

Item No.	Classification: Open	Date: 4 th November 2003	MEETING NAME Executive
Report title:		Children's Centre Strategic Plan 2004-2006	
Ward(s) or groups affected:		Southwark's highest wards of deprivation and pockets of deprivation	
From:		Strategic Director of Education & Culture (Acting) and Strategic Director of Social Services and Chief Executive of Southwark Primary Care Trust	

RECOMMENDATION (S)

1. To seek Executive approval of the Southwark Children's Centre Strategy 2004-2006 on the understanding that it will be monitored and reviewed over the period. Choices will have to be made over the period and some options on new builds may have to be changed, or delayed, as feasibility studies and the business planning proposals for individual centres reveal the true cost and support needed to achieve results in the timeframe.

BACKGROUND INFORMATION

2. The Department for Education and Skills (DfES) issued Guidance to local authorities in April 2003 to develop Children's Centres as the next stage on from the Sure Start local programmes initiative and the Neighborhood Nurseries Initiative. Children's Centres are aimed at children 0-5 years, who live in the 20% most deprived wards in the country. In Southwark's case this encompasses 80% of the borough.
3. The requirements state that Education and Social Services work in partnership with the Early Years Development & Childcare Partnership, the Primary Care Trust, Sure Start Local programmes and other relevant voluntary sector groups to develop Children's Centres from April 2004-March 2006.
4. A Children's Centre is a centre (or group of centres) where the following services would be found:
 - A full-time day nursery offering childcare and education to children from 0-4, including a network of childminders
 - Family support to parents in the surrounding area
 - Health services, including specialist and general health care for young children
 - Child and Adolescent Mental Health Services
5. A Children's Centre is a concept rather than necessarily a building, however where possible Southwark is hoping to use capital to build new and adapt existing buildings to create new centres.
6. The aims of the Children's Centre Strategy have been developed from the vision of the Family Support Strategy, through the Children & Young People's

Strategic Partnership Board and the Early Years Development & Childcare Partnership's Strategic Plan.

7. The borough continues to face challenging issues for young children such as: above average unemployment, some of the highest levels of teenage pregnancy, the second highest number of lone parents in the country; low levels of educational achievement and 300 children on the child protection register (2003).
8. Children's Centres give the borough the opportunity to demonstrate the CYSPB's (Children & Young People's Strategic Partnership Board) 'whole systems approach' to vulnerable children in a way that will demonstrate a reform in the delivery of services for children under 5, as discussed in the Green Paper "Every Child Matters".
9. This strategy has been developed with nursery schools, the voluntary sector, local authority maintained early years centres, the Primary Care Trust, social services and Sure Start local programmes. In total the strategy proposes 13 sites, located in some of the most deprived parts of the borough (see Appendix 1 for details). Some will be funded through the Children Centre Strategy and capital received through the local authority, some will be funded through Sure Start local programmes and others through a combination of regeneration, Sure Start and Children's Centre funding.
10. Southwark is required to produce a 'Strategic Proposal for Children's Centres and New Childcare Place Development' by detailing in a plan:
 - the strategic aims and objectives behind the proposals
 - how the plan will reshape services
 - who the key partners are involved in the development of children's centres including:
 - how the borough plans to develop/maintain links with the Primary Care Trust
 - links with the voluntary sector and private providers
 - parents and community representatives

Each Children Centre developed will be delivering with the following core elements:

 - Early education integrated with child care
 - Family support and outreach to parents
 - Child and family health services
 - Support for families wanting to enter employment or study
11. These in turn will help towards the government's Sure Start Public Service Agreement to:
 - An increase in the proportion of young children meeting Early Learning Goals for personal, social and emotional development
 - A 6-percentage point reduction in the proportion of mothers who continue to smoke during pregnancy
 - An increase in the proportion of young children with satisfactory speech and language development at age 2 years and those reaching early learning goals for communication, language and literacy
 - A 12 percent reduction in the proportion of young children living in households where no one is working.

