

REPORT FOR DECISION



DECISION OF:	Cabinet
DATE:	13th November 2019
SUBJECT:	Children’s Centres – Management Arrangements
REPORT FROM:	Cabinet Member for Children & Families
CONTACT OFFICER:	Paul Cooke, Strategic Lead (Education Services)
TYPE OF DECISION:	CABINET (KEY DECISION)
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	<p>A key aspect of the Transformation Strategy for Early Help is about building greater resilience and capacity within communities, in order that those communities can become increasingly self-supporting.</p> <p>This paper sets out how Children’s Centres, as key Council assets, can make a greater contribution to communities through more effective arrangements for their management and use.</p> <p>The report recommends that interest is sought from voluntary and community sector organisations, including schools, to the management and use of a number of Children Centre buildings, through use of the Community Asset Transfer protocols previously adopted by the Council.</p> <p>Arrangements in respect of the Sedgely Park Children’s Centre were the subject of a separate report considered by Cabinet on the 16th October 2019.</p>
OPTIONS & RECOMMENDED OPTION	<p>It is recommended that Cabinet</p> <ul style="list-style-type: none"> • Approve the use of the Community Asset Transfer arrangements and invite interest from community and voluntary sector organisations to the management and use of Children’s Centre buildings.

	<ul style="list-style-type: none"> That a report be presented to Cabinet in early 2020 setting out the outcome of the Community Asset Transfer application process, and making recommendations in respect of the future management arrangements for each Children's Centre
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	It is noted that there is an expectation of £136,739k p.a. revenue savings from these proposals. However, the Council would still be liable to pay for major works required (e.g. boiler replacements) and will need to work with the VCFA to ensure voluntary organisations can secure the funding necessary to run the premises.. There is a risk of devaluation of Council assets if they are not adequately maintained by the organisation, and this should be mitigated by suitably strong requirements in the legal agreements. There is an opportunity cost of transferring these assets so Councillors should satisfy themselves that this is the best/highest priority use of the premises.
Equality/Diversity implications:	
Considered by Monitoring Officer:	Yes The legal implications are set out in paragraph 5 of this report.
Wards Affected:	All
Scrutiny Interest:	

MW

JH

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Joint Executive Team	Cabinet Member/Chair	Ward Members	Partners
16 th September 2019			
Scrutiny Committee	Committee	Council	

1.0 BACKGROUND

- 1.1. A key aspect of the Transformation Strategy for Early Help is about building greater resilience and capacity within local communities, in order that those communities can become increasingly self-supporting. Early Help is a key aspect of our approach to public service reform
- 1.2. This paper sets out how Children's Centres, as key Council assets, can make a greater contribution to communities through more effective arrangements for their management and use, moving away from the delivery of an increasingly constrained core offer of services targeted at 0-5, typically between the hours of 9:00 and 16:00, to a much broader community driven offer over an extended day.
- 1.3. Central to the strategy for the future management arrangements will be a commitment to the continued delivery of a core offer to all communities, and the continued use of Children's Centre buildings to facilitate at least part of that delivery.
- 1.4. The proposed arrangements therefore focus on how the Children's Centre buildings can continue to serve their respective communities, whilst exploring alternative models for the management of those buildings, both to build community capacity and resilience, and to enable the broader delivery of services to the 0-19 population, through more effective and integrated ways of working across statutory partners, third sector agencies, schools and with local community groups.

2. ISSUES

- 2.1. The emerging early help approach to the delivery of services for the 0-19 (25) population envisages that there will be a continuing need to deliver a range of activity at locality level.
- 2.2. Through the intelligent analysis and use of data, and a better understanding of need at community level, this will enable more effective targeting of services, intervention and support, achieved through the direct delivery of services by the Council and its partners; through services that are commissioned to be delivered by others; or by local communities being enabled to support themselves.
- 2.3. This will require an ongoing need to accommodate some services at a local level, although the level of activity may differ from one community to the other based on need. For some activity, and in some localities, this could be delivered through a range of community venues, rather than a specific location.
- 2.4. This presents an opportunity for working with partners to make better use of the wider public estate, but also with local communities to build capacity and resilience through the development of community managed assets, utilizing those parts of the public estate that have no sustainable longer term use in the public sector, or are not being used to best effect.
- 2.5. Such community managed assets could still be used to enable the statutory agencies to delivery smaller scale activity as necessary, but have the potential to make a far greater contribution to local communities through extended use.

- 2.6. Children's Centres are such local assets, strategically placed to serve areas of greatest need, but which are not currently used to optimum effect.
- 2.7. The current Children's Centre estate comprises a hub and spoke model operating from the following buildings:
- Bury East Hub (Broad Oak High School)
 - Bury East Spoke (Redvales)
 - Radcliffe Hub (Coronation Rd)
 - Radcliffe Spoke (Radcliffe Hall CE/Methodist Primary School)
 - Prestwich Hub (Sedgley Park Primary School)
 - Prestwich Spoke (Butterstile Primary School)
 - Whitefield Hub (Ribble Drive Primary School)
 - Bury west Hub (Woodbank Primary School)
- 2.8 It is proposed that alternative management arrangements be put in place for a number of Children's Centres to encourage and enable local communities to make more effective use of the buildings. Two buildings at Redvales and Whitefield will be retained to be used as a location for locality teams. The management arrangements for the building at Sedgley Park Primary School were the subject of a separate report considered by Cabinet on the 16th October 2019. It is proposed that all other Children's Centre buildings be subject to the Community Asset Transfer process.
- 2.9 There are no staffing issues that arise as a result of these proposals as these matters were addressed through the recently completed restructure across the Department for Children & Families.

