

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET

1.	Meeting:	Cabinet
2.	Date:	19 th March, 2014
3.	Title:	Children’s Centre Building Principles for Use
4.	Directorate:	Children and Young People’s Services

5. Summary

This Report details the proposals for future use of Children’s Centre buildings which will be determined following the outcome of the current consultation being undertaken on the future of Children’s Centre service delivery in Rotherham.

6. Recommendations

- That Cabinet gives approval for the implementation of the Children’s Centre Building proposed principles following the outcome of the current Children’s Centre public consultation.
- That Cabinet gives approval for the proposals to be put on the Children’s Centres public consultation website for information.

7. Proposals and Details

This report describes the principles underlying the process that will take place involving Schools and other relevant stakeholders once the public consultation has ended and decisions have been reached about the changes to the delivery of Children's Centres.

The current services delivered by the 22 Children's Centres will continue to be provided throughout the next year 2014/15. Any changes to children centre delivery, including any day care provision in Children's Centres proposed to be closed, will take effect from 1st April, 2015.

The forthcoming year will enable public consultation to take place, to include explaining the reasons for the proposed changes and to explore the nature of any changes that may be required. The proposals include closing a number of Children's Centres. However, any changes will ensure the Early Years and Child Care Service continues to deliver its statutory duties whilst achieving the revenue reductions required by the government. The time will also enable the commissioning and restructuring of services to take place, in line with the changes agreed following consultation, to be implemented before the 1st April, 2015.

All Children's Centres deliver early years services to the community and some also deliver childcare. The proposal is that the 'community delivery areas' and 'childcare areas' of the buildings are considered separately. It is important that the level of childcare available in Rotherham is maintained to enable the Local Authority to meet statutory requirements.

The following **proposals A and B** outline the principles of the process which would take place for the closure of any children's centres.

The options detailed take into account the fact that most of the current Children's Centre buildings are on school sites and in many cases integrated within the school. This could present safeguarding and operation challenges if an external organisation were to take on responsibility for these areas of the building.

The implementation of any of the proposals in this document are dependent on the outcome of the public consultation.

A. Children’s Centres Community Delivery Areas

The following options will be explored in the priority order detailed below:

1	The local authority is given consideration of the buildings for statutory school places*
2	The school incorporates the Children’s Centre community area of the building into their overall school building to be used for early years services.
3	The Children’s Centre community area of the building to be opened up to other organisations through expressions of interest to be used for early years services. The provider would not be charged ‘market rate rent’ but would have to meet all costs associated with use of the building i.e. utilities, cleaning, insurance, maintenance and repairs. It is anticipated that the reduced rent offer would be for 12 months from the 1 st April 2015 and reviewed before the end of the 12 month period. Terms and conditions will apply.

*there is a potential of clawback of original funding if the buildings do not continue to be used for early years services

B. Children’s Centres Childcare Areas (where applicable)

The Children’s Centre buildings will be treated as two separate entities – Childcare area and general Children’s Centre area. It is important that the levels of childcare in the borough are maintained to meet statutory early education /sufficiency requirements. If the childcare delivered within the current Children’s Centres is not maintained then alternative provision would need to be developed in the area to meet the statutory requirements.

The following options will be explored in the priority order detailed below:

Option 1	
•	The school continues to provide the childcare and early education, using all current resources and equipment provided.
•	The childcare area of the building is given to the school on the basis that they continue to provide the childcare and early education; the building is maintained by the school and all costs associated with running the building and childcare are paid by the school.
•	Current staff would remain to continue to deliver the services but the school would take on the responsibility for these staff as well as the costs.

Option 2	
•	The existing staff are given the opportunity to manage and deliver the childcare independently. This would require them to set up as an independent organisation e.g. social enterprise, charity, limited company. The provider would not be charged ‘market rate rent’ but would have to meet all costs associated with use of the building i.e. utilities, cleaning, maintenance and repairs. It is anticipated that the reduced rent offer would be for 12 months from the 1 st April 2015 and reviewed before the end of the 12 month period. Terms and conditions will apply.

