

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet
2.	Date:	6th August 2014
3.	Title:	Children’s Centre budget options to achieve required savings
4.	Directorate:	Children and Young Peoples Services

5. Summary

On 18th June 2014 Cabinet approved the retention of three additional Children Centre buildings Wath Victoria Children’s Centre (Wentworth North); Dinnington Children’s Centre (Rother Valley South) and Park View Children’s Centre (Rotherham North). This increase in the number of Children’s Centres from the proposed nine to twelve would cost an additional £350K.

This report assesses the options for budget adjustment, service re-configuration and possible income generation to address the £350K shortfall whilst continuing to achieve the required 2.2m savings.

6. Recommendations

That members note the content of this report and approve the following options to address the 350k shortfall:

**To approach Health partners for a 230k contribution.
Proposal to achieve 120k from a further Children’s Centres service reconfiguration.**

7. Proposals and Details

On 18th June 2014 Cabinet approved the retention of three additional children centre buildings; Wath Victoria Children's Centre (Wentworth North); Dinnington Children's Centre (Rother Valley South) and Park View Children's Centre (Rotherham North) in addition to the original proposal for nine children centre buildings (Central Children's Centre, Coleridge Children's Centre, Valley Children's Centre, Arnold Centre, Aughton Early Years, Rawmarsh Children's Centre, Thrybergh/Dalton Children's Centre, Stepping Stones Children's Centre, Swinton Brookfield Children's Centre).

An increase in the number of centres from nine to twelve would cost an additional £350K. This report assesses the options for budget adjustment, service re-configuration and possible income generation to address the £350K shortfall whilst continuing to achieve the required 2.2m savings.

- **Budget Adjustment Option (particularly in relation to children's centres health delivery)**

It is important to note that the "core purpose" of Children's Centres is to improve outcomes for young children and their families and reduce inequalities between families in greatest need and their peers in:

- Child development and school readiness
- Child and family health and life chances
- Parenting aspirations and parenting skills

In addition to the local authority, this involves a range of partners, particularly health working together to deliver early years services in an integrated way. Children's centres are a significant contributor to the improvement of child and family health outcomes to ensure the best start for our youngest children from prebirth to 5. This is recognised within Rotherham's Health and Wellbeing Strategy under "starting well".

The Childcare Act 2006 (Sections 4 and 5) also places a duty on local authorities to work with relevant partners such as local commissioners of health services to consider the provision of services through a children's centre. Health partners and children centres share the same targets in relation to improving sustaining breastfeeding rates, increasing smoking cessation, reducing obesity, increasing childhood immunisation, improving mental health and emotional well being, improving speech and language.

Children's centres also contribute towards pre and postnatal services either through providing universal activities or targeted support for example to mothers experiencing maternal health issues, teenage parents, lone parents, Dads and other groups that may need additional support before or after the birth of their child. Centres provide breastfeeding advice and support, weaning parties, parenting programmes and individual family support through home visits. Health Visitors also run baby clinics and other health activities from children's centres. This supports joint working with children's centre staff to

provide health services for parents and children in an integrated manner. Data for the period 1st April 2013 - 31st March 2014 shows that 47% of all activities delivered by children's centres staff were related to Health activities and target outcomes. (12,328 out of a total 26,180 activities).

Policy documents relating to "Maternity Matters" 2007 (which has not been revised so is still the most current policy document) and the "Healthy Child Programme" highlight the importance and benefits of health partners working closely with children's centres to improve health outcomes for children and families.

