

**AGENDA ITEM**

**REPORT TO CABINET**

**14 JULY 2011**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET DECISION**

**Lead Cabinet Member – Cllr Ann McCoy**

**TASK & FINISH REVIEW OF THE IMPACT OF THE INTRODUCTION OF THE EARLY INTERVENTION GRANT**

1. Summary

The Task and Finish review of the impact of the introduction of the Early Intervention Grant (“EIG”) is being undertaken in response to the challenge of the 25% cut in annual funding associated with the introduction of the grant. The aim of the review is to re-design and implement changes to Early Years, Early Intervention and Youth Support Services which fully incorporate the learning and evidence of success of an early intervention approach and make the most of the freedoms and flexibilities arising from the removal of the ring-fencing from the funding whilst also addressing the reduction in funding.

The purpose of this report is to provide a draft consultation document and plan for Cabinet to consider prior to the start of a public consultation about the future of Early Years Services in the Borough. This report follows the report to Cabinet of 16<sup>th</sup> June 2011 which set out the principles and approach to the provision of Early Years Services. At that meeting Cabinet approved “The principle of greater targeting of Early Years Services in the Borough to allow for services to be focussed in areas of greatest need and approved the development of a public consultation document on this basis.”

2. Recommendations

1. It is recommended that Cabinet approve the Public Consultation Document as set out in Appendix 1 and the Consultation and Communication Plan as set out in Appendix 2.

3. Reasons for the Recommendations/Decision(s)

To produce efficiencies and improvements in the delivery of services to children, young people and families in order to address the reduction in funding from the PCT and the introduction of the EIG.

4. Members’ Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council’s code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with

knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

**Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.**

**AGENDA ITEM**

**REPORT TO CABINET**

**14 JULY 2011**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET DECISION**

**TASK & FINISH REVIEW OF THE IMPACT OF THE INTRODUCTION OF THE EARLY INTERVENTION GRANT**

**SUMMARY**

The Task and Finish review of the impact of the introduction of the Early Intervention Grant ("EIG") is being undertaken in response to the challenge of the 25% cut in annual funding associated with the introduction of the grant. The aim of the review is to re-design and implementing changes to Early Years, Early Intervention and Youth Support Services which fully incorporate the learning and evidence of success of an early intervention approach and make the most of the freedoms and flexibilities of the new funding arrangements whilst also addressing the reduction in funding.

The purpose of this report is to provide a draft consultation document and plan for Cabinet to consider prior to the start of a public consultation about the future of Early Years Services in the Borough. This report follows the report to Cabinet of 16<sup>th</sup> June 2011 which set out the principles and approach to the provision of Early Years Services. At that meeting Cabinet approved "The principle of greater targeting of Early Years Services in the Borough to allow for services to be focussed in areas of greatest need and approved the development of a public consultation document on this basis."

**RECOMMENDATIONS**

1. It is recommended that Cabinet approve the Public Consultation Document as set out in Appendix 1 and the Consultation and Communication Plan as set out in Appendix 2.

**DETAIL**

1. The Early Years work-stream of this review is looking at the provision of Early Years Services to the 12,000 children aged under 5 in the Borough. The Service is currently provided by:
  - A central team who ensure sufficiency of provision of early years services across the Borough. They support and ensure a high standard of provision in early years settings, oversee and administer the provision of the free 15 hour per week programme for 3 year olds and the free 2 year old pilot programme.
  - A Children's Centre Team who deliver a wide programme of activities for pre-school children through a network of 11 Surestart Children's Centres across the Borough.
  - The Educational Improvement Service (0-11 team) who ensure quality and challenge to all Early years provision in schools (including maintained nurseries); ensure and support quality in learning development to all settings in the borough and also provide qualified teachers and advisory teachers to support development of childcare staff and plan and deliver learning development programmes in Children's Centres.
2. Work to date has focussed on information gathering across the Borough, analysis of the current provision and use of services, informal consultation, research across other LAs and

analysis of the implications of a number of key national reports and changes in DFE guidance following the introduction of the EIG. The aim of the review is to try to identify the best approach to accommodate the reduction in funding whilst retaining an absolute commitment to the aim and purpose of giving every child the best start in life.

