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**CO-LOCATION FUNDING AND THE RELEASE OF CAPITAL**

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**Responsible Cabinet Member – Councillor Jenny Chapman,  
Children and Young People Portfolio**

**Responsible Director – Murray Rose, Director of Children’s Services**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To seek Members’ agreement to release the capital funds in relation to this grant.

**Summary**

2. Four head teachers in the South East locality of Darlington have been successful in their bid for £2.7m from the DCSF Co-location fund. This money will be used to extend the impact of Primary Capital Programme funds to enable the development across the four schools of an Integrated Centre for Well-Being and three modern accessible Well-Being Satellites. The facilities will provide for a skilled integrated team of professionals to be based within the Cluster, improving children’s lives across a diverse locality.

**Recommendation**

3. It is recommended that :-
  - (a) Members note the report for information.
  - (b) Agree to the release of £2,725,000 Co-location grant.

**Reasons**

4. The recommendations are supported as this grant is designated for one purpose only and is consistent with the Children’s Plan and departmental objectives.

**Murray Rose  
Director of Children’s Services**

**Background Papers**

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**Annex 1: Bid - Darlington Cluster D Children & Young People's Integrated Centre for Well Being & Well-Being Satellites April 2009.**

Author : George McQueen , Assistant Director Planning & Resources  
Extension 2847

S17 Crime and Disorder	There are no direct implications arising from this report. However, up to date and refurbished buildings are likely to be respected by the communities they serve and less likely to attract vandalism and anti-social behaviour.
Health and Well Being	The project will deliver integrated, accessible and high quality care to children and young people, coupled with support for their families. This will improve educational, social and emotional outcomes.
Sustainability	Improvements to the primary school estate will be designed to the lowest carbon footprint possible with a commitment to achieve a minimum of BREEAM Very Good. Innovation from our Pathfinder scheme at North Road Primary School can be capitalised in other build projects.
Diversity	The schools sit within a mix of deprived and relatively affluent areas.
Wards Affected	Lascelles, Hurworth, Central, and Lingfield.
Groups Affected	Children aged 3 – 11 and their families.
Budget and Policy Framework	Funding from DCSF grant.
Key Decision	Yes
Urgent Decision	No
One Darlington: Perfectly Placed	This grant is consistent with the Aspiring Darlington strand: Early Intervention and Improved Parenting, and the Healthy Darlington strand: Narrowing Health Gaps and Emotional Health.
Efficiency	This capital grant will contribute to focussing staff resource into areas of need and reducing line management.

## MAIN REPORT

### Information and Analysis

5. The Co-location Fund was announced by DCSF in the spring of 2009 as a capital fund to which bids may be made. The capital money released is designed to allow local authorities to join up various services and organisations by co-locating them into the same buildings, creating 'one stop shops' and combining management structures to improve the overall effectiveness and accessibility to services users.
6. In April 2009, the head teachers of Heathfield School, Hurworth Primary School, Dodmire School, and Borough Road Nursery submitted a bid to the fund. The aim of the project is to create a 'well being centre' and three satellites from which to deliver services. The bid was made through the Local Authority with the support of The Children's Trust.
7. In June 2009 DCSF announced that the bid was successful. The grant money will be paid to the Local Authority as per the fund's requirements. The grant will be linked to PCP allocations for the three primaries and to the funding for Borough Road to enable the Town Hall Kid's & Co relocation. The ongoing revenue funding of the project has been committed through NHS Darlington and the Child and Adolescent Mental Health Services (CAMHS) commissioning process.
8. The project will utilise DBC's internal PCP procurement framework: representing approximately £2.4 million of internal design and construction work for DBC's technical teams. The bid committed the project to be completed by September 2010.

### Outcome of Consultation

9. The bid's business case is supported by the Mental Health Needs Assessment for School Aged Children in Darlington conducted in 2007-08. The information in the report has been further supplemented through input from schools in relation to the main issues that children and young people present.