12. Southwark will be measured on the delivery of:

- 620 new full-time childcare places for children 0-5. These do not all have to be delivered directly through Children Centres and can include, for instance, childminders linked to Centres.
- 9,272 children under 5 'reached' by services delivered through Sure Start local programmes and Children's Centres

KEY ISSUES FOR CONSIDERATION

Policy implications

13. The Children's Centre Strategy builds on the work carried out by the Early Years Development & Childcare Partnership (Southwark Children First) and Sure Start Local programmes. It is a continuation and extension of the Neighbourhood Nurseries Initiative which since 2001 has been developing new childcare provision in Southwark's areas of deprivation. There are currently seven Sure Start Local programmes delivering health, early years education and childcare, play and family support.

14. The key principles of the Best Value Review of Early Years Services is to:

- achieve savings in the provision of daycare services by maximising income from Working Tax Credits,
- avoid the closure of services by the introduction of business planning techniques (creating social business),
- provide free places for 'children in need' and
- redirect savings to meet the needs of families and children at risk.

15. The Children's Centre Strategy supports the principles of the Best Value Review and will enable the Council to:

- expand the range of services provided from Early Years and Community Centres,
- establish joint provision with Social Services and Health,
- apply the same business techniques to achieve sustainability and
- set up new provision to meet the needs of children that fall outside the Social Services criteria.

Links to Council Priorities

16. The Children's Centre Strategy complements the Council's priorities of tackling poverty by giving greater access to childcare so that parents can work, providing benefits and jobs advice on-site, alongside better access to integrated early years education, childcare, family support and health services. Each Centre will provide universal services such as early education and childcare as well as targeted and specialist support to parents of children requiring additional support, ensuring services come to parents, rather than parents seeking support from services.

17. This strategy supports raising educational achievement in young children by involving teachers in the delivery of quality early education in each of the centres. The Children's Centres Strategy commits the Education Department to making a significant impact on the Foundation Stage Curriculum in Southwark by ensuring that an early year's teacher is involved with each setting. It is anticipated that the Children's Centre strategy will provide a new approach to how teachers can support settings outside the maintained sector, in delivering the Foundation Stage Curriculum. Children's Centres, together with Sure Start local programmes will be actively engaged in helping families and children become 'ready for school'.
18. The Children's Centre Strategy gives Southwark the opportunity to build on the excellence in early education found in the borough's five Nursery Schools, by developing each of these sites in line with the Children's Centres core offer of integrated early education, care and family support.
19. The Children's Centre Strategy sits alongside the Family Support Strategy and is an important vehicle for Social Services and Child & Mental Health Services to deliver their geographically based approach to early intervention and effective protection for families and young children.
20. Where possible building design is being considered in an ecological way i.e. Sure Start Aylesbury is working in partnership with Green Start to ensure that their centre in Burgess Park is a model of environmental sustainability, which will be a national flagship project.
21. Children's Centres follow the boroughs reshaping of children's services through a new whole systems approach to joint working, developing both the Council's statutory services, as well as working in partnership with the voluntary sector on building new centres of excellence for young children in the borough. A multi-agency planning group has been set up to monitor the delivery of this whole systems approach and to ensure our key targets are met.
22. Each Community Council area, where deprivation is within the 20% most disadvantaged wards in the country, will have a Children's Centre within its boundaries over the next three years. Funding for the capital programme comes from the DfES Sure Start Unit and in some cases attracts regeneration and Estates Initiative funding. Revenue funding is also direct from the DfES as a part of the Childcare Grant and will cover family support and health targets. Childcare places will receive some pump priming revenue funding, leading to sustainable market prices which will be provided by parents using the childcare services. For details of each site, see Appendix 1.

Effect of proposed changes on those affected

23. The Children Centre Plan has an emphasis on working together with health and social services to deliver the best outcomes for some of the most needy children in the borough. The newly launched Green Paper 'Every Child Matters' reinforces the importance of a whole systems approach to meeting the needs of families and supporting parents and carers. Partnerships with Social Services, the Primary Care Trust, Child and Adolescent Mental Health Services have enabled the Children Centre Planning Group to develop the strategy in a multi-agency way, ensuring that Children's Centres become the focus of delivery for early intervention and effective protection of young children in the borough.

