
CHILDREN'S CENTRES NEW DELIVERY MODEL

**Responsible Cabinet Member - Councillor Cyndi Hughes,
Children and Young People Portfolio**

**Responsible Director - Suzanne Joyner, Director of Children and Adults Services
Chief Officers Executive**

SUMMARY REPORT

Purpose of the Report

1. To advise Cabinet on the findings of the public consultation into a new delivery model for Children's Centres across Darlington and for decisions to be made about the service. The consultation period lasted for seven weeks and proposed a 'Hub and Spoke' Model for Children's Centre Services delivery.
2. To propose a new model for the delivery of Childrens Centre Services in Darlington. The proposed model comprises of a dedicated Children Centre (McNay Street) and targeted services delivered from satellite spokes based in Children Centres of Dodmire, Skerne Park and Mount Pleasant. Further to this outreach services would be offered at Red Hall and Maidendale.
3. The consultation also sought views on a proposed closure of Haughton Children Centre. This report seeks Cabinet approval to that proposal.

Summary

4. The principle for changing the operating model for the Children's Centres was agreed as part of the Medium Term Financial Plan 2016. This included a complete re-modelling of Early Help, Family Intervention Team, 0-3 provision for children with additional needs, to allow a focus on targeted interventions to ensure the outcomes for children and young people were increased and prevented the escalation into statutory services.
5. Sure Start Statutory guidance www.gov.uk/publications/sure-start-children-centres places a duty on the Authority to consult on any significant changes to services provided. It states that Local Authorities should consult with everyone who could be affected by the proposed changes, including service users, prospective service users, staff, advisory board members and service providers.

6. Darlington Borough Council has undertaken a formal consultation on the future of its five Children's Centres. The consultation included a model which proposed the closure of Haughton Children's Centre.
7. Parents, professionals and potential service users across Darlington were invited to take part in a borough wide consultation to provide their views on the new proposals.
8. The consultation was to consider the use of a Hub and Spoke Model to deliver Children Centre services and the closure of Haughton Children's Centre.
9. Having analysed, all the information supplied from the public consultation responses supports the proposal of a Hub and Spoke Model of Delivery. The consultation on the closure of Haughton is highlighted as a concern from those who use the centre but there is overall support for the proposal of the future delivery points.

Recommendation

10. It is recommended that :-
 - (a) Cabinet approve the new Children's Centre Delivery Model with one main hub (McNay Street) and identified delivery points (Dodmire, Skerne Park and Mount Pleasant).
 - (b) Cabinet agree for the closure of Haughton Children's Centre and to seek alternative uses for the centre with interested parties subject to not invoking DFE clawback of the grant funding for the Children Centre at Haughton and the Assistant Director Law and Governance be authorised to complete legal documents accordingly.
 - (c) Cabinet authorises the surrender of part of the demised sub-lease areas at Rydal and Mount Pleasant Academies, and the Assistant Director Law and Governance be authorised to complete surrender documents accordingly.

Reasons

11. The recommendations are supported by the following reasons:
 - (a) Changes to the delivery of Early Help Services were agreed as part of the Medium Term Financial Plan (MTFP) in June 2016, and Cabinet approved the proposed Children Centre delivery model to go for consultation.
 - (b) Responses to consultation feedback evidences broad support for the new proposed delivery model.
 - (c) The proposals set out in this report deliver £100,000 of savings contributing to the MTFP target.

**Suzanne Joyner,
Director of Children and Adults Services**

Background Papers

- (i) Mid-term Financial Plan 2016
- (ii) Statutory guidance for Children Centres Department of Education

Yvonne Coates: Extension 5864

S17 Crime and Disorder	The content of this report does not impact on crime and disorder
Health and Well Being	The Children Centres do have impact on the health and well-being of its users
Carbon Impact	The content of this report does not have an impact on carbon impact
Diversity	Equality Impact Assessments have been completed with regard to this proposal
Wards Affected	All wards are affected – particularly Haughton
Groups Affected	All groups that use the Children Centres are affected specifically families and children under 5
Budget and Policy Framework	There will be an impact on the budget if the proposal is not implemented.
Key Decision	Yes
Urgent Decision	Not required
One Darlington: Perfectly Placed	
Efficiency	The outcome of this report will enable the Council to deliver the efficiencies with regard to the Early help model within the MTFP
Impact on Looked After Children and Care Leavers	The Children Centres do have an impact on those children who are looked after who are under 5 and pregnant care leavers.