## Section 1 – contact details and basic project information

<b>LA Name</b>	<b>Darlington Borough Council</b>
<b>Names of principal partners</b>	<b>Darlington Borough Council NHS Darlington Cluster D</b>
<b>Project name</b>	<b>Children and Young People's Integrated Centre for Well-Being</b>

<b>Lead contact name for project</b>	<b>George McQueen</b>
<b>Position and organisation</b>	<b>Assistant Director, Children's Services</b>
<b>Email</b>	<b>george.mcqueen@darlington.gov.uk</b>
<b>Telephone</b>	<b>01325 388847</b>
<b>Address</b>	<b>Town Hall, Darlington</b>
<b>Postcode</b>	<b>DL1 5QT</b>

## Description of project:

**Our project will transform services for children, young people and their families in Darlington Cluster D through extending current development proposals to enable the development of an integrated Centre for Well-Being and three modern, accessible Well-Being Satellites.**

The facilities will provide for a skilled integrated team of professionals to be based within the Cluster, improving children's lives across a diverse locality. This will provide an extensive and co-ordinated approach to ensuring that families are able to access and receive services that increase a sense of enjoyment and improve their life chances

The new bases will enable us to offer an extended range of services, through a co-located multi-agency group of professionals focused on striving together for excellence in service delivery and service design. Our first-class built environment will encourage all staff and young people to exceed their expectations and to enjoy their achievement in doing so.

The buildings will deliver co-located "one stop" approach. The integrated team will work directly with children, young people and their families within facilities that support therapeutic, developmental and learning opportunities. The project will also provide much needed community/locality facilities through access to a multi-purpose library resource centre for information and guidance together with family learning experiences.

This development will combine and inject capital into our existing aspirational Primary Capital Programme and successful Targeted Mental Health Project plans, putting

the Well-Being Centre at the heart of the community and ensuring inclusion by all.

The main facility will be located within a re-modelled Heathfield Primary School (a full-service extended mainstream Primary School) which includes cross phase specialist places for pupils with moderate learning difficulties and associated needs.

The satellites will be:

- Recently amalgamated Dodmire School
- Town-centre based Borough Road Nursery School
- Rural Hurworth Primary School

## **Our partnership**

Partners in Cluster D are committed to working together to make a difference to the lives of children and their families. Partners fully endorse the project, recognising the opportunity to work together to find and fund integrated solutions to improve access, service delivery and inclusion.

Darlington Borough Council has committed capital project funds. Governors, Head teachers and senior leaders across the Cluster are fully committed to the development, understanding clearly the benefits the central hub and satellites will bring to the local community and across the Borough. NHS Darlington through joint CAMHS commissioners are committed to funding additional service resources for the integrated team for in excess of £150,000 per annum for a sustainable period.

The recent JAR inspection has praised Darlington's partnership approach to working, and the 4 stars awarded to the Council and to Children's Services consolidates this.

## **Services being co-located and facilities provided**

This project would provide a full range of facilities where health, social care, early years, education, voluntary sector and mental health staff can co-work.

The **Well-Being Centre** will include a wide range of programme rooms, parent and child gymnasium, specialist education facilities including Nurture Room, specialist SEN facilities, an information library for families, specialist disability provision for 'after school care' and facilities to support Extended Services.

**Well-Being Satellites** will include programme rooms, specialist education facilities including Nurture Room, childcare and crèche facilities, after school care targeting children with disabilities and their families, hot desk facilities and a Well-Being clinic area.

### **The Buildings**

The **Integrated Centre for Well-Being** will be located within a re-modelled Heathfield Primary School. All buildings within the scope of the bid will be designed as elegant, friendly, energy efficient and sustainable single storey buildings. The design will be developed to achieve a BREEAM "Excellent" rating; integrating traditional and innovative materials and state of the art technologies. The external fabric and entrance will be inviting, interiors will have natural lighting with highly insulated floors, windows and wall panels to create a welcoming building with bright and calming interior spaces. Our vision is to make these buildings beautiful places to come to and deliver services through. The buildings will reflect the relationship driven ethos of Cluster D.

Community hubs will be modern, accessible buildings that are shared with partners (statutory, voluntary and commercial). A community hub may comprise more than one building. Services to be delivered from the community hubs will mainly provide for needs within its immediate vicinity, but a number of hubs will accommodate specialist services that will serve the whole borough. Property related investment plans prioritise the development of the community hub network.