On the 14th July the Department of Health produced "The Early Years High Impact Area" documents to support the transition of the commissioning of health visiting to Local Authorities and to help inform decisions around the commissioning of the health visiting service and integrated children's early years services. The documents identify six areas where health visitors have the most impact on the health and wellbeing of children up to five years and highlight the importance of working in close partnership with children's centres to improve health outcomes for children aged 0-5 and their families. The six high impact areas are:

- Transition to Parenthood and the Early Weeks Maternal Mental Health (Perinatal Depression)
- Breastfeeding (Initiation and Duration)
- Healthy Weight, Healthy Nutrition (to include Physical Activity)
- Managing Minor Illness and Reducing Accidents (Reducing Hospital Attendance/Admissions)
- Health, Wellbeing and Development of the Child Age 2 – Two year old review (integrated review) and support to be 'ready for school'

Children's Centres and early years service providers also play a key role in these areas. As part of the early years service transformation a new Foundation Years Service will be created across health, early education, early help and children's centres to deliver integrated early years services within local communities and children's centre buildings. Health is a key partner in ensuring that the Foundation Years Service is established as 50% of the service delivery will relate to health services, targets and outcomes. This is particularly important when one considers Rotherham's current Child Health Profile.

Currently health partners do not contribute to the costs of Rotherham children's centres, with the exception of a £23K contribution from Public Health which pays for breastfeeding peer supporters to work with children's centres to support mothers to continue to breastfeed. In light of the current local authority budget pressures, serious consideration should be given to how other partners contribute funding towards children's centre buildings costs and service delivery, particularly health. This would increase ownership and accountability of health partners in committing and delivering on the creation of a new Foundation Years Service but more significantly the

delivery of integrated early years services which benefit parents and improve outcomes for children.

In view of the important contribution that children's centres make to improving health outcomes **we would request that health partners are approached for a 230K contribution towards the 350k shortfall.** This would equate to a 10% budget contribution from health based on the 2015/16 total children's centres budget.

If Health are unable to contribute financially to the shortfall, the local authority would have to lose children's centre front-line staff who currently deliver services and meet health outcomes as part of the children's centre core purpose. Under these circumstances, we would be requesting that health are approached to agree to taking on the responsibility for meeting all health outcomes under the children's centre ofsted framework. This would enable the local authority to refocus and prioritise the remaining frontline centre staff to meet the child development, school readiness, parenting elements of the children's centre "core purpose".

If Health does not contribute the 230k, the risk of finding the 230k shortfall from the remaining children's centres budget in addition to the 120k identified in this report, would mean a further loss of a already reduced frontline service based on the original proposal for nine buildings. This risk also impacts on the ability of the local authority to meet its statutory duties to improve outcomes for children and families and reduce inequalities.

Exploration of the service budgets across Children and Young People's Services shows that there is no potential to contribute to the 350K shortfall in light of the significant budget savings to be achieved in 2015-16 and beyond. These services have already had significant budget reductions to achieve the council's required savings.

- **Service Reconfiguration**

It is important to be aware that the Early Years and Childcare Services including Children's Centres has experienced significant year on year budget reductions.

In 2012-13 the early years service budget was £2,355,610. This will reduce to £678,013 in 2015-16 which is a reduction of £1,677,597 which equates to 71% over a 4 year period.

In 2012-13 the children's centres budget was £4,053,529. This will reduce to £2,145,789 in 2015-16 which is a reduction of £1,907,740 which equates to 53% over a 4 year period.

This means that a total of £4.1m has been lost from the early years and childcare (which includes children's centres) budget which equates to 66% over a 4 year period.

It is important to note that to achieve the required £2.2m required savings for the original nine proposed buildings will involve significant management and staffing changes. These has been further stretched to cover the additional 3 centre buildings.

On the basis of funding 12 centre buildings instead of the original nine proposed, we have reviewed centre opening times, running costs and staffing structures to identify how the 350K shortfall could be addressed.

- By adjusting the opening times of children's centre buildings from the current model of 8am – 6pm to a proposal to open from 9am - 4pm to deliver children centre activities. This would not apply to daycare services which would continue to operate under their current opening times.
- In addition to adjust some staff contracts in line with the opening times 9am -4pm.

This will realise £120K contribution towards the £350k shortfall.

Further service reconfiguration to achieve additional savings to further contribute to the shortfall would have a high risk of compromising the children's centre delivery to a point where it is no longer viable.

