

Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

**Children and Young People's Services Scrutiny Committee
Cabinet**

**15 November 2006
27 November 2006**

SURE START GRANT – CAPITAL EXPENDITURE PROPOSALS 2006-2008

Report of the Corporate Director of Children and Young People's Services

1. Purpose of Report

1.1 The purpose of this report is to:

- To describe for Members how the learning offer for children in the city can be transformed by making best use of available capital to strengthen the range of services on offer at a neighbourhood level. This is part of the strategic development of a coherent approach across the city;
- Update Members on the development of the strategic direction for early years services, with particular reference to the development of a prevention and early intervention service; building on existing early years networks across the city;
- Advise Members of the Sure Start Capital allocations for 2006-2008;
- Recommend how the grants should be apportioned between the three main strands, namely, Children's Centres, Childcare and Extended Schools; and
- Seek approval for expenditure of the allocation.

2. Summary

2.1 The range of capital available for the development of children's services is complex and spans the age range of 0-19. Increasingly, as a part of the development of an integrated approach to children services, the authority is attempting to move away from an initiative driven approach and to join up the capital strands in order to facilitate the transformation of learning and early intervention services at a neighbourhood level built around school and community clusters. The development of early years networks is acting as a nucleus to facilitate this work.

2.2 Available capital includes funding for early years, primary and Building Schools for the Future. Members will receive reports on the primary and BSF programmes in due course. However it must be recognized that for many families, particularly those with multiple children, they need to access a continuum of provision and therefore there is real sense in joining the capital streams in order to provide coherent services. While this paper deals with the early years capital the principles underpinning the

recommendations for its usage can be applied to other capital streams. These principles include:

- Integration of services
- Transforming the learning offer and personalizing services
- Developing services that are sensitive to community and neighborhood needs
- Working collaboratively with other agencies to join services together including pooling of budgets where appropriate

- 2.3 Cabinet received a report on 24th April 2006, outlining proposals for Phase 2 of the Children's Centres Programme. The report set out proposals for 8 further centres, together with recommendations on which communities these should be established in. The report also prioritised the type of sites for consideration. Members accepted these recommendations. The supporting information sets out detailed proposals with estimated costs for each proposed centre.
- 2.4 The funds for the three main strands of the programme, Children's Centres, childcare and extended services, were originally individually ring fenced by the Government. The conditions attached to funding have since been amended so that Councils can now decide how much to apportion to each strand. The total capital allocation for 2006-08 is £4,651,451 and the supporting information sets out the reasons for the recommended apportionment.
- 2.5 Members requested a further report on the overall strategic direction for early years services. As can be seen from paragraphs 2.1 and 2.2. It is likely that this will be a further report setting out the approach of the new department to early identification and prevention spanning the age range of 0-19 and joining together services that have traditionally sat in isolation. This approach sits well with the work happening corporately on developing a 'Neighbourhood Working Strategy', which will define the scope of services to be delivered within neighbourhoods. The ethos of this approach is to provide accessible services at a local level that support families before there is a crisis. Although this corporate work is at an early stage and is being developed alongside the work of the Leicester Partnership it will help us to shape the local response to a range of national initiatives focusing on community development.
- 2.6 Sure Start capital funding must be spent by 2008, before the strategic direction for primary schools and early years services can be fully developed. Leicester, like other authorities, faces the challenge of ensuring that capital investment is future-proofed. The supporting information sets out how, as far as possible, capital expenditure over the next two years can be made consistent with and can contribute to the longer term strategy, even though this is not fully developed.
- 2.7 In addition to the capital allocation of £4,651,451 there is a further Sure Start grant revenue allocation of approximately £15 million (2006-2008). A significant proportion of this grant (70% approx) funds the infrastructure and service delivery costs of the Children's Centres. The government is indicating that a further grant allocation will be made for 2008-2010. It is intended that the Sure Start Grant (07/08) will be part of a pooled budget arrangement under the Local Area agreement. C.Y.P.S. will be seeking

local flexibility to extend the use of the grant for funding services for children up to the age of 13 as part of the development of the preventative strategy.

3. Recommendations

The Children and Young People's Services Scrutiny Committee is recommended to consider the report and to make its views known to Cabinet.