<ul style="list-style-type: none"> • The current resources and equipment are transferred where appropriate to the new provider to support ongoing delivery of quality provision. Terms and conditions will apply.
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Option 3	
<ul style="list-style-type: none"> • The childcare delivery is commissioned to a private provider. 	
<ul style="list-style-type: none"> • The current resources and equipment are transferred where appropriate to the new provider to support ongoing delivery of quality provision. Terms and conditions will apply 	
<ul style="list-style-type: none"> • This could be a private provider with a track record of delivering quality child care in the area that wanted to expand their business. 	
<ul style="list-style-type: none"> • Or a provider that can bring some investment into the service and local community could also be considered in the commissioning arrangements, for example: <ul style="list-style-type: none"> a. Social enterprise – where the organisation makes a profit but reinvests a percentage of the profit back into the business or local community. b. Social impact bonds – a outcome focused contract with private investment to benefit individuals and the community. The financial return on the investment is made by public sector on the basis of improved social outcomes. c. Mutual trust – not a direct investment but funds are raised by its members to provide services to all the members of the organisation or society. A mutual is therefore owned by, and run for the benefit of its members, has no external stakeholders and profits are reinvested. d. Private and voluntary sector investment – an existing private or voluntary sector organisation agrees to deliver the service at their own cost. 	
<ul style="list-style-type: none"> • The provider would not be charged ‘market rate rent’ but would have to meet all costs associated with use of the building i.e. utilities, cleaning, maintenance and repairs. It is anticipated that the reduced rent offer would be for 12 months from the 1st April 2015 and reviewed before the end of the 12 month period. Terms and conditions will apply. 	

Proposals for Utilisation of Existing Resources e.g furniture and play equipment*:

Children’s Centre Community Area Resources Options:

1. If the school takes over ownership of the community area of the building, the ownership of all relevant resources will transfer to the school to be used for early years services. / redistribute any surplus resources to remaining Children’s Centres to be used for early years services. / auction any remaining surplus resources.
2. If an external provider takes over the community area of the building to deliver children and family services:
 - a. the ownership of all relevant resources will transfer to the new provider.
 - b. redistribute any surplus resources to remaining Children’s Centres to be used for early years services / auction any remaining surplus resources.

Childcare Resources Options:

1. If the school takes over the provision of childcare, the ownership of all the resources will transfer to the school to be used for childcare / early years delivery.
2. If an external provider takes over the provision of childcare, the ownership of all the resources will transfer to the provider.
3. If the childcare provision discontinues the resources will be redistributed to remaining Children's Centres Childcare / surplus resources will be auctioned.

*there is a potential of clawback of original resources costs if they are not used to deliver early years services

Timeline:

The Children's Centre consultation period is from 3rd February 2014 – 30th April 2014. Analysis of consultation responses will take place during May 2014.

The decisions reached following the public consultation may affect the options available but the general timescales for consultation with schools and other appropriate providers are as follows:

A. Children's Centres Community Delivery Areas

June 2014	The local authority is given consideration of the buildings for statutory school places
July 2014	The school are given the option of incorporating the Children's Centre community area of the building into overall school building to deliver early years services.
Aug – Sept 2014	Community area of the building to be opened up to other organisations through expressions of interest to be used for early years services.

B. Children's Centres Childcare Areas (where applicable)

June – July 2014	Timescale for consideration of Option 1
July - August 2014	Timescale for consideration of Option 2
August – Sept 2014	Timescale for consideration of Option 3
Oct 14 – Jan 2015	Commissioning of child care.

8. Finance

There is no budget identified to implement the above changes. The changes need to be finalised, ready for implementation for 1.4.15 to ensure the local authority does not incur ongoing running costs for the buildings following that date.

Further clarification is being sought on potential PFI costs in relation to the current Children's Centre on a school PFI site.

9. Risks and Uncertainties

The local authority will incur 100% clawback from the Department for Education for the full building costs of Children's Centre buildings if they do not continue to be used for Early Education/Early Years service delivery.

10. Policy and Performance Agenda Implications

The current level of childcare provision in the borough needs to be maintained to ensure that the local authority can meet the statutory early education and childcare sufficiency requirements.

11. Background Papers and Consultation

Sure Start Statutory Guidance
Early Education and Childcare Guidance September 2013

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