements for sufficient provision of children centres to meet local need". In November 2010, the Government announced that it would remove the requirement for children centres in the most disadvantaged areas to provide full day care. It also announced the removal of the requirement for staff in centres in the most disadvantaged areas to have both qualified teacher status and early years professional status.
39. The Childcare Act 2016, introduced from September 2017, extended entitlement to 30 hours free provision - an additional 15 hours a week for working parents of three and four year olds (on top of the universal entitlement of 15 hours a week for all three and four year olds). In addition a 15 hour entitlement for the most disadvantaged two year olds.

Guidance is also expected in summer 2017 to remove the Ofsted required for inspection of children centre buildings - during this period all Ofsted inspections of children centres across the country have been ceased.

40. An additional consideration is the investment made in children centre from Dfe funds. There could be the risk of clawback which has happened in some areas, but if the alternative arrangements are considered reasonable this is unlikely.
41. Terms for the reoccupation of the Old Chapel will need to be agreed with Ross Town Council. The building is in the ownership of the town council after an asset transfer from Herefordshire Council though currently untenanted. Similarly lease agreements will need to be finalised with proposed and potential occupants and a decision made to finalise terms.
42. Suitable agreement in place with the schools to ensure continuation of 0-5 year services.

## Risk management

43. Risks relating to the implementation of the recommendation are as follows.

<b>Risk / opportunity</b>	<b>Mitigation</b>
Reduced service having an impact on the most vulnerable families.	There are statutory requirements to support families, specifically young parents and a referral process if families need intervention. Outreach services will focus on reaching families and services will constitute to operate or operate from alternative local sites.
Residual risk: Likely: 2*	Impact: 4*
That the savings are not realised as only estimates.	The savings are outline costs which will be further tested and developed for a decision if needed.
Residual risk: Likely: 2	Impact: 3
Schools and nurseries will not take on facilities.	Outline discussions have taken place with relevant schools and nurseries who have expressed an interest in the proposals. If the recommendations are agreed by cabinet, terms will be completed.
Residual risk: Likely: 2	Impact: 3
Community ran centres (Hope and Peterchurch) cannot be sustainable without council funding.	The bulk of funding to the Hope Centre is via Children Well Being commission which will be subject to a further decision.
Residual risk Likely: 3	Impact: 3

\* out of five

## Consultees

44. Group leaders were consulted on the proposals between 9 June and 10 July 2017, sent to group leaders and promoted via ward member updates on the 14 June 2017. The key responses were based on:
- The split between using the MAO and Leominster Library looks feasible. Allowing the nursery to expand is a positive move to provide needed spaces.
  - Development of Leominster Library as well being hub is a positive move as it enables the library to become a more sustainable multi use space. In its present location there is more than enough space for development at the library. There is scope for both a dedicated meeting room for one to one consultations with universal and non-universal service providers, as well as a specific information access point for WISH and Herefordshire Council.
  - Going forward, we would like to see the library’s potential developed further to include a wider range of non-universal and community led activities and classes for children, family, adult learning and job skills etc. as part of the reconfiguration of services.
45. The options for children centre buildings formed a consultation aimed at current users of children centres which ran from 12 June and 17 July 2017. There were 513 responses from across the centres with the highest proportion of response from Widemarsh centre at 40%. The feedback has influenced the recommended service changes outlined above based on comments and responses to the proposals in the consultation. Full response available from: [www.herefordshire.gov.uk/ccbuildings](http://www.herefordshire.gov.uk/ccbuildings).

Centre	Agree	Don't agree	% agree	% don't agree
Greencroft, Hereford	180	51	78%	22%
Widemarsh, Hereford	144	113	56%	44%
Broadlands, Hereford	86	106	45%	55%
South Meadow, Hereford	178	18	91%	9%
Kingstone, Golden Valley	144	25	85%	15%
Hope Centre, Bromyard	208	14	94%	6%
Ledbury	120	61	66%	34%
Coningsby, Leominster	114	67	63%	37%
Ryefield, Ross	75	121	38%	62%
Peterchurch, Golden Valley	142	15	90%	10%

Note: respondees commented on different sites not just designated centre.

46. Separate comments were also received by users of Broadlands children centre.
47. As part of the early years integration project a consultation exercise took place to gather public and professional views on early year’s services. A public survey took place between 21 November 2016 and 13 January 2017 (236 responses); followed by professional discussions (19 meetings); parent and carer discussions (6 parent discussions).
48. As part of the survey the question was asked “as a parent or carer, you may sometimes need help from different professionals. If you want advice and guidance, would you ask / visit the following?” The results found respondees would seek advice and guidance from families and friends 90%; from a GP 82%; health visitor 74%; others who have had a similar experience 72% or from a school 70%.

49. The principles for future delivery of early years facilities was tested with the Early Years Strategy Group (of child care professionals as part of the council and external) on 23 March 2017. The feedback included support for cross generation activity in centres recognising the role grandparents play in supporting children; that opportunities should be open to the community to operate centres; that one model does not fit all sites and should reflect the distinct needs of each community.
50. Initial discussions have taken place with the following:
  - Ross Town Council
  - Marlbrook Primary School
  - Aylestone School
  - Ledbury Primary School
  - Honeybees nursery
  - Kes Childcare
  - Early Years Strategy Group Board
  - The Early Years Review Engagement workshop

## **Appendices**

51. Appendix 1: Profile of children centre services
52. Appendix 2: Children centre buildings impact assessment 2017

## **Background papers**

53. None identified