### **Addressing current barriers to co-location**

This funding will realise a unique opportunity to move speedily to work through the framework to deliver world class buildings in support of a top Children's Trust priority. It will deliver services in line with our extensive needs analysis and with the views of stakeholders.

The key barrier to co-location is accessing sufficient capital. The issues of site, commitment of local partners, needs assessment have all been fully addressed.

<b>Total amount of funding requested from the co-location Fund during 2009-2011</b>	<b>£2.725,000</b>
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## Section 2 – eligibility criteria

## Improving outcomes

This project will deliver integrated, accessible and high quality care to children and young people, coupled with support for their families. This will improve educational, social & emotional outcomes.

Our model will focus on delivering:

- Services within an integrated was with existing school systems and partners services
- Improved educational attainment for children and young people
- Improved overall mental health and emotional well-being
- Clear and streamlined pathways across all services
- High quality experiences for users and their families

The co-location with Cluster D will also enable families suffering from multiple disadvantage to benefit from an holistic “Team Around the Child” approach, improving outcomes across a range of areas such as poverty, obesity and mental health. This supports the established focus of the Cluster on improving outcomes across the Every Child Matters agenda.

Three of Darlington's key drivers are:

- Every child goes to school,
- A champion for every child,
- The best start in life for every child.

These drivers for improvement have already had success and increasingly, a larger impact on children in the borough. These drivers are key to the project's aims and objectives.

This bid will allow co-located services to deliver a model of care across the cluster with the following four identifiable **integrated** stages:

- Referral management
- Assessment / planning
- Intervention / treatment
- Follow up / review/ discharge

Co-location will bring a step change in delivery of these principles by providing an holistic approach– the centre will form a “hub” which will also support a range of community services across health, education, social care and the voluntary sector, including outreach, parenting and family support services.

We will work with *The Learning Challenge* & Newcastle University to devise an evaluation tool for this project. Both partners are very keen to work with the cluster to access the impact the co-location will have on services and children in the area.

## **Darlington’s priorities**

The joint needs assessment for mental needs for school aged children in Darlington together with a user focused review of Parenting Services both reflect the need for additional services and support for schools and parents in dealing with the emotional and psychological well being of children and young people in Darlington. The Darlington Children and Young People’s Plan for 2008-2011 identifies promoting positive mental health and emotional well-being as one its priorities. This is driven by the golden thread from the CAMHS strategy that specifies the need for improvements in these outcome areas.

The local CAHMS strategy, the CAHMS commissioning plan and the Specialist services including CAMHS, Behaviour Support & Educational Psychology Service are integral to the development of this initiative. Co-locating these services will have a direct affect on all of our priorities, building service delivery around children, parents and families in an integrated and coordinated way.

The Well Being Centre’s location and satellites will optimise our capital development opportunities within our estates and service delivery plans.

## Government priorities

Additionally, this project delivers against key government priorities

- Supporting the delivery of Every Child Matters
- Targeted Mental Health in Schools
- Child Health Strategy, including mental health and physical activity
- Narrowing the Gap
- Lamb inquiry
- Children's Centre and Extended School core offer
- Child Poverty strategy

## Need and demand

NHS Darlington conducted a study of the Mental Health Needs Assessment for school aged children in Darlington. The study was conducted by Tanja Braun during 2007-8 and made a series of key findings in relation to children and young people in Darlington. The information in the report has been further supplemented through input from schools in relation to the main issues that their children and young people present. The combination has informed our planning assumptions in moving forward. The highlights below identify the key points.

### **Mental Health Needs Assessment for School Based Children and Young People in Darlington; Tanja Braun**

- The ONS survey reports that the prevalence of mental health disorders for children aged 5-16 is 9.6%
- The prevalence is higher for children living in lone parent families or reconstituted families and whose parents have no educational qualifications, are workless, have a low income, receive benefits, belong to routine manual groups or live in rented housing or deprived areas.
- The number of children and young people aged 5-16 in Darlington with any mental health disorder is 1397 (95%CI)
- When adjusted for deprivation the prevalence is 11.2% and therefore 15% higher than the national average. 1612 children with mental health disorders are estimated to live in Darlington.
- The most common mental health problems in the schools were conduct/anger management disorders, anxiety and hyperkinetic and attention deficit disorders.
- Teachers agree that emotional disorders affect primarily the scholastic and intellectual ability and the social functioning of pupils

In terms of access to targeted mental health services, our needs assessment – based on national data but also informed by a number of local pilot and pathfinder projects - has shown that:

- there are significant numbers of young people who have mild to moderate mental health problems who have achieved only limited access to services
- there is uneven uptake and access to services, for pupils with more complex needs, not least in the early secondary school years
- school-based provision creates an opportunity for milder mental health problems to be addressed and prevents their escalation through non-stigmatised access to a universal provision.

