

**Cabinet Member for Education,
Children and Young People**

11 July 2011

Report of the Director of Adults, Children and Education

**The Restructure of Children Centres, Early Years and
Extended Services**

Summary

1. This paper describes the rationale for the review and restructure of Children's Centres, Early Years and Extended Services as a result of national and local policy, local reviews and national and local financial contexts. The report asks the Cabinet Member for Education, Children and Young People to approve the restructure.

Background

2. The council's 2011/12 budget was developed within the constraints of an extremely challenging financial climate, set out in the Government's Spending Review and provisional finance settlement information. Most pertinent to this paper and the work of Children's Centres, Early Years and Extended Services were the announcements which saw:
 - total reductions in government funding of 28% over the next 4 years heavily frontloaded with CYC's grant being cut by 13.3% in 2011/12
 - 23 grants, worth £8,200k in 2010/11, were transferred to the new Early Intervention Grant, for which the council received £6,350k in 2011/12 a further shortfall of £1,850k
3. The removal of the ring fence from the Children's Centre grant funding and its inclusion within a reduced Early Intervention Grant all added to the challenge facing all local authorities. The desire to balance priorities, honour commitments to early intervention and retain essential support for the under 5s whilst still achieving

significant financial savings, has been the subject of detailed analysis and consultation.

4. In York, savings and efficiencies within Children's Centres, Early Years and Extended Services have been made through the non filling of vacancies, reducing operational costs as well as achieving savings through the restructure proposed in this paper. However, unlike the experience in other parts of the country all nine Children's Centre, if the recommendations of this report are accepted, will remain open, and the Toy Bus will be retained as a key outreach deliverer of services
5. The restructure of Children's Centres, Early Years and Extended Services took place within this national financial and local context.
6. National reviews also helped to shape the principles behind the restructure. These included the Field report (poverty and life chances), the Allen report (early intervention) and the Tickell review (Early Years Foundation Stage).
7. Additionally, the restructure has also been informed by Local Authority Ofsted "health checks" and Ofsted inspections of existing Children's Centres. Outcomes from these inspections and reviews were very positive and showed that the Children's Centres were in a strong position and delivered services very effectively.
8. In addition, independent reviews of all three affected services, prior to the restructure, were commissioned for completion by the spring of 2011. The reviews took place over a period of several weeks, beginning with Children's Centres in January 2011, followed by Early Years in March and Extended Services in April.
9. These national and local contexts and reviews were instrumental in shaping the key principles which have informed the restructure and consultation around that restructure. Within the overall aim of improving outcomes for children and families with seamless support, learning and transition, the key principles were:
 - the protection of frontline delivery
 - a continued but greater focus on the most vulnerable families
 - a focus on delivering more targeted services to those who need them most but without rejecting the importance of continued universal provision

- maintaining strong geographic coverage throughout the city by keeping all nine Children’s Centres open,
 - recognising the engagement and feedback on work of the Toy Bus
 - reducing duplication within the three services
 - protecting services which contribute directly to fulfilling statutory responsibilities
 - a focus on communities, but within a city-wide strategic perspective
 - deliver services under a 0-11 “umbrella” to give more flexibility around working with families
 - strengthen relationships with schools around transition, seamless learning and a consistent strategic approach across all schools and settings
10. The restructure will provide integrated services with three key teams: Children’s Centres, Early Years and Childcare Strategy and Business Support. Strong links at all levels between these teams will be essential.