Cabinet is recommended to:

- (1) Note the current thinking around the development of the strategic direction for the development of early intervention and prevention services and to note the key role that early years services will play in helping to and to shape a neighborhood approach, as set out in the supporting information;
- (2) To note the real opportunity for the city in thinking about its capital allocations differently in order to transform the learning offer for Children and Young People;
- (3) Agree the recommended allocation of Sure Start capital funds between the three main strands as follows:

Children's Centres	£3,635,000
Childcare Services	£778,783
Extended services	<u>£237,668</u>
Total	£4,651,451

- (4) Approve the proposed locations for the Phase 2 Children's Centres and note the estimated costs;
- (5) Agree the proposed principles for the allocation of funding to support the Childcare Strategy;
- (6) Agree the proposed principles for the allocation of funding to support the delivery of extended services in and around schools;
- (7) Authorise the Corporate Director of Children & Young People's Services in consultation with the Cabinet Link Member to expend the Sure Start Capital Allocation of £4,651,451;
- (8) Delegate authority to the Corporate Director of Children & Young People's Services in consultation with the Cabinet Link Member to adjust the funding to each individual Children's Centre project in consultation with the cabinet lead for children and young people.
- (9) Delegate authority to the Corporate Director of Children & Young People's Services in consultation with the Cabinet Link Member to approve virement of capital funds between the strands of the programme to ensure Government targets are achieved, in consultation with the cabinet lead for children and young people.
- (10) Delegate authority to the Corporate Director of Children & Young People's Services in consultation with the Cabinet Link Member to make allocations to individual projects under the Childcare and Extended Services strands, within the overall frameworks set out in 1.8 and 1.9 of the Supporting Information, in consultation with the cabinet lead for children and young people.; and
- (11) Note the revenue allocation in place to support these services.

4. Headline Financial and legal Implications

4.1 Financial Implications

The report proposes no changes to the total expenditure approved in principle in the original Education and Life Long Learning capital programme for 2006/07 - 2007/09

The expenditure will be funded by Sure Start Grant allocated to the City Council on a formulaic basis by the DfES. The grant funding is currently profiled as £1,535k in 2006/07 and £3,116k in 2007/08. This profiling may not match the actual expenditure profile but the Sure Start Unit plan to manage the programme in its entirety to ensure that there is no loss of capital grant. This position will need to be closely monitored.

It will be necessary to ensure that all expenditure charged to the capital programme meets the Corporate Capitalisation Policy especially where there is expenditure on childminders equipment and set up costs (there is usually a de minimis level of plant and equipment of £5,000).

The revenue implications of the three strands of the programme viz children's centres, child care services and extended services differ significantly and it is imperative that a revenue funding strategy be put in place for each of these elements. This strategy should cover the various income streams, eg fees and charges, Sure Start revenue grant, school budgets etc and any implications for the Council's budget. The revenue strategy should consider the longer term implications and the possibility that in due course the revenue costs may have to be mainstreamed into the Council's budget for there is no guarantee that the next Comprehensive Spending Review, or indeed further future CSRs, will make provision for a continuation of revenue grants. In these circumstances members are asked to view the paper as a resource allocation exercise subject to detailed short and longer term assessments of the revenue and capital financial implications of the proposals.

Barrie Woodcock (Interim Head of Finance – Children & Young People's Services)

4.2 Legal Implications

There are no direct legal implications arising from the report.

Guy Goodman
Head of Community Law

5. Report Author/Officer to contact:

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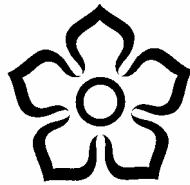
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DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Cabinet



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Sure Start Grant – Capital Expenditure Proposals 2006-2008

SUPPORTING INFORMATION

1. REPORT

1.1 Background

1.1.1 Cabinet received a report on 24th April 2006, outlining proposals for Phase 2 of the Children's Centres Programme. The report set out proposals for 8 further centres, together with recommendations on which communities these should be established in. Members accepted these recommendations and requested a further report on the overall strategic direction for early years services.

1.1.2 It is not possible to present a definitive strategic direction at this time because of ongoing policy development both nationally and locally. This paper summarises some of the established national policy that will influence the strategic direction. It also summarises the Government's current proposals for a major Primary School investment programme that is due to be confirmed later this year and work that Corporate Directors have commenced locally on a 'Neighbourhood Working Strategy'.

1.2 Primary Schools – the National Policy Context

1.2.1 The Council's response to a number of key national policy documents will shape our primary schools in the future. These are summarised below:

1.2.2 Every Child Matters

- Children's Centres for all children aged 0-5 providing a core offer of integrated services including early education, health, family support, childcare, job centre plus.
- Extended schools – all schools providing core offer by 2010 either themselves or in conjunction with local partners
- School staff co-located and working alongside other professionals

- Improvements in behaviour and attendance
- Personalised learning
- Health equality (NSF)
- Participation
- Children's Workforce Development
- Information sharing and common assessment (caf)

1.2.3 Excellence and Enjoyment (Primary Strategy)

- High Standards in a broad and rich curriculum
- Improving teaching and learning in Literacy, Mathematics, Early Years and across the foundation subjects, including using ICT as a tool for learning
- Personalised Learning
- Strong School Leadership and Management
- Developing the whole school workforce
- All children excited by and engaged with learning
- All schools to develop their own distinctive character building on their strengths

1.2.4 Removing barriers to achievement (SEN)

- Early intervention
- Removing barriers to learning
- Raising expectations and achievements
- Delivering improvements in partnerships

1.2.5 Fulfilling the potential (ICT)

- Improve access to learning for all
- Tool for whole school improvement
- Learning outside school and outside the school day
- Develop key skills to participate in today's society and economy

1.2.6 14-19 Education and skills

- Primary schools should offer vocational training opportunities in childcare and early years work for our secondary students.