MAIN REPORT

**Background
Information and Analysis**

9. Currently –there are 5 children’s centres operating 5 days per week. The centres are shown identified on the plan annexed to this report (appendix 3).
- (a) Centre 1 – McNay Street which is also the Hub for the 0-19 Early Help Service.
 - (b) Centre 2 - Dodmire Children Centre(attached to Rydal Academy)
 - (c) Centre 3 - Skerne Park Children Centre(situated within the Coleridge Centre)
 - (d) Centre 4 - Mount Pleasant Children Centre(attached to Mount Pleasant School)
 - (e) Centre 5 - Haughton Children Centre (stand-alone council owned building)

10. The proposed model is to create a hub and spoke service which will impact on the above children's centres as follows:
- (a) Centre 1 – McNay Street Children Centre which will be the main centre and there will be no change to the operating hours.
 - (b) Centre 2 – Dodmire Children Centre will operate on a reduced basis operating a programme which will best meet the needs of the parents and children and will be developed alongside parents, advisory board and partners. The space which will not be used for the Children Centre will be available to the school to increase their delivery of the 2, 3 and 4 year old free entitlement. This will assist in preparing the children of this area in their school readiness, fulfil the statutory requirements of the Children Centre- school readiness role and assist the Borough in fulfilling its sufficiency of early education provision.
 - (c) Centre 3 - Skerne Park this will operate on a reduced basis operating a programme which will best meet the needs of the parents and children and will be developed alongside parents, advisory board and partners. The delivery space will remain the same. The office space on the upper floor will be released to the Learning and Skills Service who support people to access employment and training.
 - (d) Centre 4 - Mount Pleasant Children Centre will operate on a reduced basis operating a programme which will best meet the needs of the parents and children. This will be developed alongside parents, advisory board and partners. The space which will not be used for the Children Centre will be available to the school to increase their delivery of the 2, 3 and 4 year old free entitlement. This will assist in preparing the children of this area in their school readiness, fulfil the statutory requirements of the Children Centre school readiness role and assist the Borough in fulfilling its sufficiency of early education provision.
 - (e) Centre 5 – Haughton Children Centre will close. Current and future users of this centre will be able to access services at any other centre within the Borough and via one to one support, if it is felt appropriate.
12. Phase one and Phase two Children's Centres were provided with Sure Start capital and revenue funding to develop such Centres within the 20% and 30% most disadvantaged areas of Darlington. The aim was to reduce child poverty and reduce inequalities.
13. McNay Street, Mount Pleasant, Dodmire / Maidendale and Skerne Park were all established within Phase One, covering children 0-5 years that lived within the 20% most deprived areas. These centres were designated in 2006. Haughton was a phase 2 centre covering children 0-5 years that lived with 30% areas of deprivation, designated in 2010. Currently the users of Haughton are predominately those in the 70% deprivation level with the exception of Red Hall. Red Hall as of 2015 is ranked at 748 in the IMD index, which falls in the 2.5% of the most deprived wards nationally. The proposal to continue to offer outreach services at Red Hall will seek

to address the inequalities within this area.

