



Leicester  
City Council

**WARDS AFFECTED:  
All Wards**

**Overview and Scrutiny Management Board  
Cabinet**

**18 June 2008  
14 July 2008**

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## **REVIEW OF THE MANAGEMENT OF CHILDREN'S CENTRES**

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### **Report of the Interim Corporate Director of Children & Young People's Services**

#### **1. PURPOSE OF REPORT**

1.1 The purpose of this report is:

- To inform Cabinet of the progress made in developing Children's Centres.
- To inform Cabinet of the approach that the Children and Young People's Services have adopted for the management of the Centres.
- To inform Cabinet of the procurement process in place to secure the external management of 9 out of the 23 Centres.

#### **2. SUMMARY**

2.1 Leicester City Children and Young People's Services Department have worked with a range of partners to develop 18 children centres since 2004. The programme is about to commence its final phase, resulting in the provision of 23 children centres across the whole city by 2011. This report informs members of the progress of this programme overall and particularly of the departments approach to the management of the Centres and the procurement process that supports this approach.

#### **3. RECOMMENDATIONS**

3.1 Cabinet is requested to:

- Note the progress made in developing Children's Centres.
- Note the approach that CYPS have adopted for the management of the Centres.
- Note the procurement process in place to secure the external management of 9 out of the 23 centres

## 4. REPORT

### Background information

- 4.1 The Children's Centres programme is well established in Leicester. The Children's Centres Strategy was agreed at Cabinet on 16 August 2004, in a report which described the overall strategy and the plans for the first phase of the programme (i.e. the deployment of the first ten Centres and associated neighbourhoods).
- 4.2 The Government required the Council and its partners to reach, i.e. offer services to, 10,027 children under 5 who live in the most disadvantaged areas by 2006 (Phase 1), and a further 6,439 by 2008 (Phase 2), with all children receiving an integrated Children's Centre service by 2011 (Phase 3). The Children's Centre programme has now moved from being one targeted at our most disadvantaged children to one for all children aged from 0 - 5 years.
- 4.3 The Children's Centre Strategy makes a key contribution to achieving the vision set out in the Government's 'Every Child Matters' Change Programme and Leicester's Children and Young Peoples' Plan and the Transforming Leicester's Learning Plan, and has provided a real opportunity to improve outcomes for children. This has been achieved by working in partnership with a range of agencies and communities to ensure that services are accessible to all and locally responsive to need. There are significant opportunities for co-location and integration of service delivery, which in turn creates greater access to services that are efficiently provided.
- 4.4 The Government has set out in guidance what it expects each Children's Centre to provide as a minimum core offer. This offer varies dependent on the level of deprivation measured by the super output areas.
- 4.5 The Children's Centres that serve the 30% most disadvantaged areas as defined by the Super Output Areas (defined by National Statistics) will deliver the services defined by the government as follows:
- **Integrated care and education** (full day care registration in main centres as a minimum unless there is sufficient provision within 5/8 of a mile of the centre) with the support of a full time teacher (within 18 months of designation) who will lead on the development of learning.
  - **Child and family health services**, including antenatal services.
  - **Family support and parental outreach**
  - **Support for children and parents with special needs**
  - **Support for local childminders**
  - **Effective links with Job Centre Plus to support parents/carers who**

**wish to consider training or employment.**

4.6 The Government requires that each Children's Centre should identify and provide additional support for the following groups:

- Teenage parents
- Lone parents
- Families living in poverty
- Workless households
- Parents with mental health, drug or alcohol difficulties
- Families with a parent in prison
- Families from minority ethnic groups
- Families who are seeking asylum
- Parents with disabled children
- Parents who have a disability

4.7 The Children's Centres, which serve the 70% areas, are required to Provide the following:

- **Appropriate support and outreach services** to parents/carers and children who have been identified as in need of them.
- **Information and advice to parents/carers** on a range of subjects, including: local childcare, looking after babies and young children, local early years provision (childcare and early learning) education services for 3 & 4 years olds.
- **Support to childminders.**
- **Drop-in sessions** and other activities for children and carers at the Centre.
- **Links to Jobcentre Plus services.**

4.8 The Local Authority assumed accountability for all of the local Sure Start programmes and the Children's Centres on 1 April 2006.

4.9 In 2007 the government issued guidance to local authorities on the future management and governance arrangements. Whilst acknowledging that governance and management arrangements for Sure Start Children's Centres will vary, they stress that '**all local authorities need to create a clear and robust system of decision-making at every level**' and they strongly recommend this includes an Advisory Body at Children's Centre level.