1.2.7 Higher standards, better schools for all

- More choice for parents and pupils
- More independent state schools
- More influence for parents
- Personalised learning
- Competition for providers
- LAs as champions of pupils and parents
- Parental preference, expansion of popular schools

1.3 The National Primary School Capital Programme

1.3.1 The Proposals

The Chancellor announced an intention to rebuild or refurbish at least 50% of all primary schools in his Budget in March last year. The Secretary of State launched the Primary Capital Programme on 9th March 2006. The key points of the proposals are:

- 50% of all primary schools to be rebuilt or refurbished over the next 15 years
- Funding allocations based on pupil numbers and levels of deprivation but all authorities receive some funding in first two years.
- Possibly £7–9 million for Leicester over 2009-10 to 2010-11
- Possibly upwards of £50 million for Leicester over the next 15 years
- Programme to be confirmed in the autumn 2006, allocations announced late 2007.

1.3.2 Government objectives for the programme

- Primary schools fully equipped for 21st Century Learning, at the heart of the community, with children's services in reach of every family.
- Support national policy aims; raising standards, Every Child Matters, inclusion, diversity and responsiveness, extended services, personalisation.
- Rebuild, remodel or refurbish at least half of all primary schools (currently 86 in Leicester).
- Targeted to address deprivation and responding to population change.

1.3.3 Scope and Timescale

- Funding from 2009-10 onwards for around 15 years.
- Includes primary and primary-aged special schools. Also, includes voluntary-aided schools (but VA Governors required to make 10% contribution unlike BSF).
- All authorities will get some funding in first two years, funding spread across all authorities, unlike BSF, which is highly concentrated.

1.3.4 Funding

- £150 million in 2008-09 for pilot authorities, rising to £500 million in subsequent years.
- It is quite difficult to interpret how much we will get but based on illustrative examples, we will possibly get £7-9 million over the two-year period from 2009. This will be on top of the current formulaic allocation of around £5.2 million per year.
- We currently have around 25,500 primary aged pupils, around 0.7% of the total national primary school population. We cannot estimate the effect that higher than average levels of deprivation might have on our allocations but based purely on pupil numbers, we might expect at least £50 million over the 15 year life of the programme.

1.4 Neighbourhood Working Strategy

The City of Leicester is the largest in the East Midlands and one of Britain's most culturally diverse. It boasts the third highest Black Minority Ethnic (BME) population in

the UK with 36 percent of residents from a non-white background, 26 percent being of Indian origin. Forty-four percent of residents are Christian, and a quarter are Hindu, Sikh or Muslim. An equal proportion of residents migrated in and out of Leicester from within the UK in 2001.

Our diversity provides the city with a rich seam of vitality and our children with a unique inheritance. However, despite this vitality, not everyone shares equally in the success. The work undertaken by the early years service contributes to tackling the inequality of outcomes experienced by children and young people and supports community cohesion. It does this by ensuring that we provide services in partnership with communities that are tailored to meet their specific needs. The neighbourhood working strategy will build on this model of service delivery.

- 1.4.1 Corporate Directors are currently in the very early stages of developing proposals for a 'Neighbourhood Working Strategy'. This work is being led by the Corporate Director of Children and Young People's Services and it is expected that it will define the scope of services to be delivered within neighbourhoods (that is, where delivery is geographically specific). It will also define the operational parameters for neighbourhood services (co-location principles, distance from users, links with specialist back-up, etc.).
- 1.4.2 Within the overarching 'Neighbourhood Working Strategy' there will be a 'Neighbourhood Service Delivery Strategy' that will address the infrastructure required to support neighbourhood working, primarily customer access, premises and ICT. This infrastructure is potentially that of all key partners.
- 1.4.3 The links between the Neighbourhood Working Strategy and the proposals for capital investment in early years services become clear by examination of the draft objectives for neighbourhood Service Delivery, which include:
 - To assemble and analyse for decision-making, comprehensive data on the Council's and partners' neighbourhood services infrastructure;
 - To identify existing and potential opportunities (building as far as possible on current initiatives) for meeting neighbourhood service delivery needs as defined in the overall strategy; and
 - To propose analysed options for the infrastructure in each neighbourhood, based on appropriate clusters of services and co-locations, with early opportunities put forward on an ad hoc basis.