Consultation

11. Consultation started in January 2011 with colleagues from Children’s Centres. Over a period of three months, the Early Years and Extended Service teams became part of the overall restructure.
12. Consultation has taken place with a wide range of colleagues, partners and stakeholders. These included:
- Colleagues from Children’s Centres, Early Years and Extended Services
 - Service managers from Children’s Centres, Early Years and Extended Services
 - All settings, including the Private, Voluntary and Independent sectors, school nurseries, day nurseries, play groups and childminders
 - Parents and families
 - Chair of the National Association of Day Nurseries (York)

- The Chair of the Early Years Shared Foundation Partnerships
 - The Children's Centre Local Advisory Board
 - All schools
 - ACE Directorate Management Team
 - Union representatives
 - Services within Adults, Children and Education including the Children's Trust, Family information Service, Management Information Service, Adult Learning, Finance, School Improvement
 - The YorOK Board
13. Consultation took a number of forms including whole staff meetings for all colleagues, team meetings and 1-1s, a meeting of the Local Advisory Board, meetings with union representatives and ACE services. A consultation paper was sent to all the parties described in paragraph 12 and 90 responses were received.
 14. The consultations on the draft structure helped to influence and shape the revised structure. Please see Annex 2 and Annex 3.
 15. As a result of the consultation, the balance between management, front-line and support posts was amended, with more resources being allocated to support and less given to senior management posts. The Early Years posts around learning and welfare that had been separated were revised so that both areas are integrated into single posts.

Options

Option1

16. To approve the revised structure to enable the delivery of both universal and targeted services against the key principles described in paragraph 9, to meet the statutory duties of the LA and to improve outcomes for all children and families.

Option 2

17. Continue to protect front-line delivery staff but reduce the numbers of support staff.

Option 3

18. Closing a Children's Centre(s).

Analysis

Option 1

19. This option is the preferred option and the one recommended to the Cabinet Member to approve.
20. The main advantage of this option is that it protects front-line delivery to children, families and settings with all nine children's Centres kept open equipped to deliver effective services across the City. It has fewer management and support posts than the current structure but there is sufficient of both to enable front-line staff to focus on their work as practitioners with children, families and settings and not get immersed in administrative or other tasks. It is a more streamlined overall service but one that can still actually deliver, albeit in a more targeted way than previously. The disadvantage of having purely targeted services is that many families access these services through being involved in universal services. This option provides fewer universal services than previously but they are still available although some will be offered across the City as opposed to in all individual Children's Centres.
21. The disadvantage is that it does not produce the full savings required. Overall savings of £1.547m have been found, with another £85k still to be identified.

Option 2

22. The advantage of this option which would take the revised structure plus the removal of support posts is that the overall savings of £1.632m would be made. However, feedback from the consultation from partners and stakeholders, including settings and nurseries, as well as colleagues from the three services, was very strong around the lack of support impacting on the delivery of services. Feedback also informed that if support services were removed, then the front-line practitioners would end up carrying out their own administrative tasks, thus taking them away from

time spent working with children and families. The range of services available through Option 1 would then be undeliverable.

Option 3

23. The advantage of closing a Children's Centre is that the numbers of staff needed to deliver services would be reduced and the full amount of savings would be achieved. The disadvantage of closing a Children's Centre is that one area of less severe deprivation within the City would not have access to services in the same way, impacting on overall outcomes for children and families. Data analysis, Ofsted "health-checks" and Ofsted inspections tell us that outcomes for users are at least good, and in some cases outstanding and that services delivered by Children's Centres do make a real difference.
24. Option 1 is the recommended option as it keeps all nine Children's Centres open, thus providing both universal and targeted services to the most disadvantaged areas of the City, improving outcomes for users. Services are deliverable with the appropriate balance of management, front-line delivery and support posts, and the structure will deliver savings still to be found in the 2012-13 budget.

Corporate Priorities

Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city

25. The proposals are fundamental to this particular corporate priority's success. The support offered by services in the integrated teams of Children's Centres, Early Years, and Childcare Strategy and Business Support support the most vulnerable children and families, support families who meet the 2 year old funding criteria for free childcare places, enable families to access work and training opportunities, support, provide specialised support for families of ethnic minorities or travellers, teenage parents, multiple births, single parents, risky behaviours, early intervention, parenting strategies, dads, safety and special needs.

