

REPORT FOR: CABINET

Date of Meeting: 22 June 2011

Subject: Tendering for the Provision of Care and Education Services delivered in Gange Children's Centre

Key Decision: Yes
[Potential savings exceed the £100,000 threshold]

Responsible Officer: Catherine Doran, Corporate Director Children's Services

Portfolio Holder: Councillor Mitzi Green, Portfolio Holder for Children's Services

Exempt: No

Decision subject to Call-in: Yes

Enclosures: Appendix 1 – Risk Assessment
Appendix 2 – Equalities Impact Assessment

Section 1 – Summary and Recommendations

This report sets out a proposal to procure the provision of early education and care at Gange Children's Centre through a local tendering process.

Recommendations:

Cabinet is requested to:

1. Approve the option set out for a new operating model for early education and care at Gange Children's Centre.

Reason: (For recommendation)

Approval of this proposal will support the overall strategy for the sustainability of Children's Centre services in Harrow

Section 2 – Report

2.1 Introduction

June 2011 will see 16 Children's Centres across Harrow providing a range of services to young children and their families.

Historically Children's Centres were funded from ring fenced Surestart grant however from 2011/12 this was replaced by a much reduced Early Intervention Grant. The reduction in grant funding has necessitated a review of the service and on May 17th a consultation programme was launched to underpin a future strategic model for the Children's Centre which will support sustainability of these key delivery points whilst operating with reduced finances.

This report, setting out a new operating model for Gange Children's Centre, is the first block which will maintain Gange Children's Centre as a local delivery point for a range of early childhood and early intervention services.

Significant efficiencies can be achieved by engaging a high quality provider of early education and care to deliver that key function.

The decision to approve the new operating model for Gange which will bring it in line with 3 of the other children's centres where there is a private and voluntary provider will achieve efficiencies whilst also supporting the principles of the Better Deal for Residents programme. The policy will also support the requirement to ensure sufficient affordable and accessible early years and childcare provision in Harrow.

The approval for this decision is needed at this point to allow the transition arrangements to take place with minimum disruption to children whilst allowing the provider to be up and running for the start of the 2011/12 academic year.

2.2 Options considered

Three options have been considered.

Option 1. Continuing with no changes

This option is not considered financially viable and will put Gange Children's Centre at risk as a key delivery point for services for children and families.

Option 2. Closing the early education and care service at Gange Children's Centre whilst retaining the centre as a delivery point for other key services for children and families

This option is not considered a way forward for the following reasons:

- Pressure currently exists for places for 2 year olds and it is expected that from 2013 there will be a free entitlement for 2 years olds to have some early education provision.
- Recent investment in the Gange Children's Centre building means that it is well resourced and equipped to provide early education and care services. The centre has additional facilities which support a wide range of provision being provided from the centre including a sensory room and a fully equipped catering kitchen.
- Gange Children's Centre is located in the Wealdstone area of Harrow. The particular demographic and socio economic needs of Wealdstone together with a range of professional experience indicate that the provision of early education, care and family support services are necessary.

Option 3. Developing a new operating model with a high quality childcare provider with strong local knowledge providing the early care and education provision.

This is the preferred option which is set out in this paper.

3. Background

By June 2011 Harrow will have 16 Children's Centre delivery sites which provide a wide range of services for children aged pre-birth to eleven. There is continued uncertainty and a changing focus for funding arrangements. The future sustainability and operating model for the Harrow Children's Centres is being extensively considered in light of the current economic pressures and the impact of these on Children's Services.

The thrust of national policy relating to Children's Centres is evolving, however the key national drivers for Children's Centres remain. These are to:-

- Improve child health and in particular in Harrow improve child oral

health and reduce obesity.

- Improve the health of families and in particular in Harrow reduce the numbers of parents smoking and increase the uptake of vitamin D.
- Improve the educational outcomes for children at the end of the Foundation Stage and in particular in Harrow Communication, Language and Literacy and Personal Social and Emotional Development.
- Support parents in their role as parents and in particular in Harrow to support those experiencing domestic violence and those under pressure due to their mental health.
- Work with key partners to provide wanted and needed services.

3.1 Information about Gange Children's Centre

Gange Children's Centres is one of Harrow's designated Children's Centres and has provided services to children and families in the local community for over 30 years.