1.5 A Possible Vision for Primary Schools

- 1.5.1 During consultation with schools on the Primary Capital Programme earlier this year, the following draft strategic vision for primary schools was very well received:
 - Primary Schools that develop 'Young citizens who are safe, happy, succeeding, creating their own future and able to contribute positively and responsibly to their community' (Developing Young Citizens of Conscience).
 - Primary Schools that are at the heart of their communities, a source of pride and a valuable resource for children, parents and local communities.
 - Excellent buildings equipped for teaching and learning in the 21st Century, offering easy access and referral to a full range of services for all families.

- Schools of differing size and character, offering varying services but always reflecting the needs of their local community.

1.5.2 We might expect the Primary Capital Programme, in conjunction with other funding streams, to achieve the following outcomes:

- Well-designed, well maintained school buildings
- Local schools being the first choice for parents and each with its own individual character, offering a broad, rich and exciting curriculum and personalised learning. Co-location with other agencies will be the norm.
- School expansion in response to parental preference but ensuring that small schools remain viable where that is the appropriate solution for their local community.
- Graduated approach to service delivery with support appropriate to local need.
- Work with and build on work of current private sector early years providers rather than replace them.
- Graduated approach to SEN, all schools accessible, additional resources for some mainstream schools, good special school provision.
- ICT that supports learning anytime, anywhere.
- Nutritional school meals with increased take up, better access to PE and sport, health education / promotion.

1.6 Sure Start Capital Funding 2006-08

1.6.1 Sure Start capital funding allocations must be spent by 2008. During this period, the strategic direction for primary schools and early years services will be developed, both as our response to the Primary Capital Programme and as a result of developing our proposals for Neighbourhood Working. Leicester, like other authorities, faces the challenge of ensuring that capital investment over the next two years is consistent with and contributes to the longer-term strategy, even though this will not be fully developed.

1.6.2 The early work on Neighbourhood Service Delivery identifies that early opportunities will come forward on an ad hoc basis, building on current initiatives. These initiatives will include the Building Schools for the Future (BSF) project for Secondary Schools and the existing Schools Capital Programme and Sure Start Capital Programme for Primary Schools. It will therefore be incumbent upon the managers of these programmes to advise the Neighbourhood Service Delivery Project Director of possible opportunities for co-location, rationalisation, etc., as they arise.

1.6.3 The Children and Young People's Service Department has set up an Officers' Capital Advisory Group to oversee all capital expenditure within the Department, including Sure Start Capital and Schools Capital. This should ensure that capital funds within the Department are effectively joined up and used to maximum effect.

1.6.4 The funds for Children's Centres, childcare and extended services were originally individually ring fenced by the Government. Government has since accepted that authorities have different levels of need in each of the areas and would benefit from greater freedom. The conditions attached to funding have since been amended so that Councils can now decide how much to apportion to each strand. The total capital allocation for 2006-08 is £4,651,451. In arriving at a proposal for the apportionment of the total funding, the following factors have been considered:

- By 2010, all schools are required to provide access to a core offer of:
 - High quality childcare between 8am – 6pm all year round.
 - A varied menu of study support, including homework clubs, ‘catch up’ provision, gifted and talented provision, etc.
 - Parenting support
 - Swift and easy referral to a wide range of specialist support services
 - Wider community access to ICT, sports and arts facilities, etc.

It will be noted that there are overlaps. For example, the Childcare strand will support the delivery of the extended services core offer for childcare. Likewise, the Children’s Centres strand will provide opportunities for parenting support and referral to specialist support services. Therefore, investment in these two strands will also support the extended schools strand.

- The Childcare Act 2006 requires that local authorities ensure that there is sufficient childcare to meet the needs of working parents and those preparing to enter employment, with particular reference to those on low incomes, and those with disabled children. Targets for developing new provision are determined by local need. The apportionment of the Sure Start Grant will be expected to allow for a managed programme of development, and funding to support the sustainability of existing good quality provision.
- The number of new Children’s Centres to be provided in Phase 2 is prescribed by Government. It is recommended therefore, that this is the Council’s first priority because if we spend less than is required to deliver a fully functional centre it will be very expensive to go back and put matters right.
- Funds for extended schools have previously been allocated on a per capita basis. It is proposed that future allocations are for what DfES describes as ‘small capital projects in primary schools’. These are typically likely to be between £5,000 and £30,000. These sums are small in comparison with the funds that are likely to be available in the longer term through, for example, the primary capital programme and are most likely to be at risk of being inconsistent with the longer-term investment programme.

1.6.5 After considering the factors in paragraph 1.6.4 above, the recommended allocation of Sure Start capital funds between the three main strands is as follows:

Children’s Centres	£3,635,000
Childcare Services	£778,783
Extended services	<u>£237,668</u>
Total	£4,651,451

1.7 Children’s Centres

1.7.1 The overall aim of the programme is to improve outcomes for all children and close the outcome gap for children living in our most disadvantaged areas. Children's Centres build on the service model piloted by the local Sure Start programmes. The model currently delivers a range of integrated neighbourhood level services that focus on prevention and early intervention to approximately 800 –1000 children under the age of 5 (per centre). However there is potential to increase the age range of children served in time.