24. The plan builds on work currently being delivered to families in need and vulnerable children within the Council Early Years Centres and Nursery Schools, which in turn supports the Council's equality policies.
25. Children's Centre providers will, through contracts or service level agreements with the Council be required to target places on those groups more disadvantaged in the borough, in particular refugee families, children with special needs, lone parents and children of teenage parents.
26. Southwark currently has seven Sure Start Local programmes that operate in the most deprived areas of the borough. Resources from the Children Centre Strategy will be focused on the non-Sure Start areas of deprivation that have not had the benefit of Sure Start funding and will extend the current boundaries covered by Sure Start Local programmes. Therefore over the next two year (2004-2006) Sure Start services will cover wards in the majority of Southwark, with the exception of Surrey Docks, the Village, East Dulwich and Peckham Rye (see Appendix 1 – Children's Centre Strategy).

Resource implications

27. Funding for Children's Centres comes through the Department of Education & Skills through the Childcare Grant.
28. The DfES has allocated £1,443,739 revenue and £4,179,675 capital for the period April 2004 to March 2006 to enable us to reach our targets of creating 602 new childcare places and achieving a 'reach target' of 9,272 children under 5 (which includes Sure Start local programme children).
29. Additional resource implications relate to securing educational outcomes i.e. the government's requirement to have an early year's teacher in each centre by March 2006; the creation of additional support for children with a special need or disability and additional support for the training and support of homebased carers i.e. childminders. These implications will be managed as part of the overall policy and resources strategy for 2004/5. Where there are health or social services outcomes these partners are aware and have described how they will re-shape their services to meet the needs of Children's Centres.
30. The sustainability principles of the Children's Centre Strategy are based on the success of the governments Working Tax Credits and the continuation of the Childcare Grant from the DfES.
31. In submitting the bid for the Children's Centre funds for 2004-2006, the Council was not required to provide detailed information on the pattern of spend. The bid asked for an indication on the percentage of funding that is likely to take place each year. In Southwark's bid we indicated that there was likely to be 20% in 2003/4, 40% in 2004/5 and 40% in 2006/7.
32. An initial assessment has been made on how to allocate the revenue funding for 2004/6. There will be projects that will be managed at a borough wide level such as promoting transition from early year's settings to primary schools and encouraging under 5's to participate in the Library Service. There will also be funding for a Children's Centre Co-ordinator and Capital Projects Manager. This estimated borough wide allocation is 17% of the total revenue funding.

33. The Children's Centre Strategy has identified four target areas of deprived wards that fill areas of deprivation that are not currently covered by Sure Start local programmes. It is proposed to allocate a percentage of the funding to each of these four areas based on the number of children and a "reach" target. It is estimated that there will be fixed costs in each area which will represent 51% of the funding and a variable allocation of resources which will be used to purchase specific health and family support activities and to influence mainstream spending.
34. Included within the Children's Centre Strategy allocation is a specific allocation of £85k to fund the development of Childminding Networks. It is anticipated that over 120 childcare places will be created as part of this funding stream. There is also a specific allocation of £333,316 for children with special needs.
35. The creation of 620 childcare places from the allocation of £4.2 million capital funds will require each project to undertake a feasibility study and complete a rigorous business-planning proposal. These plans will be critically analysed against current market trends and the likelihood of sustaining the childcare places through parent fees, subsidised in many cases through the Working Families Tax Credits, and the anticipated sustainability grants that will be allocated to the Council through the Children's Services Childcare Grant. It is anticipated that the new childcare places will not open until 2006, by which time it will be clearer how the government intends to support revenue costs in areas of deprivation.
36. The government views children's centres as a long term initiative and Government Office for London has stated to Officers in Southwark that:
- Children's Centres feature heavily in the green paper, this would not have happened if they were not going to continue post 2006. DfES is bidding to the Treasury for funding to aid the start up of childcare places created under children's centre initiative in the next spending review.
 - The WFTC is seen as the means by which low income families will bring funding directly to parents to ensure they can afford the cost of the new childcare set up.
37. It is recognised that the importance of ensuring that the development of new places is strategically assessed to ensure that it does not have an adverse effect on other providers however, there is an opportunity within the Children's Centre Strategy to create new quality provision which may replace current outdate provision. This will allow for a redirection of current mainstream funding.
38. In addition to the new Sure Start funding streams the Council has lead responsibility for the Nursery Education Grant. This is a universal payment made to early years providers if they are providing education support for 3 or 4 year olds. The receipt of the NEG grant can play a vital role in ensuring the sustainability of an early years setting. This years NEG grant is £1,248 and is designed to fund part time education.