It is the last remaining Children's Centre (bar Hillview which is a designated school) to have day care and education services provided directly by staff employed by the local authority.

Currently Gange Children's Centre provides a range of services to children and families including:

Care and Education

Apart from Hillview which is a designated school, Gange is the only Children's Centre in Harrow where the Council directly provides care and education services. Gange Children's Centre is registered with Ofsted to be able to provide up to 40 early education and care places for children aged 2 to 5. It is proposed that this service be provided by a high quality provider with good local knowledge of Harrow and a proven ability to work with and include vulnerable children and their families and young children with disabilities.

Parenting support

A range of groups are provided to support parents including evidenced based parenting programmes – Strengthening Families, Strengthening Communities and Parents As First Teachers.

A Saturday Father's Group is held at Gange Children's Centre together with other groups run by partner agencies including a Domestic Violence Support Group. It is proposed that these services continue to be provided by local authority staff and trained staff from partner organisations

Counselling and outreach services

Counselling sessions and group sessions are delivered at Gange Children's Centre. The Centre also provides outreach to families who are living in Robinson Court and Vernon Lodge housing hostels.

Partner agencies also work from Gange to provide children and families with access to early years health services including Health Visiting and Therapy Services. It is proposed that these services continue to be provided by local authority staff.

4. Why a change is needed

The specific proposal for developing a new operating model for Gange Children's Centre in 2011/12 is to achieve efficiencies whilst supporting its sustainability as a Children's Centre. Gange Children's Centre is the last remaining Children's Centre providing care and education outside of a partnership arrangement with a third party provider.

This focus on evolving the operating model at Gange Children's Centre is focused on:

- Increasing partnership working
- Minimising disruption to young children and their families
- Better utilising the skills and expertise of staff
- Increasing quality and quantity of early years places for 2 and 3 year olds where there is current pressure in the system
- Better utilisation of management skills and expertise across more children's centres

Harrow is well placed to sustain a model for delivery of children's centre services for the future and approval of this recommendation will support sustainability of the centre.

5. Implications of the Recommendation

Staffing/workforce

It is proposed that the staff currently providing the early years education and care at Gange Children's Centre will support the new early years provider, enhancing quality where necessary and supporting a smooth transition for all children. These highly skilled staff will also be utilised to provide a range of family support services across the children's centres in particular group work for families with young children and outreach services for families.

All staff employed by Harrow Council will be employed to work across the Harrow Children's Centres using their skills and expertise to benefit those families most disadvantaged who need quality interventions by trained practitioners.

Support staff will be retained to provide a range of services across the Children's Centres. This will utilise fully the recent training they have received from the Primary Care Trust funded nutritionist who has been co-located in the children's centres. The services provided will include:

- Healthy snacks for breakfast and after school club children and working with those children to teach nutrition and food technology skills.
- Preparing food to serve in the café services which will be developed at other Children's Centres.
- Providing cooking healthy meals on a budget sessions for parents.
- Providing catering services at Pinner Centre to support income generation.

Quality of provision

Gange currently provides a high quality care and education service for children with a particular emphasis on including children with special educational needs (SEN). An important component of the recommendation is to ensure that this level of quality and inclusion is maintained. The current draft tender documents include a quality and performance requirements for both overall provision and SEN inclusion. This will ensure that the provider selected through the tender process will be capable of maintaining the quality of service. Details of the monitoring and quality assurance implications are set out in the Performance Issues section.

Finances

Currently Gange Children's Centre is funded by Early Intervention Grant and Dedicated Schools Grant. Together this funding covers all staffing and running costs.

The new provider of the early education and care will pay their staffing and running costs from the Nursery Education Grant. All private and voluntary providers are funded in this way which is agreed through a single funding formula which is approved by Schools Forum. The provider will also continue to receive £21K from the Dedicated School Grant to fund 8 sessional places for children with special educational needs.

If the new provider decides to provide a lunch time childcare service the costs of this will be covered through a charge to parents.

Early education places for two year olds will either be paid for by parents, covered by the Governments Two year old Grant – currently available for up to 105 two year olds in Harrow but may be extended by Government in 2013 or covered by assisted funding which is a allocated pot from the Early Intervention Grant which funds places for vulnerable children at risk of poor outcomes.