1.7.2 The Phase 1 Capital Programme is now complete (except snagging and landscaping). We have developed 10 centres that act as the hub for a range of services provided by agencies in the statutory, voluntary and private sector. The following communities are currently benefiting from Children's Centre services that are reaching approximately 10,000 children under five years:

- Beaumont Leys and Stocking Farm
- St. Matthews
- Saffron Lane
- Braunstone
- New Parks
- Northfields
- Eyres Monsell
- Thurnby Lodge
- Belgrave
- West End

1.7.3 Members agreed in April the following phase 2 communities to benefit from the development of a further 8 centres, reaching an additional 6,400 children under 5 years: (a phase 3 is expected 08-2010)

- Rowlatts Hill
- Rowley Fields, South Braunstone
- Mowmacre
- North Evington
- Belgrave (Loughborough Road)
- Braunstone Frith
- Netherhall
- Highfields (this is an existing Sure Start local programme that will be redesignated)

Members approved a priority ranking criteria to aid the selection of suitable sites. This criteria has guided the feasibility studies.

The agreed priority criteria ranked in preference order:

1. Primary school site within pram pushing distance of the community.
2. Existing Local Authority buildings identified through the property review.
3. Partner agency's buildings

1.7.4 Further consultation with all stakeholders including community members, has been undertaken where more than one site meets the priority criteria. The suggested option

reflects the outcome of that consultation. Once agreement has been reached on our preferred sites, ongoing consultation will be conducted (as per the phase 1 model) through the establishment of local stakeholder steering groups. They will work with officers on the design and type of services to be delivered from the main centre and other community buildings in the neighbourhoods.

1.7.5 The DfES set out an additional range of criteria to be met to receive approval for each project. That criteria is:

- Co-location with school
- Best value
- Fit for purpose
- Timescale

1.7.6 An option appraisal has been conducted within each community using both the Cabinet approved ranking criteria and the DfES approval criteria. The outcome of that appraisal is as follows:

- Rowlatts Hill

The appraisal found that Rowlatts Hill Primary School is the only site in the community that meets all the criteria required. The school site has the capacity to extend its existing building to provide the facilities required by the Children's Centre.

- Rowley Fields, South Braunstone

The appraisal found that both Imperial Avenue Infant School and Caldecote Primary School met the location requirement. However it found that Imperial Avenue is preferred, as a Children's Centre would add most value on this site. The Manor House Neighbourhood Centre was considered, but the appraisal found that the level of work required would exceed both the time and cost criteria. In addition it isn't in the right area or on a school site.

- Mowmacre

The appraisal found that the Mowmacre Primary School is the only site that meets all the criteria. The school site has the capacity within its existing building to provide the facilities required by the Children's Centre.

- North Evington

The appraisal found that the Spinney Hill Primary School is the only site that meets all the criteria. The school site has the capacity within its existing building, with a small extension, to provide the facilities required by the Children's Centre.

- Belgrave (Loughborough Road)

The appraisal found that Mellor Primary School is the only site that meets all the criteria. The school site has the capacity to extend its existing building to provide the facilities required by the Children's Centre.

- Braunstone Frith

The appraisal found that Braunstone Frith Infant School is the only site that meets all the criteria. The school site has the capacity to extend its existing building to provide the facilities required by the Children's Centre within budget. The site has already benefited from a phase 1 childcare facility.

- Netherhall

The appraisal found that Scraftoft Valley Primary School is the only site that meets all the criteria. The school site has the capacity to extend its existing building by using an infill extension between two existing school buildings. This approach would provide the facilities required by the Children's Centre. The Netherhall Neighbourhood Centre was assessed, however it failed to meet the location criteria.

- Highfields

No Capital Project is required as this is an existing Sure Start Local Programme that will be redesignated.

1.7.7 A brief description of individual proposals, timescales and costs are contained in appendix 2

1.7.8 An Impact Assessment has been undertaken with Community Services that assesses how the development of a Children's Centre in a specific community will impact on the viability of existing community centres, given the potential relocation of early years services to the Children's Centre. The assessment is attached as appendix 1.

1.7.9 The government requires the capital programme to be completed by March 2008.

1.7.10 The Children's Centre Capital Programme will be managed using the Prince Two process with procurement undertaken in line with council procedures.

1.8 Childcare Strategy

1.8.1 The strategic priority for the creation of new places for 2006-08 is to support the Extended Services agenda by developing all year round care and in areas with existing before and after school care to supplement that with holiday care. This involves working with the first tranche of school communities in order to identify any demand over and above existing places, look at the capacity of existing providers to expand, and failing that to support the establishment of new provision in the area. It is highly unlikely that schools will deliver childcare themselves as the staffing costs will make their childcare unviable unless they determine to use funding streams to subsidise fees. This provision may or may not be on school premises depending on parental and child preferences, space available, quality of partnership working between schools and private providers.