14. Department of Education Children's Centre Statutory Guidance April 2013 (the DFE Guidance) is relevant to the proposals made by this report and Cabinet members are asked to consider this guidance in making their decisions on the proposals set out in this report. A copy of this guidance is available at the following link www.gov.uk/publications/sure-start-children-centres
15. The DFE Guidance states "Authorities **must** take steps to identify parents and those expecting a baby in their area who are unlikely to take advantage of early childhood services available and encourage them to do so'.
16. Local authorities **should** target services at young children and families in their area who are at risk of poor outcomes based on an analysis of local need.
17. Inspection section 98-A-G of Childcare Act 2006 states "*high quality early childhood services delivered through children's centres are essential to improving outcomes for young children and their families particularly families in need of greatest support*".
18. Children's centres have a clear core purpose of "*improving outcomes for young children and families, with a particular focus on the most disadvantaged families. In order to reduce inequalities in child development and school readiness, parenting aspirations and child and family health and life chances*".
19. The Children Statutory Guidance April 2013 states "*local authorities must ensure that there are sufficient centres so as reasonably practical to meet local need.*" "*Local authorities must ensure that children's centres provide some activities for children on site*". It is essential to take note that the guidance implies plural activities not just one activity.
20. In February 2016, Cabinet considered the Medium Term Financial Plan which included a proposed reduction in funding for Early Help Services in Darlington and a consideration to the remodelling of Children Centres. This went to Council on 29th June 2016 when the Medium Financial Plan was agreed.
21. The consultation on the preferred delivery model was undertaken between 18 April and 16 June 2017. At each of the established centres, the consultation process included public meeting sessions with local authority officers and additional questionnaires seeking the views of the public. Consultation on the proposed model was posted on the Council's website and on Children Centre Facebook pages. In total 183 responses were received.
22. Consultation regarding the children centre proposals has also taken place with employees as part of the Early Help redesign model. They were given the opportunity to complete a questionnaire, and this has been captured within the analysis.

Survey Results

23. The questionnaire submissions and qualitative feedback from various stakeholder and public meetings has been analysed, and informs the final recommendations. (See **Appendix 1**)

Summary of Consultation Findings

24. In making the final recommendation on the new service model, consideration has been given to the following:

- (a) Outcome of a 7 week public consultation involving all stakeholders.
- (b) An analysis of needs relating to deprivation.
- (c) The impact on our Children Centres in relation to social, economic and learning outcomes.
- (d) The Community venues for delivery of the proposed model.
- (e) Accessibility and distance to travel to the hub and delivery points.
- (f) The need to make the MTFP efficiency savings.

25. The following conclusions have been reached and inform the recommendations to Cabinet:

- (a) Broad support of the Hub and Spoke model.
- (b) Overall support for the locations of the intended delivery points.
- (c) Consultation analysis and children centre data has been use to inform the final recommendation.
- (d) Programmes outlining service delivery in the proposed new model will provide assurance of on-going provision. A draft schedule is attached at Appendix 1 for your reference.
- (e) A strengthening of a targeted approach which will support improved outcomes with a focus on school readiness, particularly those at risk of achieving poor outcomes.
- (f) There are sufficient community venues to deliver the proposed model.
- (g) Use of excess space for educational purposes would appear to satisfy the clawback clause.
- (h) The closure of Haughton Children Centre.

Equality Impact Implications

26. The Public Sector Equality Duty (PSED) is contained in Part 11, Chapter 1 of the Equality Act 2010 and came into force on 5 April 2011.