Further, our extensive consultation with parents and children and young people has confirmed that whilst the cluster model works and brings benefits in terms of locating services closer to where people need them, there is still work to be done to fully integrate these services and manage them together. Services may be good, but they are currently too 'stand alone' to fully support the population.

Our Integrated Centre for Well-Being will respond through having the following key characteristics:

**Access** - improved local access to integrated services

**Simplicity** – a “one stop” approach to care co-ordination

**Avoidance of duplication** – a single assessment process

**Environment** – a first class physical environment.

**Co-location** – multi-disciplinary integrated working

**Non-stigmatising** – a normal, high quality one-stop-shop environment

The partnership approach successfully embodied between partners working across Cluster D with health, social care, education and the voluntary sector having already begun to make a difference to outcomes for our children:

- ❖ Targeted mental health services working with teachers and schools to build capacity to deliver preventative interventions
- ❖ Delivery of the extended curriculum at local level
- ❖ Improved curriculum developments and choices
- ❖ Increased opportunities for children to be active
- ❖ Targeted supports services ensuring that children are better able to speak and listen
- ❖ Dramatically reduced exclusion rates for both permanent and temporary (red performance improving to green).
- ❖ Increased levels of social skills in children within the cluster

The development of the Integrated Centre for Well-Being would enable our experienced professionals to build on their experience and combine in a fully integrated way. All involved recognise the benefits that co-location will provide to both services users and service providers.

The Local Authority NHS Darlington, key partners and The Children's Trust, are committed to ensuring services are delivered at schools and community hubs. Ongoing revenue funding of the project has been committed through NHS Darlington and the CAMHS commissioning process. The Local Authority have committed to meeting the running costs of the centre and satellites. All will be staffed through the re-location of existing teams and professionals who will receive joint training together with an amount of additional resource to build

capacity. Resources will be pooled and aligned accordingly.

### **Cost /benefit analysis**

The Centre for Well-Being provides the environment from which children and their families will be able to access a transformed approach to targeting mental health in schools in Cluster D in Darlington and will have an effect on elements of Darlington-wide provision.

We have undertaken a series of assessments to consider the added value that will result from the development of the integrated Centre for Well-Being and the satellite developments.

In terms of operational costs, the provision will result in more children and young people feeling emotionally well and able to take part in school activities. This will directly bring about:

- Efficiency savings in staff time
- Reductions in time spent out of school
- Reductions in maintenance costs
- Reduced wasted appointment time with professionals
- Reduced number of professionals journeying to case meetings
- Reduced loss of professional time whilst attending remotely located multi-party meetings
- Reduction in times lost in meetings
- Reduced need for specialist interventions

In terms of infrastructure costs to the schools and Darlington Borough Council the proposal:

- Offers value for money by extending a construction programme rather than creating the costs associated with the procurement of a stand alone project.
- Delivers the benefits of shared information and ICT systems
- Reduces time spent in duplicating data that has been previously collected
- Reduces training costs through integrated training provision
- Speeds up time taken to reach end phase of some elements of the programmes so that children and young people can receive the benefit of learning
- Reduces time lost from teachers

In terms of opportunity costs the proposal:

- Relocates staff from existing buildings, creating the opportunity for residual accommodation to be used within schools
- Offers Value For Money in terms of actual cost, given reductions in the construction price in acknowledgement of the prior work undertaken by the local Delivery Partner
- Utilizes design and construction knowledge of the planned school capital programme and produces vfm as a result
- Offers multiple use of the facilities with parents being able to access the library/ resource as well as attend the centre for parenting support hence servicing the wider local community.
- Shares expertise between professionals involved in the services
- Reduces the impact of negative outcomes and delivers earlier intervention to prevent more costly intervention at a later stage

Each of these tangible benefits results in net savings on an ongoing basis year on year for Darlington Borough Council and for all service delivery partners.

