

Education Scrutiny Committee

Meeting to be held on Tuesday, 29 November 2016

Electoral Division affected: All

Outcomes of the Property Strategy - Children's Centres

Appendix 'A' refers

Contact for further information:

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Executive Summary

This report informs the Committee of the outcomes of the County Council's Property Strategy following the decision originally taken by Cabinet on 8 September which was affirmed on 26 September following call in. Appendix 'A' sets out a summary of changes to the designation of children's centres.

Recommendation

The report is presented for information and comment as appropriate.

Background and Advice

The Property Strategy proposals in relation to the County Council's property portfolio were designed to ensure that all Lancashire residents can continue to be provided with high quality services and to provide a flexible response to future patterns of service delivery. The proposals were developed around the Neighbourhood Centre Model approved by Cabinet in November 2015, which is intended to provide a range of services from multi-purpose premises around the County taking account, in particular, of levels of deprivation.

At its meeting held on 12 May 2016 Cabinet agreed, for the purposes of consultation, proposals relating to the future configuration of the County Council's property portfolio. The proposals set out a total of 132 properties identified for retention as neighbourhood centres, with the consequence that 106 premises were no longer required to deliver the County Council's future pattern of service delivery. The consultation proposals, setting out the methodology for the review process and details of the Neighbourhood Centre Model, were included in the report.

The final report to Cabinet on 8 September took account of the consultation responses which included questionnaires, letters and petitions and re-applied a set of tests to ensure a consistent but workable set of recommendations for the future pattern of service delivery.

As a result 28 changes were made to the original proposals set out in the consultation documentation which for the Wellbeing, Prevention and Early Help (WPEH) service, included a proposal that the WPEH service distributes its resources across 75 outlets (an increase of 2).

The revised proposals were considered by the Executive Scrutiny Committee on 6 September 2016 and presented to Cabinet on 8 September 2016.

A range of considerations in relation to the assessment of need and the accessibility of premises proposed as children's centres and front-facing premises for the Young People's Service have informed the properties for use in the Property Strategy.

The WPEH Service offer and specification was included at Appendix "N" of the 8 September Cabinet report. This was finalised and amended to include feedback from extensive consultation undertaken with staff, service users and stakeholders arising from formal consultation on the service offer and principles during February/March 2016.

The future WPEH Service has been designed on an evidence base to meet the needs of children and families, particularly those in need of more intensive support. The new service is designed on the basis of service delivery through fixed locations – neighbourhood centres – delivering both a programme of group based and drop-in support, learning and developmental activities as well as one to one targeted support for children, young people and their families in the local area. This will be supplemented by outreach provision to meet the particular needs of individuals, groups or outlying/isolated communities.

Consultations

As set out in the report.

Implications:

This item has the following implications, as indicated:

Risk management

Financial

The Property Strategy also facilitates substantial service expenditure reductions approved by Full Council. For the Wellbeing Prevention and Early Help Service this is c£7.4m over 2016/17 and 2017/18.

The closure of the properties as agreed by the Property Strategy will result in a reduction in revenue running costs from corporate premises. An initial investment in condition, suitability and sufficiency of the remaining premises would be required but this would to some degree be offset by the capital receipts from owned or freehold premises vacated and disposed of and the reduced requirement for investment in condition works of the vacated premises.

The implications of the Property Strategy means that a number of current designated children's centres will not be maintained within the Neighbourhood Centre model. There is a potential risk of financial claw back in respect of government funding used to develop these premises when they were first established. The maximum risk of clawback for these premises is estimated as £8.8m, being calculated on a sliding scale over a period of 25-50 years.

The basis of the clawback provisions is that where local authorities dispose of or change the use of buildings funded wholly or partly through capital grants then they must be re-paid. However, if the Department for Education is satisfied that the funding for the asset will continue to be used for purposes consistent with the grant, then repayment may be deferred.

In that context, the County Council has made capital resources of £20m available within its approved budget for investment in Neighbourhood Centres which will include WPEH properties. The children centre offer will in future be delivered as an integrated model as described in the report to Cabinet on 8 September and the combination of designated centres, linked provision and outreach services set out at Appendix "A" demonstrate that the County Council is retaining substantial investment in the service, therefore its position is that there is no case for clawback being imposed.

However, in the event that clawback does arise, this would need to be funded from the Transitional Reserve.

Children's centres attached to schools

As regards children's centres attached to schools where it is either proposed to cease activities or to provide a different service, the Schools Forum expressed concerns about the potentially detrimental impacts this could have on individual schools finances.

In particular they are concerned about timescale for the proposed changes in service from schools which they feel gives head teachers and governing bodies limited time to find alternative uses for the premises. Schools Forum therefore requested transitional funding to allow schools to secure additional income to make up for the expected loss of funding.

The school based children centre budgets take into account premises and staffing related costs which vary across all sites depending upon the size and scale of the service offer. The impact on individual schools will depend on a variety of factors including the exact interaction of the school with the Centre, the costs incurred currently, building condition, the alternative uses individual schools can find for the facilities and the nature of remaining provision within the centres. Cabinet were advised on 8 September that without further detailed work being undertaken it is therefore difficult to provide an accurate estimate of costs but the scale of the impact is expected to be in the region of £0.5 – 0.7m, albeit the individual school impacts are likely to vary considerably.

Cabinet therefore resolved to note the request for transition funding and that this will be the subject of future discussions between officers and individual schools. Any school found to be in financial difficulty will be handled through the normal processes and the Schools Finance team and are in contact with the Nursery Group particularly concerning this issue.

There is ongoing communication between Asset Management, Schools Finance and the Schools Forum to advise the Forum of progress in implementing the Property Strategy and to identify any issues arising.

In addition, meetings between WPEH, Asset Management and individual schools will take place during November and December to address specific future issues relating to each school or nursery setting resulting from the Property Strategy and WPEH service transformation.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
Property Strategy – Responses to Consultation	8 September 2016	Steve Browne, Director of Commissioning and Deputy Chief Executive
Property Strategy (Neighbourhood Centres) – Consultation	12 May 2016	Mel Ormesher, Head of Asset Management
Property Strategy – Neighbourhood Centres	26 November 2015	Mel Ormesher, Head of Asset Management

Reason for inclusion in Part II, if appropriate

N/A