27. The main duty is set out in section 149 of the Act, whilst sections 150-157 deal with the imposition of specific duties as well as powers to specify authorities to which the duties apply.
28. Under section 149 all public authorities must, in the exercise of their functions, *“have due regard to the need to” eliminate conduct that is prohibited by the Act. Such conduct includes discrimination, harassment and victimisation related to the protected characteristics identified in section 4 as follows:*
- (a) age;*
 - (b) disability;*
 - (c) gender reassignment;*
 - (d) marriage and civil partnership;*
 - (e) pregnancy and maternity;*
 - (f) race;*
 - (g) religion or belief;*
 - (h) sex;*
 - (i) sexual orientation.”*
29. The PSED also requires public authorities *to have due regard to the need to advance equality of opportunity and foster good relations between persons who share a “relevant protected characteristic” and persons who do not.* The “relevant” protected characteristics are listed in section 149(7), which mirrors section 4 except that it excludes marriage and civil partnership.
30. The proposed changes to the Children’s Centre delivery model impacts on those who live in the catchment area of the current Children’s Centres and those who are parents/carers of children under the age of 5 or are likely to be parents/carers in the future.
31. Although the consultation considered the protected characteristics no parent declared any protected characteristics through the process although officers have considered the impact on these groups.
32. The Children’s Centre review supports commitment to equality by further targeting services to children and families most in need, enabling increased contact with identified groups. An initial equality impact screening was completed at the beginning of the consultation process. A full Equality Impact Assessment has been undertaken (**Appendix 2**). Careful consideration will be taken of any transition arrangements for all protected groups to mitigate against any detrimental impact.
33. Members are asked to consider the Councils PSED obligations under the Equalities Act 2010 and asked to consider the contents of Appendix 1 and 2 in making their decision to approve the proposals under this report.

Future use of buildings

34. Discussions have commenced with Mount Pleasant and Rydal Academies, both are seeking to increase the offer for educational opportunities for children under 5 years and feel that the space in the Children’s Centre is ideal for this whilst

maintaining dedicated space to be used for Children Centre service delivery. This allows the use of a dedicated space as and when required for Children Centre delivery. Skerne Park Children Centre will continue to use the dedicated space within the Coleridge Centre but will seek to release the office space to the Learning and Skills Department (who provide training opportunities for parents and others).

35. The closure of Haughton to be agreed, however, should any future potential interested parties seek to take on the buildings, discussions could be held to explore the delivery of some activities which may allow for some Children Centre delivery. This would be dependent on an agreement being reached which would satisfy the clawback issue if no agreement could be reached then consideration should be given to the potential disposal of the asset.

Clawback Clauses for Children Centres

36. The Department of Education does not engage directly with the Local Authority in relation to capital clawback. The proposal has to be provided to the department on a specific Department of Education pro-forma. The Department of Education will then consider whether the proposed changes continue to satisfy the conditions of the original grant, and if not claw back will be invoked.
37. Communication via email took place on the 19 May 2016 with Department of Education in regards to capital.
38. The email sought clarity on claw back and the issue of any future use of sure start funded assets. The advice received was:

*“The conditions of the grant are that any asset funded by it must continue to predominately deliver sure start (0-5 year old) services You can make changes to the use of an asset funded by the grant but the changes must continue to satisfy the conditions of the original grant. Delivery of the 2,3,4 year old offer would satisfy the early years condition, providing this is the **Main** use of the asset”.*

39. The Department of Education have noted that the authority is currently reviewing its Children’s Centre services. The department will need to be informed if any assets funded wholly or partly by their grant are subject to any changes following a review/consultation. They will then consider whether the changes continue to satisfy the conditions of the original grant and if not they will invoke clawback.

Financial Implications

40. The Children’s Centre remodelling forms part of the MTFP savings of £1.399m to be achieved across Children Centres and Early Help Service.
41. The direct saving from the Children Centre remodelling is £100,000. The grant funding for these centres is subject to a clawback clause which may be invoked if the Department of Education is not satisfied with the future use of the buildings however, the model has taken this into consideration to ensure that the proposals will not give rise to claw back, with the exception of the proposed closure of Haughton.