It is only when the qualitative benefits are added to the quantitative benefits that the real added value of the project can be clearly demonstrated and understood. These have been included within the benefits realisation plan

#### **Attachment 1**

<b>Eligibility criteria (3) – The project is ready to deliver between 2009-2011</b>	
Projected construction start date	The first of the Cluster D construction projects start on site in July 2009. The development element that builds out the Integrated Centre for Well-Being will be part of the project and would start on site in January 2010.
Projected construction end date	All construction is due to be complete on the sites by 24 <sup>th</sup> July 2011.
Projected date that facilities open for use	1 <sup>st</sup> September 2011
Preferred procurement and/or delivery mechanism e.g. LEP, LIFTCo, RIEP	Darlington is too small to have a LEP, however the Authority has proud track record in delivering capital projects. Our procurement framework provides a preferred delivery partner, engaged and already onboard to build the Cluster D developments.
<b>Delivery Mechanism</b>	
In order to avoid any lengthy procurement process, the proposed Well-Being Centre & Satellites will be delivered through Darlington Borough Council's as the local Delivery Partner. This will provide value for money and an assured commitment to quality in terms of first-class build. We have successfully delivered the first 'fast track' Academy in the UK,	



a PCP Pathfinder school and a major refurbishment project at another secondary school, all on time, on budget and to the highest qualities.

The well-Being Centre and satellite will be delivered through an integrated procurement route with the already planned capital programme due for completion late August 2010. The buildings at the four schools will complete at the same time as each of the school projects.

. The single tender process has been agreed as appropriate in the circumstances. By utilising an already established and proven delivery mechanism, we will provide not only a highly efficient procurement and delivery process but also ensure the following:

- The expansion of an already exciting school development within the Cluster.
- Co-location of an integrated team within a site with an extensive variety of services.
- Placing targeted Mental Health services at the heart of a community
- ❖ Guaranteeing the Centre and satellites will be operational prior to September 2010.

Following the funding decision, the proposals for the integrated centres will be approved through the terms of the Delivery Partners and the procurement framework in Darlington, and Darlington Borough Council will enter into a contract for direct delivery.

The arrangements focus on the need to:

- ❖ Learning environments that support and inspire new approaches to working with children and young people
- ❖ Provide Schools and facilities with open doors to their communities, sharing space and the best of what they have to offer
- ❖ Better and inspirational learning environments and facilities that will offer future generations exciting opportunities and new ways of doing things
- ❖ ICT that supports individual and group learning and development any time any where; beyond the boundaries of classroom walls
- ❖ Facilities that provide opportunities for children and young people to receive support to develop their potential and experience enjoyment and fulfilment
- ❖ Parents and guardians more in touch and better informed about the progress of their children and how they can be involved and help their child succeed

- ❖ Changing the way that teachers teach, and learning assistants assist with new facilities, equipment and innovative professional development that inspires learners and developers
- ❖ Flexible spaces that can adapt to new learning styles and course types, allowing agility for organisational design in efficient and sustainable buildings with reduced carbon emission
- ❖ Transformation in attainment, transformation in attitude, transformation in aspiration
- ❖ Facilities that provide multi-purpose accommodation and the supporting environment to underpin integrated service delivery for specific groups of children and their families
- ❖ Facilities that are designed, built, maintained and facilities managed to ensure optimal availability for all users and minimal environmental impact, while maximising asset life, streamlining ongoing operating costs and minimising total cost of ownership
- ❖ Facilities that provide a range of quality environments to support the delivery of development programmes and packages of care for children with particular needs and their families

The Project Plan for the proposed Integrated Centres for Well-being have been carefully constructed to integrate seamlessly with the capital development programme, allowing construction at each of the sites to take place in parallel.