- 4.10 <sup>1</sup>It is also clear in Every Child Matters; Change for Children, that in relation to procurement '**Local Authorities have to consider external providers for the management of children's centres, early learning and childcare provision and other specialist services**'. <sup>2</sup>

### **Current Management approach for Leicester City Children's Centres**

- 4.11 Leicester currently has a mixed model of management arrangements for its Children's Centres. This model has evolved from the original Sure Start local programmes where communities decided who would manage the provision.
- 4.12 The model that exists is one where the both the national voluntary sector and the Local Authority provide leadership and management of Children's Centres. Because of the way that this model has evolved the Centres managed in the voluntary sector have never been through a competitive procurement process as required by the authority's procurement procedures.
- 4.13 The Local Authority is responsible for managing:
- Beaumont Leys – Sure Start local Programme Children's Centre
  - New Parks - Sure Start local Programme Children's Centre
  - Belgrave & Rushey Mead – Phase 1 Children's Centre
  - Eyres Monsell & Gilmorton – Phase 1 Children's Centre
  - Northfields & West Humberstone - Phase 1 Children's Centre
  - Thurnby Lodge - Phase 1 Children's Centre
  - West End - Phase 1 Children's Centre
- 4.14 In addition the Local Authority is currently responsible for the development and management of all Phase 2 Children's Centres until the procurement process has been completed.
- 4.15 NCH is responsible for managing:
- Braunstone - Sure Start local Programme Children's Centre
  - Highfields - Sure Start local Programme Children's Centre
  - St Matthews - Sure Start local Programme Children's Centre
- 4.16 Barnardos is responsible for managing:
- Saffron - Sure Start local Programme Children's Centre
- 4.17 The current contract with the external providers will cease as of 30<sup>th</sup> September 08

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<sup>1</sup> Children's Centre Governance Guidance 2007

<sup>2</sup> Every Child Matters: Change for Children

## The Model for the Future

4.18 The Children and Young People's Services Departmental Management Team (DMT) agreed on the 4th July 2007 to conduct an options appraisal with a range of stakeholders. The appraisal was to assess the best model for delivering this provision, in order to maximise the opportunities to improve outcomes for children. Five options for delivery were considered, ranging from a model where all Centres were managed by the City Council to one where all were managed externally. The following criteria were used to assess each option:

- Evidence of the ability to deliver improved outcomes for children
- Value for money
- Trusted to deliver
- Fits with national profile of models
- Fits with organisational structures
- Effective performance management
- Adds demonstrable value
- Flexibility
- Shares good practice
- Compliance with government guidance

4.19 DMT considered the Options on 3<sup>rd</sup> October 2007 and agreed that Leicester should adopt a mixed model of centre management, between the Local Authority, and external bodies procured through an open tendering process.

4.20 The model adopted puts 9 Children's Centres (including the current voluntary sector managed centres) out for tender in three blocks of three, with the remaining 14 centres managed by the Local Authority.  
(See Table 1).

4.21 **TABLE 1**

Local Authority	Phase	Out to tender	Phase	Block Tender
Belgrave & Rushey Mead	1	Braunstone	SSLP	1
Beaumont Leys	SSLP	St Matthews	SSLP	1
Braunstone Frith	2	Highfields	SSLP	1
Eyres Monsell & Gilmorton	1			
Mellor	2	Rowley Fields	2	2
New Parks	SSLP	Netherhall	2	2
Northfields	1	Saffron	SSLP	2
Rowlatts Hill	2			
Spinney Hill	2	Mowmacre	2	3
Thurnby Lodge	1	Phase 3 Centre	3	3
West End	1	Phase 3 Centre	3	3
Phase 3 Centre	3			
Phase 3 Centre	3			
Phase 3 Centre	3			

- 4.22 This option was assessed as the best on all counts. It enables us to comply with the government guidance, embeds a partnership approach that will add value by supporting and challenging the local authority provision. The approach groups together existing provision by provider so that any change of managing agency can be achieved smoothly. The approach allows for the 3 schools that have expressed an interest in piloting a different approach to be able to do so. It also enables those schools that have expressed a preference for Local Authority management to remain with the authority.
- 4.23 The development of two Phase 3 Centres by external organisations would also provide sufficient opportunity to ensure that a mixed-model approach was in place for each neighbourhood.
- 4.24 This approach ensures that in each neighbourhood will have at least one Local Authority managed Children’s Centre which will be partnered with an alternative provider so as to ensure partnership working at a local level and will minimise the number of partners to a maximum of three so that performance management can be effective.