Legal Implications

42. The Children Centres at Mount Pleasant and Rydal are subject to a 125 year sub-lease agreed as part of the Academy programme. The Surrender of leases will be a disposal of an interest in land which may give rise to a claim for clawback by the Department of Education as funder unless it is satisfied that the use of the funded assets will be suitably similar to that for which the funding was provided. In the case where there is a disposal of land to a third party (as here) the Department of Education (or as the case may be the Council) may require commitment from the new owners of the land as to the continuing use of the funded assets for the remainder of the clawback period.
43. The funding sum for both assets where there is a surrender of the lease is £930,741 Mount Pleasant and £716,153 for Dodmire. The claw back period expires in 2031 for which the assets need to remain in the described use.
44. The funding sum for Haughton was £556,000, the clawback period expires in 2035, the ceasing of the use of the asset for the purpose of the grant will give raise to a claim for claw back by the Department of Education as funder unless it is satisfied that the use will be suitably similar to that for which the funding was provided. However the property was originally funded by the Department for Education and so any clawback would be budget neutral to the Council.
45. Before affecting the surrenders the Council will approach the Department of Education to explore the impact of the proposals to ensure the impact of the disposals can be understood and to release the Council from liability during the claw back period under the funding conditions. If the Academies which will take over the sites will commit to the ongoing use of the areas for early years provision it is expected that DFE will agree to defer / waive any clawback.
46. As to the disposals the Localism Act includes a 'general power of competence' which gives local authorities the legal capacity to do anything that an individual can do that is not specifically prohibited. The Council has the relevant powers to enter into the land disposals as described in Appendix 3 under the Localism Act 2011.
47. Section 123 of the Local Government Act 1972 deals with the statutory requirements for a Local Authority in disposing of land. In general, the Council is required to achieve the 'best consideration reasonably obtainable' when it is disposing of an interest in land.
48. If the Council seeks to dispose of land at less than the market value, then it has to obtain the consent of the Secretary of State for Communities and Local Government. However, the Secretary of State has issued a number of 'general consents' i.e. a set of conditions which, if they apply to a particular transfer, means that the Council does not need to obtain specific permission to transfer at an 'undervalue'. The most important of these consents is the General Disposal Consent 2003 ('the General Consent') which permits the Council to dispose of land at less than its market value, without the need to seek specific permission from the Secretary of State, provided that two tests are met:

49. Firstly, the purpose for which the land is to be transferred is likely to contribute to the 'promotion or improvement' of the economic, social, or environmental well-being of the area; and promote economic/community benefit that the arrangements will fulfil the Council's responsibilities for example the sufficiency for the 30 hours childcare placements. Secondly, the difference between the market value of the land and the actual price paid for the disposal (if any), is not more than £2,000,000.
50. The first limb is met and the 'promotion or improvement' of the economic, social, or environmental well-being of the area will be effected by the proposals in this report. As to the second test Estates valuation confirms this is met.

HR Implications

51. There will be minimal implications for staffing as a reduction in staffing has already been achieved through the remodelling.

Estates and Property Comment

52. As mentioned in Para 42 above, both Mount Pleasant and Rydal Children's Centres are subject to 125 year sub-leases back to the Council. In informal negotiations both Academies have agreed in principle to accept a surrender by the Council of part of the sub-leased areas and they have both indicated that they will use the surrendered areas for a use that is consistent with the aims and objectives of the funding for Children Centres thus avoiding any implications for capital clawback. Further negotiations need to be undertaken to determine the detail of the surrenders but it is anticipated that there will not be a reverse premium to pay.
53. It is considered that the parts of the sub-leased areas at Mount Pleasant and Rydal Children's Centres to be surrendered may be capable of being leased but only to a nursery or similar organisation that can meet the aims and objectives of the grant funding. In the locations concerned the market rent for such a use will not be significant and accordingly the surrender of the sub-leasehold interests at nil value are not considered to be at a significant undervalue and will not exceed £2,000,000.

Summary

54. The proposals in this report will meet the MTFP required savings, achieved by reducing the costs of the building at Skerne Park, Dodmire and Mount Pleasant Children Centre via a reduction in the operating hours of the said centres and further met by the closure of Haughton delivering a saving of £100,000 per annum.
55. The proposals in this report should not give rise to any claim for grant claw back except in respect of the Haughton Childrens Centre which was fully funded by DFE in any event, and it is hoped that alternative community uses can be met that would satisfy the Department of Education.

56. The proposals in this report have considered and mitigated impacts and risks – as detailed in Appendix 2 and it is recommended the proposals given at paragraph 10 be approved.