The project plan is attachment 2. Here, the proposed key milestones are listed below:

➤ Funding Allocation Agreed	May 2009
➤ Construction starts Heathfield	July 2009
➤ Construction starts Borough Road	September 2009
➤ Construction starts Dodmire and Hurworth	January 2010
➤ Construction completes of last school	August 2010
➤ Phased Introduction of new service begins	January 2010
➤ Full service rolled out in all locations	September 2010

<b>Eligibility criteria (4) – Why additional resources are required</b>	
<b>Expected costs of project</b> (as set below)	£ 7,275,000 with successful Co-location bid.
<b>Other funding committed to project</b>	£ 4,550,000 via PCP and DFC
<b>Sources of other funding</b>	Primary Capital Programme – Darlington Borough Council Heathfield, Dodmire, Hurworth and Borough Road Schools (contributing the land value £250k)  Devolved Funding Capital
<b>% of total project costs being funded through this application</b>	37.5%
<b>Funding sources</b>	
<p>This project will draw in capital funding from</p> <ul style="list-style-type: none"> <li>• The Primary Capital Programme</li> <li>• Devolved Capital contribution</li> </ul> <p>The centre has commitments for ongoing revenue funding from NHS Darlington, Darlington Borough Council, Cluster D devolved schools funding and CAMHS.</p> <p>Whilst we have all necessary sustainability plans and commitments in place to make sure that the integrated service will provide a much improved and needed sustainable service, without the capital injection from the Co –location Fund it will not be possible to provide a service base for the team to work from.</p> <p>Piggybacking the Centre for Well-Being &amp; satellites with the Primary Capital Project Schools programme for three of the schools provides prime locations for this combination of services and in terms of leverage, has provided a business case to secure the commitments outlined above. It has given us a solid platform for construction and the extension to planned developments can be contained within the project timescales and delivered to budget.</p> <p>This presents an excellent opportunity to promote the delivery of integrated team delivery within a series of schools within the remaining Darlington Clusters. The co-location of the service will be critical to the impact that the team have within schools and this provides a local showcase to demonstrate the difference that co-location of an integrated team can make in terms of outcomes.</p>	

<b>Project Costs – please provide estimates of the costs of the project under the following headings</b>	
<b>New Build costs</b>	£2,245,000
<b>Refurbishment or Improvement costs</b>	£3,845,000
<b>Fixtures and Fittings including ICT</b>	£450,000
<b>Professional Fees</b>	£735,000
<b>Other costs</b>	
<b>VAT</b>	No VAT included as this is reclaimable by Darlington Borough Council
<b>Total Gross Capital Cost for project for bid purposes</b>	£7,275,000 of which £2,725,000 is bid from Co-location fund,

## Section 4 – Support of Children’s Trust Partners

All applicants should provide the following details for each of the senior representatives of relevant Children’s Trust partners who support this application.

<b>Senior Children’s Trust representative - name</b>	<b>Cllr McEwan</b>
<b>Position and organisation</b>	<b>Chair Darlington Children’s Trust</b>
<b>Email</b>	<b>councillor.mcewan @darlington.gov.uk</b>
<b>Telephone</b>	<b>01325 388099</b>
<b>Address</b>	<b>Darlington Borough Council Children’s Services 2nd Floor Town Hall Darlington</b>
<b>Postcode</b>	<b>DL1 5QT</b>
<p><b>Endorsement</b></p> <p>In support of the bid, you should be aware that the Darlington Children’s Trust has commissioned extensive research into the needs of local communities and into an audit of current provision. Each cluster or locality of schools now has the most extensive data from all partners included in a detailed pack which helps them to identify the most appropriate use of existing resources and which additional resources they should prioritise bidding for.</p> <p><i>Chris McEwan</i></p>	

<b>Senior Children's Trust representative - name</b>	<b>Murray Rose</b>
<b>Position and organisation</b>	<b>Director Children's Services Darlington Borough Council</b>
<b>Email</b>	<b>Murray.rose@darlington.gov.uk</b>
<b>Telephone</b>	<b>01325 388099</b>
<b>Address</b>	<b>Darlington Borough Council Children's Services 2nd Floor Town Hall Darlington</b>
<b>Postcode</b>	<b>DL1 5QT</b>
<p><b>Endorsement</b></p> <p>Cluster D, the group of schools and partner organisations making this bid, serves the most deprived area of Darlington yet has shown to have proven successful in engaging with families and communities in order to bring about improved outcomes. The partners co-operate well and you can be assured that any funding allocated to the locality cluster will be well managed, well directed, and will bring about measurable improvements in outcomes.</p> 	