**Progress to Date**

- 4.25 ESPO have been commissioned to manage the tender process on behalf of CYPS. The tender advertisements have been placed and pre-qualification questionnaires have been distributed. Applications to tender have been received, and long listing work is completed on preparing the contract and specification and a select list of applicants have been invited to tender.
- 4.26 The timeline for the process is very tight with little room left for slippage and still enable the legal processes around TUPE Transfer if required to be achieved.
- 4.27 **TABLE 2 - Timeline**

<b>Activity</b>	<b>Date to be achieved</b>
ITT issued to long listed organisations	13/6/08
Closing date for tender submission	28/7/08
Assessment of tenders	29/7/08
Presentation by short listed organisation	12/8/08
Contract award	25/8/08
Contract in place with appointed organisations	25/8/08-30/9/08
Providers in place	1/10/08

**Selection and Appointment Process**

- 4.28 It is proposed that a partnership approach is taken to the selection process with stakeholders from schools and the local authority. This would take the form of requiring the short listed organisations to make a presentation to the nominated representatives

## **Specification**

- 4.29 The service specification is a detailed document which informs the potential contracted organisation of the requirements of the Local Authority. The specification addresses performance management and provides information on what the Local Authority will provide funding for. This is in line with what the government expects as a minimum per Centre:
- Children's Centre Leader post
  - Administrative and Support staff
  - Two Family Support Workers
  - Three Play and Learning Workers
  - A contribution towards management costs
  - Infrastructure allowance, which includes building running costs and internal decoration and repair.
- 4.30 The contracted agency may also receive funding to host a range of other services but this will be agreed based on the needs of the neighbourhood.
- 4.31 The contracted agency will be expected to provide the accommodation for a range of co-located staff from a range of different agencies.

## **Revenue Strategy**

- 4.32 The primary funding for the core Children's Centre service is provided to the Local Authority through the Sure Start Grant with detailed stipulations on what it can be spent on. An element of the grant is ringfenced for the Children's Centres that were previously Sure Start Local Programmes. This approach ensures that local authorities continue to target the largest share of the resource to those most disadvantaged communities.
- 4.33 The Sure Start Grant has been allocated for the years 2008-2011 which is in line with the contract period.

## **Capital Strategy Phase Three**

- 4.34 Capital Strategy for Phase 3 provision will be agreed as part of the wider Integrated Services Capital Strategy, which will be the subject of a separate report.
- 4.35 To conclude:

The Children's Centre provision seeks to improve outcomes for children in their early years within the Every Child Matters Framework. The model adopted by the Department will ensure that we are able to achieve this improvement within a partnership model.

## 5. HEADLINE FINANCIAL AND LEGAL IMPLICATIONS

### Financial Implications

- 5.1 The costs of managing the centres resulting from the tendering exercise will need to be contained within the available resources, which may require adjustments to services to bring costs and funding into line. The tendering process is being supported by ESPO and discussions are ongoing to ensure that the contractual arrangements are acceptable to SDCSF and the Council's auditors in respect of the General Sure Start Grant. The allocations, by the DCSF in a letter dated 01/08/2007, are as follows:

5.2

	Children's Centres £	Local Sure Start Programmes £	Total £
2008/09	5,620,011	4,283,336	9,903,347
2009/10	7,037,229	3,785,474	10,822,703
2010/11	8,160,359	3,181,236	11,341,595

Colin Sharpe, Head of Finance and Efficiency, Ext 29 7750.

### Legal Implications

- 5.3 The Children's Centres programme is a result of the Government's new agenda for Change for Children as reflected in the Children Act 2004 and supporting regulations and guidance which arose from the Government paper 'Every Child Matters'. This legislation requires local authorities to co-operate with other agencies specified in the Act with a view to improving the well-being of children in its area. The need to comply with the authority's procurement procedures and TUPE transfers is identified in the report Cathy Healy, Legal Services – Community Services, Ext 29 6712

## 6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph References within Supporting Information
Equal Opportunities	Yes	Every Child Matters Change Programme/Children & Young People's Plan/Transforming Leicester's Learning. Ensuring improved outcomes for children in the most disadvantaged areas. Ref: Para 4.2, 4.3, 4.4 & 4.5
Policy	Yes	Procurement/Children and Young Peoples' Plan A competitive procurement process is required by the authority's procurement procedures. Ref: 4.10,

		4.12, 4.17 & 4.25 The Children's Centre Strategy contributes to the Children and Young Peoples Plan and to government policy. Ref: 4.2 & 4.3
Sustainable and Environmental	Yes	Integration of service delivery to provide sustainable services. Ref: 4.3
Crime and Disorder	No	
Human Rights Act	Yes	Ensuring disadvantaged families have access to services to improve outcomes. Ref: 4.2 & 4.3
Elderly/People on Low Income	Yes	Services to our most disadvantaged Ref: 4.2, 4.3, 4.5 & 4.6

## 7. Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/ appropriate)
1 Provider fails to deliver	L	L	
2. Possible claims against the L.A.	L	L	
3. Death or serious injury of employee/child	L	L	

## 8. Report Author/Officer to contact:

Mel Meggs  
Head of Service - Early Prevention  
Ext 39 4371

Penny Hajek  
Service Director  
Access, Inclusion & Participation  
Ext 29 7704

<b>Key Decision</b>	Yes
<b>Reason</b>	Significant in its effects on communities in one or more wards
<b>Appeared in Forward Plan</b>	Yes
<b>Executive or Council Decision</b>	Executive (Cabinet)