Resources

Gange Children's Centre is resourced to the highest standards with appropriate play and learning equipment. It is expected that these resources will be maintained and utilised by the new provider of early education and care.

6. Consultation

Consultation and engagement has been undertaken to support the preparation of the proposal. Partners, parents and staff have been consulted including:

- Physiotherapy
- Occupational Therapy
- Speech and Language Therapy
- Social Welfare Services
- Health Services
- Portage
- Education Psychology

A consultation event on the Gange proposal was conducted with partners on 27/01/2011. This session brought together key partners from the Local Authority, Health and the voluntary sector.

This proposal has also been presented to the local Health, Support and Intervention group on 25/01/2011. This meeting is attended by Children Services and Health professional from across Harrow.

The key issues raised by professionals at these sessions were:

- How to ensure we maintain the quality of provision.
- How to maintain the flexibility of the service. In its current form, the setting is able to respond to significant fluctuations in numbers but also in the needs of the children.
- The current staff have significant experience dealing with complex SEN. Can an independent provider demonstrate that experience?
- Gange is currently a key provision for signposting children and families to other services. Would an independent provider be willing to conduct that level of sign posting?
- Many of the children in Gange are from particularly vulnerable families, would an independent provider be able to work so closely and productively with vulnerable families?
- How can the number of SEN places be maintained?
- Will the new provider have a responsibility to take additional vulnerable children at short notice?

There was also broad agreement from the group that the examples of Cedars, Pinner and Stanmore Park Children Centres, all of whom currently have an external pre-school provider working in the children's centre demonstrate the benefits that can be achieved from this arrangement and the ability to develop strong working relationships with these providers.

Informal engagement and discussion has taken place with parents. The outline of the proposal whereby an external provider would deliver the Care and Education was discussed with some of the affected parents.

The key areas of concern highlighted by parents were:

- Will any additional costs be placed on families?
- For those children with SEN, will they be able to keep their key worker?
- Will the families still be able to access all the additional services that are available through Gange Children's Centre?
- Who would they go to if they had a problem with the service?
- Will the new staff be able to cope with some of the more complex SEN issues?

The main concerns expressed through consultation are about getting it right for parents and children, minimising any disruption and ensuring families are still able to access the broad range of services available through the Childrens Centre. This concern is shared and a key reason for the timing of this report is to enable us to tender for a provider to be in place for the start of the 11/12 academic year. The start of the academic year is also when many children move onto school so the number of children who will be impacted will only be seven.

7. Financial Implications

The 2011/12 revenue budget for Gange Children Centre is £412k. This is currently funded by two grants, Dedicated Schools Grant (DSG) of £124k and Early Intervention Grant of £288k (previously Surestart funding).

The total budget is split across 3 main areas of spend;

- Staffing costs for the nursery including the provision of SEN nursery places (£300k)
- Staffing costs for Core Children Centre activity (£60k)
- Building & Catering costs (£52k)

This proposal will generate savings as the Council will no longer directly deliver the early education. When the new operating model is fully implemented, expected to be September 2013, it is forecast to generate annual savings of £220k on Early Intervention Grant and a further £99k savings of DSG.

To ensure the preschool service is delivered to the highest quality and is able to support some of the Children Centre functions it is proposed to move to the new arrangements over two academic years, 2011/12 & 2012/13. This will enable the Early Years Service to offer continued support and interventions to the new provider until it is fully established.

It is proposed that the new provider will be in place from September 2011 with the Care and Education provision being delivered by the Early Years Service until that date. The move to the new provider will reduce agency staffing across the CC with immediate effect, however a continued involvement from the current Care and Education staff will support the transition to the new delivery model. These staff will also support the provider to appropriately manage the significant number of children with moderate to complex SEN and

will also provide some additional services to support the transition from full day care to sessional provision. Given the part year effect, coupled with the cost of the transitional support, only £30k of savings are expected to be delivered in 2011/12. This forms part of the Children's Centre saving of £100k agreed as part of setting the 2011/12 budget.

During 2012/13 there will be a significant reduction in agency staff across the Children's Centre network as staff employed by Harrow will be working across all Children's Centre to provide services. By September 2013 the permanent staffing at Gange will ensure it works effectively as a Children's Centre. The forecast savings in 2012/13 and subsequent years will be refined and incorporated into the Medium Term Financial Strategy for 2012/13 onwards.