3. The key principles of the proposed approach to the delivery of early years services in the future are:
  - To refocus the Early Years Service to target its delivery to those most in need. This approach would meet the DFE guidance “that Children’s Centres should be retained but focused much more effectively on those families who need them most”.
  - To develop new ways of working which involve closer involvement of the local community and third sector. This approach meets the DFE guidance to Local Authorities “to develop plans to increase voluntary and community sector involvement within Sure Start Children’s Centres”
4. The new approach does not propose a major reduction to the network of Children’s Centres across the Borough. As far as possible it seeks to deliver “the same for less”. By adopting a new partnership approach to working, using our assets more and introducing charging for some services we hope to be able to retain substantially the same level of service across the Borough at a reduced cost. It is also anticipated that the new front-line service can be supported by a stream-lined central support team. Work on the design of the central team will be carried out once the consultation on front line service is concluded and we have a clearer picture of the shape of the new Service.
5. The DFE guidance requires that any LA seeking to make a significant change to the operation of its Children’s Centres is required to undertake consultation with the public. The precise nature of this consultation is to be determined by the Local Authority but it must be meaningful and substantive and as the changes we are proposing meet the definition of “significant” in the guidance is unlikely that this can be achieved in less than 12 weeks.
6. In order to meet this requirement we have drafted a consultation document which is attached as Appendix 1 – this sets out a proposed approach for future delivery. The proposed approach reflects the principles set out in paragraph 3.
7. A consultation plan has been designed to ensure that we gather meaningful and substantive views. This plan is set out in Appendix 2. The approach seeks views from all residents of the Borough but specifically targets families with children under 5 who do not currently use Children’s Centres and current users of early years services.
8. It is planned that the consultation will run from 18<sup>TH</sup> July 2011 – 7<sup>th</sup> October 2011 and that the results will then be used to inform a final set of proposals which will be brought to Cabinet on 3<sup>rd</sup> November 2011.

## **FINANCIAL IMPLICATIONS**

9. As detailed in the report the impact of the implementation of the EIG represents a cut in annual funding of £3.1m. The review timetable creates an additional funding pressure as the cut in grant funding is effective from 1 April 2011, at least 9 months before the anticipated implementation date of the new Early Years Service. This funding pressure has been recognised in the MTFP and a grant transition reserve of £2.25m has been established to cover any potential shortfall in 2011/12. The financial pressure has also be addressed by reviewing Youth Support Services, back office and EIG-related support arrangements more quickly
10. The objective of the review is to design and deliver Services which operate within the funding constraints of the EIG Grant however it is not possible to project a final cost for Early Years Services until the outcome of the Consultation is reviewed and a final set of proposals are made.

## **LEGAL IMPLICATIONS**

11. There are no legal implications.

## **RISK ASSESSMENT**

12. Assessed in the low-medium category that is managed by everyday controls.

## **SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS**

13. The review supports Children and Young People Improvement priorities.

## **EQUALITIES IMPACT ASSESSMENT**

14. An initial Equalities Impact Assessment has been completed for the proposals included in the consultation document this is attached in Appendix 3 (To follow). An updated EIA will be carried out when a final set of proposals are presented to Cabinet in November.

## **CORPORATE PARENTING**

15. No issues arise from this report.

## **CONSULTATION INCLUDING WARD/COUNCILLORS**

16. The review will be subject to widespread consultation with the public, service users, stakeholders, partners, staff and Councillors. In addition a formal scrutiny role will be undertaken the Children and Young People Select Committee.

**Contact Officer: Beccy Brown, Programme Manager**

**Telephone No. 01642 524309 Email Address: [beccy.brown@stockton.gov.uk](mailto:beccy.brown@stockton.gov.uk)**