3. Community Asset Transfer

- 3.1 In 2017, following the decision to close a number of libraries, the Council developed an approach to engage with local community groups to explore opportunities for those groups to take responsibility for the management and use of former library buildings.
- 3.2 The resultant Community Asset Transfer toolkit enabled the Council to put in place arrangements whereby a number of former library buildings are now managed by a range of community and voluntary sector groups and in two instances, by a school.
- 3.3 This was seen as a pro-active way of working with local community groups to secure the long term use of important community assets by enabling those groups to develop and deliver a much broader range of activity than the statutory agencies are capable of doing.
- 3.4 It is proposed to use the same Community Asset Transfer approach for the Children's Centre estate.
- 3.5 However, the process presented a number of challenges to Voluntary and Community sector organisations, and not all former library buildings are being used effectively, and lessons from this experience will be addressed as part of the review of the arrangements that will be put in place for the Children's Centre buildings.
- 3.6 Additionally, two key considerations in relation to Children's Centres which need to be reflected in a revision to the toolkit are:

- As the majority of Children’s Centres are on school sites, and in many cases located integral to the school site. It is important to ensure that future use of those buildings is complementary to the schools use and does not introduce unmanageable safeguarding risks.
- A clause contained in the original capital funding agreements for the construction of the Children’s Centre buildings specified that those buildings must remain available to deliver an early years offer, or be subject to a financial penalty (capital claw-back).

3.7 To mitigate the risk linked to the capital funding conditions, it is intended to stipulate that, a requirement of the Community Asset Transfer is that the buildings must continue to be used to deliver a range of services including: access to midwife and delivery of ‘booking-in’ clinics; access to health visitor and delivery of child health clinics; Stay and Play sessions; Childminder drop ins; base for Early Years quality networks for settings and schools. Applicants for Community Asset Transfer will be expected to set out in detail how they will meet this requirement, and evaluation of applications will have regard to the level of risk of claw-back in relation to intended use.

3.8 When the Council last reviewed the management arrangements for its Children’s Centres in 2015, and a decision was made to de-designate a Children’s Centre, a successful application was made to the Department for Education to defer any claw-back of capital in respect of that centre on the basis of its intended ongoing use to meet local needs.

3.9 Whilst there remains a risk in relation to capital funding, appropriate measures are being taken to mitigate that risk.

3.10 Indicative timeline

Informal engagement/soft market testing with communities	December 2019
Finalize Community Asset Transfer (CAT) toolkit	Ongoing
Formal invite to submit applications for CAT	January 2020
Evaluation of applications for CAT	March 2020
Cabinet approval to applications	22 April 2020
Transitional arrangements	May/June 2020
Full Implementation	July 2020

4 Financial implications

4.1 Current premises costs, associated running costs and income for each of the Children’s Centres based on outturn figures for 2018/19:

Proposed Community Asset Transfer

	Premises Costs	Other Costs	Premises Income	Net Cost
Bury West Hub (Woodbank)	£23,345	£4,132	£0	£27,477
Bury East Hub (Broad Oak)	£34,458	£6,396	£188	£40,665
Radcliffe Hub (Coronation Rd)	£23,106	£6,713	£1,575	£28,245
Radcliffe Spoke (Radcliffe Hall)	£19,105	£1,454	£0	£20,559
Prestwich Spoke (Butterstile)	£18,045	£1,747	£0	£19,793
Total	£118,059	£20,442	£1,763	£136,739

Proposed Retained

	Premises Costs	Other Costs	Premises Income	Net Cost
Bury East (Redvales)	£81,148	£11,430	£106,430	-£13,852
Whitefield (Ribble Drive)	£27,213	£4,190	£18,000	£13,402
Total	£108,361	£15,620	£124,430	-£449

- 4.2 Assuming full transfer of costs to new management arrangements the net full year effect saving will be £136,289.

5 Legal implications

- 5.1 Issues arising in respect of lease arrangements are addressed in the Community Asset Transfer toolkit but will be re-visited with Legal Services and Property Services as part of the refresh of the toolkit.
- 5.2 Any subsequent lease arrangements put in place as a result of the Community Asset Transfer process will be subject of oversight by Legal Services and Property Services.
- 5.3 Issues of state aid could arise where the Council seeks to provide assistance to one or more groups that may give those groups an advantage over others, through the transfer or allocation of resources, including the use of assets. The toolkit responds to this by ensuring transparent arrangements.

6 Associated Risks

- 6.1 In maintaining the status quo, continuation of existing arrangements will perpetuate the ineffective use of Children's Centre buildings, and the associated ongoing revenue costs. Further, no provision has been made for capital investment in existing assets that will be required over time.
- 6.2 In seeking interest from the voluntary and community sector, there is a risk that there is no interest from such groups, or that they are unable/unprepared to meet ongoing running costs. Officers will seek to support Voluntary and Community Sector organisations in the development of sustainable business cases.
- 6.3 In addition, there is a risk that a voluntary and community sector group is unable to support the delivery of a broad community offer.
- 6.4 The proposal to explore Community Asset Transfer seeks to respond to the risk identified in 6.1. A key part of the process in evaluating an application for use of a building is to examine the financial and proposed operational business model of the organization which will mitigate the risks identified at 6.2 and 6.3.
- 6.5 The use of key performance indicators and periodic review of arrangements will also seek to mitigate risks identified at 6.2 and 6.3.

7 Conclusion

- 7.1 The report sets out proposals to invite interest from schools and voluntary/community sector organization to manage a number of Children's

Centre buildings, through the use of the Council's previously agreed Community Asset Transfer toolkit.

7.2 Cabinet is asked to support this approach.

List of Background Papers:-

16-10-2019 Cabinet report: Approval of a Management Arrangement between the Council and the Jewel Foundation

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