Consideration has also been given to term time children's centre opening times and service delivery. We have also looked at building opening times and service delivery over 4 days per week. However both of these approaches would significantly impact on access to services particularly for the most vulnerable families and therefore we would not be recommend this option as a way forward.

• **Income Generation Option**

Children's centres serve some of Rotherham's most socio-economically disadvantaged children and families. For many of these families there is a significant risk that the cost of having to pay for services could act as a barrier to children and families accessing centre services, particularly those most in need of the services.

Legislation (s3(2) and s5A of the Childcare Act 2006) requires local authorities to secure early childhood services (including children's centres) in an integrated manner which facilitates access and maximises the benefit for parents, prospective parents and young children. When considering whether to impose charges and the compatibility with this duty, the risk of children and families not accessing services would be greater than any financial benefit received. Any income generation is likely to be very low and would probably be best used by centres to contribute towards sustaining provision or providing resources to support individual families needs. Therefore we would advise that charging for services is done at a local level and that any income is reinvested back into the centre to support local needs rather than contributing to meeting the 350k shortfall as this income cannot be guaranteed.

8. Finance

The budget for Children's Centre from April, 2015/16 = £2,145,789

Budget adjustment

Request that Health services are approached to contribute £230k towards the £350K shortfall

Service Reconfiguration

Propose to achieve 120K from changing building opening times to 9am – 4pm and adjusting some staff contracts in line with these opening times.

9. Risks and Uncertainties

- The health and service reconfiguration contributions to the 350k shortfall are not achieved therefore putting further pressure on the achievement of the required 2.2m savings. If this happened we would have to undertake further service reconfiguration of the children centre budgets.
- The reduction in staffing and resources and stretching it across 12 centres could impact on the level of service delivery and the ability to achieve improved outcomes for children and families, especially the most vulnerable. This will be addressed through the creation of the Foundation Years Service, particularly through integrated working between health practitioners and children's centre staff.
- Further funding reductions could put at risk the creation of the Foundation Years Service if there is not sufficient resources/staffing to deliver children centre services.
- If we do not receive the full commitment and sign up by partners, particularly health the creation and implementation of the Foundation Years Service will be significantly put at risk due to barriers in information sharing and a consistent approach to service delivery across the borough.
- There is a risk to the local authority of not meeting its statutory duties if there is not sufficient resources to deliver children centre services.
- There is a risk of poorer Ofsted performance for all Children Centres, when the new Ofsted cycle begins July 2015, if there is not sufficient resources to reach the number of children and families required and improve outcomes, particularly for the most vulnerable. This would impact on the local authority rating.
- There is a high risk that unless the issue of the shortfall is resolved before September 2014, we will not be in a position to properly consult with staff in September on the final proposals for the Children's Centre staffing structure.
- The Equality Impact Analysis has been reviewed to consider the impact of the funding options for the 3 additional buildings plus the nine originally proposed. The provision of an additional 3 children centre buildings would improve:
 - local access to services by the protected characteristic groups,
 - the geographical spread of children centre buildings across the borough
 - alignment with health and area assembly boundaries.

As part of a further service reconfiguration it is proposed to reduce the opening times of the buildings and align some staff contracts to these opening times. This would mean that all twelve buildings receive a staffing level based on the levels of need within the children centre reach areas. This would impact equally across protected and non protected characteristic groups. However the impact should be minimal as the majority of children's centre services are used between 9am until 4pm. No change in opening times is proposed for daycare services. Therefore there should be minimal/no impact for protected groups.

10. Policy and Performance Agenda Implications

- LSP Community Strategy
- Health and Wellbeing Strategy
- Children and Young Peoples Plan
- LA Ofsted inspection ratings

11. Background Papers and Consultation

- 18th June 2014 Cabinet Report and associated papers
- Healthy Child Programme
- Maternity Matters
- Early Years High Impact Area" documents
- Sure Start Children's Centres Statutory Guidance – April 2013

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