DSG

In order to continue to support the children with SEN, a sum of £21k has been incorporated into the budget for the funding of 8 sessional places for children with SEN. The remainder of the DSG funding will support the maintenance of the sensory room and key sensory resources.

The forecast expenditure and income, incorporating the savings from implementing the proposal, is detailed in the table below.

	Budget 2010/11 £,000	Budget 2011/12 £,000	Forecast Budget 2012/13 £,000	Forecast Budget 2013/14 £,000
Expenditure Budget – Including forecast savings	412	382	252	100
Funded By:				
Early Intervention Grant	288	256	221	68
Dedicated Schools Grant	124	124	25	25
Other Income/Rents	0	2	6	7

8. Performance Issues

The proposed development for Gange Children's Centre will expand the early years and childcare provision available to the local community.

It is anticipated that the selection of a provider to deliver these services will be identified through a robust tendering process. The process will ensure that the new provider will have:

- A strong knowledge of the local community
- A track record for delivering high quality early years provision
- Be experienced and successful at including and working with vulnerable children and their families.
- Experience and skill at including children with special educational needs

- Experience of working in close partnership with the Local Authority and other key partners.

The development will also expand the number of 2 year old childcare places in the system which will support Harrow to deliver the expected 2 year olds free education offer from 2013.

Gange Children's Centre is currently inspected by Ofsted and the education and care service is judged to be Good. This proposal would see the local provider responsible for the Ofsted requirements for education and care as set out in the Early Years Foundation Stage statutory requirements.

An overview of Quality Assurance of the early education and care provision will also be made by Harrow Children's Services which will include termly visits by officers with skills and experience in quality early education provision.

Harrow Children's Services will retain the responsibility for the overall Children's Centre Ofsted Inspection.

It is proposed that the private/voluntary provider will establish a management committee. Children's Services will have a place on that management committee and will, through agreed processes and protocols have an annual conversation which agrees the action plan for the centre.

The ongoing quality assurance of the provider will be undertaken by the Education Strategy Department within Children's Services. Failure to meet the required standard will see the provider in breach of the annual contract and unable to operate as an early years provider in Harrow.

If this proposal were not to proceed then the wider children's centre strategy would be impacted upon which includes the sustainability of key centres which support the future operating model for Children's Services.

9. Environmental Impact

N/A

10. Risk Implications

Risk included on Directorate risk register? No

Separate risk register in place? Yes – see Appendix 1.

11. Equalities implications

Was an Equality Impact Assessment carried out? Yes

To support the identification of any equalities implications an Equalities Impact Assessment has been undertaken and is attached at Appendix 2. The assessed impact for all equalities groups has been identified as low. Outlined below are the key equalities considerations for the proposed action.

Disability

Gange currently provides Care and Education services for a number of vulnerable children in particular those with special educational needs (SEN). A requirement to maintain the number of children with SEN will be incorporated into the tender process and the agreement with the provider.

Race

Gange currently has staff and users from a diverse racial background. The proposal would not jeopardise this as the new provider will be expected to maintain a fully inclusive provision in line with the Early Years Foundation Stage Statutory Framework.

Religion, sexual orientation and pregnancy and maternity

The Assessment covered this areas. The centre offers pre-natal and post natal services and these will continue so there is no adverse impact to consider.

12. Corporate Priorities

Please identify which corporate priority the report incorporates and how:

- Supporting and protecting people who are most in need. Gange Children's Centre provides a range of services to vulnerable children and their families
- United and involved communities and a council that listens and leads. The Children's Centre strategy places children's centres at the heart of communities and they work to support community cohesion.

Section 3 - Statutory Officer Clearance

Name: Emma Stabler	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 9 June 2011		
Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 17 June 2011		

Section 4 – Performance Officer Clearance

Name: Alex Dewsnap



Divisional Director
Partnership,
Development and
Performance

Date: 19 May 2011

Section 5 – Environmental Impact Officer Clearance

Name: John Edwards



Divisional Director
(Environmental
Services)

Date: 9 June 2011

Section 6 - Contact Details and Background Papers

Contact: Wendy Beeton
Divisional Director – Children's Services
020 8416 8830

Background Papers: None

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

NOT APPLICABLE

[Call-in applies]