The capital issues for sustainability relate principally to the condition of the premises from which providers operate. In the last year two successful pre and out of school providers were faced with closure due to the condition of mobiles located on school premises but not covered by any corporate maintenance contract. This issue is likely to recur in the future as stock deteriorates. There are also providers operating out of inappropriate, inadequate or dual use accommodation such as church halls, which compromises the quality of service, and is increasingly subject to very high increases in rent. This may, therefore, incur capital costs to relocate the provider in order to raise quality and reduce overheads.

The authority also requires an allocation of capital to support the conversion of pre-schools into full daycare, which similarly create additional or extended places in support of school communities and ensure the sustainability of high quality pre-school care, with integrated early education. This will be dependent on intensive and pro-active development work in partnership with the PLA, and will also be informed by the childcare audit to be carried out over the coming months.

For these reasons it is difficult, at this stage, to identify key buildings or sites for development and expenditure of capital in the same way that we can for Children's Centres and Extended Services. Therefore, initially at least, it would appear that it would be most appropriate to establish a funding regime based on a maximum amount of capital per place. This has been the Sure Start Unit led funding mechanism to date, and also continues to apply to intelligence about major capital issues for existing providers in areas of greatest disadvantage.

1.8.2 Proposals for new places 2006-08:

- Pre-school conversion

The proposal is to create 96 new full daycare places over two years in priority disadvantaged areas at £1,100 per place. This requires a total of £105,600.

- Out-of-School Groupcare

A target of 480 places has been set for creation of new places affordable childcare that will meet the Extended Services childcare offer of 8-00 am to 6-00 pm provision all year round. The rolling programme will start in 2006-07 with the first round of Leicester's

Extended Services strategy i.e. Beaumont Leys, Belgrave, Braunstone, Eyres Monsell, Hamilton, Highfields and Rushey Mead.

The second priority creation of out of school hours childcare in disadvantaged areas that incorporate existing and new Children's Centres. These are:

Existing – Beaumont Leys, St Matthews, Saffron, Braunstone and New Parks
New – Belgrave, Eyres Monsell, Northfields, Thurnby Lodge and West End

The third priority is to consider applications from any other Super Output Area defined area of disadvantage (top 20%) will be considered if there is a proven need in the area.

This will require capital funding of £350 per place, total £168,000.

- Childminding

The proposal is to maintain the stock of childminding places, which will require the creation of 57 new places to make good turnover. Childminders are funded through a start up grant as part of the pre-OFSTED registration process, part of which incurs small capital cost. Based on a similar hierarchy of priority and unmet demand, development of new places will require funding as follows:

38 places @ £500 per place in disadvantaged areas = £38,000
19 places @ £250 per place = £9,500

Total = £47,500

Of this amount £19,000 has been estimated to be capital, based on expenditure in 2005-06.

The total anticipated expenditure of the capital to support the creation of childcare places in 2006-08 is £292,000.

1.8.3 Proposals for sustaining existing provision 2006-08

- Out of School settings

Three out of school settings are known to urgently require new accommodation. The demand for replacement of accommodation is anticipated to continue over the next two years and therefore 6 replacement grants will require a capital budget of £446,183.

- Childminding

The sustainability of childminders is under threat in two ways: low income due to lack of uptake of places (for whatever reason), and capital outlay incurred in meeting OfSTED standards e.g. for secure storage, fencing and other health and safety issues, particularly for adaptations for childminders moving house. Based on the experience of 2005-2006 a budget of £20,000 is required.

Reductions to the start up grant will need to be offset by enhancing the Childminding Toy and Loan Scheme operated from the Children's Resource Centre. A sum of £20,000 is proposed for the immediate purchase of buggies, high chairs and large safety items e.g. stair gates, and fireguards.

Total anticipated expenditure of capital for sustainability in 2006-08 is £486,183.

The total capital funding required to support development and sustainability of childcare provision in Leicester for 2006-08 is £778,783.

1.9 Extended Services in and around schools

1.9.1 Context of the grant

'This grant is intended to support schools, by providing access to a core set of extended services, in raising standards of pupil motivation, aspiration, achievement and behaviour and contributing to a wide range of other Government targets including childcare, children's services, community cohesion, neighbourhood renewal, adult learning, combating child poverty, health inequalities and crime reduction'. (DfES Grant guidelines)

1.9.2 Core Offer

High quality childcare provided on the school site or through other local providers, with supervised transfer arrangements, where appropriate, available 8am – 6pm all year round.

A varied menu of study support to be on offer, such as homework clubs, 'catch up' provision, gifted and talented provision, sport, music tuition, dance and drama, arts and crafts, special interest clubs, visits to museums and galleries, learning a foreign language, volunteering and enterprise activities.

Parenting support including information sessions for parents at key transition points, parenting programmes run with the support of other children's services and family learning sessions to allow children to learn with their parents.