Assessment of Risk

39. The proposed strategy will be one of the largest investments made by the Council and government in early years' education. It reflects both the ambition of the current government policy and the strength of the commitment by Southwark to take up the challenge. The extent of the proposed building programme under the strategy and the nature of revenue funding required provides significant opportunities through investment of £4.2 m capital and £1.4 m revenue. However, the strategy is based on:-

- A time limited nature of proposed government funding to implement the strategy (initially under this spending round between April 2004-March 2006 and aspirations in the next spending round to 2010 if re-elected);
- Aspires to an educational growth bid in 2004-5 that will add value to the educational in-put in Children's Centres.
- Evidence of take-up of WFTC in inner London Boroughs like Southwark has been low but is rising with the changes to tax credits since April 2003. There has been a 50% take-up in tax credits since 2003 according to the Daycare Trust, however take-up is not as high in Inner London. A sustainability fund is proposed once new childcare places in Children's Centres are open (assumed to open after new build in 2006)
- Current general education funding formulae uses WFTC as an indicator that does not reflect the level of need for early years services in Inner London and therefore is not likely to fund Southwark at the level of potential need as identified by Free School Meals (FSM).

40. Consequently, the Council may face a situation of having to fund these new services from mainstream education funding when there is already competing demand for resources from schools through passporting of EFSS which is statutory service unlike Early Years services. However, the government is strongly committed to this strategy and is in line with the Green Paper (*Every Child Matters*) proposal for holistic services for children and the creation of Children's Services Trusts.

Consultation

41. Consultation on the Children Centre Plan has taken place through the Executive of the Early Years Development & Childcare Partnership and through the Children & Young People's Strategic Partnership Board, which has strong representation from health and social services. In addition Officers have given presentations to all but one Community Councils. A Planning Group has been set up with relevant officers and partners, including the voluntary sector and Sure Start Local Programme Directors, Education & Culture. This group has overseen the development of the strategy.
42. MORI is conducting a survey amongst parents in the Newington Ward during September/October where one of Southwark's Early Designation Children's Centres is based (Bishops House Early Years Centre).
43. The Southwark Children First Newsletter (EYDCP) carried an article about Children's Centres in the June issue. This newsletter goes to all providers, partners, job centres, libraries, surgeries and community facilities.
44. A meeting has been held with the boroughs 7 Settlements. These represent large sections of the voluntary sector and the Settlements have been interested and taken steps to develop both Neighbourhood Nurseries and Children's Centres in the borough.
45. Each Sure Start Local Programme Board has been approached and consulted about their involvement in the Children's Centre Strategy and the proposal to extend their age remit and geographical area.

46. Officers have made a presentation to the Early Years Voluntary Sector Forum. In addition individual meetings have been held around the borough with interested groups or organisations.

Borough Solicitor and Secretary Comments

47. There are no specific legal implications to this report.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Children Centre Strategy Guidance Papers from DfES	Southwark Childcare First John Smith House	Sara Willis 0207 525 5240

APPENDIX A

Audit Trail

Lead Officer	David Wallis	
Report Author	Sara Willis	
Version	Final Version	
Dated	24/10/03	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	Yes	Yes
Chief Finance Officer	No	No
Executive Member	Yes	No
Date final report sent to Constitutional Support Services	27/10/03	