**Increase people's skills and knowledge to improve future employment prospects and
Improve the economic prosperity of the people of York with a focus on minimising income differentials**

26. The proposals provide services to supporting families to access opportunities through Children's Centres, Family Learning and Job Centre Plus to train for and seek employment. The Childcare Strategy and Business Support team focuses on sufficiency with regard to childcare to enable parents/carers to work.

Implications

Financial

27. The recommended option 1 is expected to deliver a saving of £1,547k in 2011/12. This is a shortfall against the savings target of £85k.
28. If this option is agreed, then the service will look to bring forward further proposals to deliver the remaining savings requirement during the remainder of the year, in the context of the overall budget for the directorate.
29. A full financial analysis for options 2 & 3 has not been undertaken. If the Cabinet Member wishes to explore either of these two options further then detailed financial implications would be provided.

Human Resources

30. Staff in the scope of the restructure and relevant trade union representatives, have been, and continue to be fully consulted on the proposed new structure. The restructure is being managed in accordance with all the relevant Supporting Transformation Policies and Procedures and staff have access to these. All new job descriptions and job descriptions that have been amended have been evaluated by the Job Evaluation Panel which has determined the grades for each of the posts. There has been early dialogue with Human Resources about the proposals and HR advice and this will continue until the implementation of the new structure.

Equalities

31. An initial Equalities Impact Assessment (EIA) has been carried out on the restructure to assess the impact on full-time and part-time workers, also the impact on female workers. The EIA found that the restructure had considered and promoted flexible working and that as nearly all posts were held by females, they were not disadvantaged due to gender. A more comprehensive EIA will be carried out with regard to the revised services and impact on users.

Legal

32. There are no legal implications.

Crime and Disorder

33. There are no legal implications.

Information Technology (IT)

34. There are no legal implications.

Property

35. There are no legal implications.

Risk Management

36. Option 1 which is the recommended option, whilst being the option most likely to deliver the level of service needed to support children and families and to improve outcomes for them, is still a more streamlined service than the previous one. There will be a reduction in the number of universal services and they may be delivered on a locality or City basis rather than through each individual Children's Centre. There is a risk that families may not access these universal services if it means travelling to another location, and therefore won't be able to use the universal services as a gateway to more targeted services. Equally, staff will not have the opportunity to refer families and early intervention opportunities will be lost. Therefore families the numbers of Tier 3 families could potentially increase.

37. Consultation is taking place with parents, carers and families to see what services can be delivered to meet needs and more cost-effective solutions are being sought with regard to locations. Alternative delivery models involving parents and the wider voluntary and community sector may develop over time using children centre facilities.
38. Stronger links with the new Child Poverty Strategy, the New Front Door service, Social Care and schools are being explored to have an even more co-ordinated approach to working with vulnerable and at-risk families.
39. Support services have been reduced from the current structure, there are less management posts and vacancies have not been filled. This proposal can still deliver an effective service but it won't be the same as before. A more targeted approach will be essential but as described in paragraph 20, it is crucial not to lose all of universal provision.
40. There is also a risk that this option may not deliver the savings from 1 September 2011 as the appropriate HR processes are worked through. However, this risk would also be applicable to any other option.

Recommendations

41. The Cabinet Member is asked to approve Option 1.

Reason: Option 1 is the recommended option as it keeps all nine Children's Centres open, thus providing both universal and targeted services to the most deprived areas of the City, improving outcomes for users. Services are deliverable with the appropriate balance of management, front-line delivery and support posts, and the structure will deliver savings still to be found in the 2012-13 budget. Statutory duties across Early Years will be met.

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**Report
Approved** ✓

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Wards Affected:

All

For further information please contact the author of the report

Background Papers:

None

Annexes

- Annex 1 - Consultation paper and questions from the consultation
- Annex 2 - Proposed restructure chart
- Annex 3 - Paper showing differences between initial draft structure and revised structure following feedback