Swift and easy referral to a wide range of specialist support services such as speech therapy, child and adolescent mental health services, family support services, sexual health services. Some services could be delivered on school sites.

Providing wider community access to ICT, sports and arts facilities including adult learning.

1.9.3 Government Targets

'By 2010, all schools to provide access to a core of extended services with half of all primary schools and a third of all secondary schools doing so by 2008'.

1.9.4 Scope of Capital Funding

Funding for schools or partner providers is to be earmarked for what the DfES describes as 'small capital projects in primary schools' (Sure Start Grant advice letter dated 13/6/2005). Additionally the DfES has stated that funds can be spent on provision in the private and voluntary sector to support the roll out of extended schools, children's centres and other childcare services including breakfast clubs, after school and school holiday activities including childcare. The DfES recognises that some of these services could be linked to a school, but may not be school based, although it is its expectation that primary schools become a community resource/hub.

1.9.5 Roll out and clusters

Rollout of Extended Services in 05/06 focused upon seven clusters of schools. The clusters were: Beaumont Leys, Braunstone, Eyres Monsell, Hamilton, Highfields, Rushey Mead and St. Matthew's. In 2006-07 an additional cluster, New Parks, has been added. Priority for the capital allocations will be given to these clusters. Schools or partner providers using premises situated on school sites within these clusters are also able to use their own capital money to supplement the Sure Start Capital Grant allocated to projects.

These clusters were chosen because they mirrored the networks in the Children's Centre programme and, as such, were areas of high deprivation.

1.9.6 Community Consultation

The Extended Services team has held a series of community consultation events to raise awareness of the Core Offer in schools and communities, which has led to the allocation of the first phase of Extended Schools Revenue funding in line with action plans related to community need.

1.9.7 Funding allocation mechanism

Primary schools will be encouraged to work with others in their cluster and submit an application to the Key Stakeholders Panel for capital funding. Membership of the Key Stakeholder Panel will ensure all aspects of the core offer are covered, other capital plans in the area are taken into account, and the Panel will be presided over by an independent Chairperson. The application will link the proposed spend to an Action Plan which must reflect the needs of the area and the local community as a result of community consultation and planning. Applicants must indicate how the Capital Grant would enable them to meet the Core Offer requirements as detailed in section 1. Should the amount of funding available be insufficient to satisfy all applications, judgements will be made by the Key Stakeholders Panel based upon:

- Levels of Core Offer activity in the cluster area, priority being given to areas where there is least activity
- Levels of social deprivation
- Levels of clarity regarding management of the process
- Evidence of partnership working and of community approval

Funding for projects will typically be in the range of £5,000 to £30,000

Both the Childcare Strategy and the Extended Services strands will extend the remit of an existing grant's panel of key stakeholders to consider applications against the agreed criteria and make recommendations for approval by the Corporate Director of Children & Young People's Services. To ensure fairness and transparency of decision making, the panel will have an independent Chair and recognized representatives from the voluntary, private and schools' sectors.

Officers will then report the Director's approval and overall spend levels to subsequent meetings of the Officers' Capital Advisory Group. Should there be insufficient bids for either the Childcare Strategy or Extended Services strands this information will be reported to the Capital Group, who will make recommendations to the Corporate Director for reallocation to the Children's Centres.

1.9.8 The three strands of activity are provided with revenue funding through The Sure Start Grant. This grant allocation is made in two year cycles. We are expecting the 08-2010 allocation to be announced after the government spending review on 07. Each Children Centre will develop a business plan that works towards sustainability. Our Schools will need to apply for use of community powers to ensure that the school budget and community use expenditure is treated separately and complies with audit accountabilities and the fair funding framework.

2. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

2.1 Financial Implications

Please refer to the financial implications under 4.1 of the main report.

2.2 Legal Implications

There are no direct legal implications arising from the report.

Guy Goodman
Head of Community Law

3. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	YES	All three strands target areas of deprivation, and aim to ensure equality of outcomes for children.
Policy	NO	
Sustainable and Environmental	NO	
Crime and Disorder	NO	
Human Rights Act	NO	

Elderly/People on Low Income	NO	
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4. Risk Assessment Matrix

Please refer to Appendix 3 for the risk assessment matrix.

5. Background Papers – Local Government Act 1972

Cabinet Report - 24 April 2006: Children's Centres Phase 2 Planning Priorities (2006-08)

6. Consultations

Children and Young People's Services – Officers' Capital Advisory Group, September 2006

7. Report Author

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IMPACT ASSESSMENT OF PHASE 2 CHILDREN'S CENTRES DEVELOPMENT

Information				Risk to community centre viability		
Proposed Children's Centre site	Community Centres in area	Services provided by Community Centres	Services which could be relocated to Children's Centres subject to community consultation	L	M	H
1. Netherhall community						
Scraptoft Valley Primary School	Netherhall NC	Parent & toddler group Community rooms Older people's services	Parent & Toddler group	Low risk as opportunities arise to further develop services for older people and adults with learning disabilities		
	Armadale Centre	Youth services	Out of school club	Low risk because centre developing Youth services		
2. Braunstone Frith community						
Braunstone Frith School	Braunstone Frith Recreation Centre	Meeting venue used by older people	None	No risk		
	Kirby Frith Recreation Rooms	Meeting space	None	No risk		
	Allexton Centre	No core funded services. Voluntary sector play group and out of school club	No core funded services	No risk		
3. Mowmacre community						
Mowmacre Primary School	Tudor Centre	Crèche Out of school club Play group Adult facilities	Crèche Out of school club which needs to extend provision Play group	Low risk because centre is largely providing Youth services		If all services relocate an exit strategy would need to be developed to build up usage of the centre from alternative

Information				Risk to community centre viability		
Proposed Children's Centre site	Community Centres in area	Services provided by Community Centres	Services which could be relocated to Children's Centres subject to community consultation	L	M	H
						service areas to ensure viability
	Mica adventure playground	Play services voluntary sector provision	None	No risk		
4 Rowlatts Hill community						
Rowlatts Hill Primary School	Coleman Neighbourhood Centre	Play group Adult meeting space Youth services	Play group	Low risk because centre is largely providing Youth services		
5 South Braunstone/Rowley Fields community						
Imperial Avenue Infants School	Brite Centre	Library Play group Meeting rooms Playscheme	No plans to relocate at this time because of agreement with BCA			
	Manor House Neighbourhood Centre	Playscheme Out of school clubs Crèche Parent & Toddler Group	Centre not within pram pushing distance so any relocation subject to community consultation		Medium risk if community wish relocation of Manor House services, although no evidence of this at present	
6 North Evington community						
Spinney Hill Primary School	St Savours Neighbourhood Centre	Parent & Toddler Group Out of school club Community meeting space	Parent & Toddler Group Out of school club		Medium risk because no plans to relocate at this time due to pram pushing distance. Any relocation would be subject to community consultation	

Information				Risk to community centre viability		
Proposed Children's Centre site	Community Centres in area	Services provided by Community Centres	Services which could be relocated to Children's Centres subject to community consultation	L	M	H
7 Belgrave community						
Mellor Primary School	None			No risk		

OPTION APPRAISALS OF PHASE 2 CHILDREN'S CENTRES DEVELOPMENT

Information				Site	Secondary option Budget cost	R&I
Proposed Children's Centre site	Brief details	Budget cost	Target completion			
1. Netherhall community						
Scraptoft Valley Primary School	Infill extension between school buildings	£565,000	December 2007	Netherhall NC	£590,000	Issues as regards suitability & position
2. Braunstone Frith community						
Braunstone Frith Infant School	Extension adjacent nursery/F1 area of school	£615,000	August 2007	None suitable		
3 Mowmacre community						
Mowmacre Primary School	Refurbishment of existing school capacity	£385,000	November 2007	None suitable		
4 Rowlatts Hill community						
Rowlatts Hill Primary School	Extension to school building	£490,000	December 2007	None suitable		
5 South Braunstone/Rowley Fields community						
Imperial Avenue Infant School	Extension to school building	£520,000	February 2008	Manor House NC	£625,000	Issues as regards suitability and availability
6 North Evington community						
Spinney Hill Primary School	Refurbishment of existing capacity and small extension	£555,000	December 2007	None suitable		
7 Belgrave community						
Mellor Primary School	Extension to school building	£505,000	January 2008	None suitable		
Total Budget Cost		£ 3,635,000				

Risk Assessment Matrix

APPENDIX 3

Nr	Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1	Accuracy of Estimates	M	M	Using tendering data and indices to estimate the likely cost of projects. On each project a Quantity Surveyor's estimate has been completed on the likely cost of each scheme, which includes a construction contingency. Site Investigations have been carried out at the schools to assist in the accuracy of the estimates for each scheme.
2	Overspending on a project or programme of projects	L	H	Robust financial management of the Outturn of projects and programmes. Review and stop if possible any non-essential works on projects. Review overall funding versus expenditure on the programme of projects and consider which uncommitted projects should not be carried out.
3	Compatibility with longer term planning / wrong location of facilities	L	M	Before any commitment made to expend resources, consideration will be given of likely outcome of future capital programme and school place planning. Officers Capital Advisory Group oversees all capital expenditure in department.
4	Non-sustainability of Services	L	H	Within the 2006-08 grant, the government has provided a revenue allocation of approx. £15million, with an indication of a further grant allocation up to 2010 . This is expected to be confirmed after the next spending review in 07. Each children centre and extended service school will be required to develop a business plan that works towards a sustainable revenue strategy in case of a reduction in the level of government funding support.

