

COMMISSIONING CHILDREN'S CENTRES

To: Children and Young People Committee

Meeting Date: 30th June 2015

From: Adrian Loades, Executive Director: Children, Families and Adults Services

Electoral division(s): All

Forward Plan ref: 2015/047 **Key decision:** Yes

Purpose: To update Children and Young People's Committee on the current situation in regard to commissioning of Children's Centres in Cambridgeshire, to note the direction of travel for the work as well as links to other structural change

Recommendation: To approve the application for a Voluntary ex-ante Notice. This will allow the County Council to award the contract for Children's Centres from March 2016 for 18 – 24 months without competition, pending a wider scale commissioning process during 2017.

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1.0 BACKGROUND

- 1.1 Children's Centres were developed in Cambridgeshire as part of the Sure Start programme. The local authority has a statutory duty to make sufficient provision for Children's Centres and in Cambridgeshire, Children's Centres are key to the successful delivery of early intervention work with families. The core purpose of Children's Centres is to support improved outcomes for young children and their families, including supporting school readiness, and to reduce inequalities particularly for those families in greatest need of support.
- 1.2 Children's Centres provide early help, universal and targeted services for families with children aged under 5. The core purpose of Children's Centres is to support improved outcomes for young children and their families, including supporting school readiness, and to reduce inequalities particularly for those families in greatest need of support. Centres are managed in Cambridgeshire by the Local Authority, schools and the voluntary sector.
- 1.3 The key strengths of Children's Centres rest in the match between the breadth of the work, prescribed through the rigour of their Ofsted inspection framework, and the adaptability and flexibility of service delivery which is focussed on local need in a given 'reach' area.
- 1.4 The work of Children's Centres fits with Cambridgeshire's strategic priorities for early help, accelerating achievement and the provision of targeted and specialist support to vulnerable children and their families in their own communities. The service has taken a 22% cut in its budget in the last 12 months but has retained a focus on family work. This has resulted in a high level of expertise, enabling intensive support to families and including working with Children's Social Care, specialist services and health partners.

2.0 MAIN ISSUES

- 2.1 Key decisions are required in relation to the commissioning of Children's Centres managed by the voluntary sector (Ormiston Children and Families Trust, and Romsey Mill), as the contract periods end in March 2016 following a number of previous extensions. This paper sets the context for those decisions, particularly referencing the Local Authority's future role as commissioner of Health Visiting, school nursing and Family Nurse Partnership. For the reasons set out below undertaking a procurement exercise now would be extremely problematic, not in the least because there are a number of factors that could have a fundamental impact on the specification for the future service.
- 2.2 Since 2013 the Local Authority has been responsible for the commissioning of school nursing, and from September 2015 the responsibility for Health Visiting and Family Nurse Partnership commissioning will also move across.
- 2.3 A reduction in resources for Children's Centres was applied from Summer 2014 and this has had some impact on operational delivery. In September 2014, the first Ofsted inspection 'inadequate' judgement for a children's centre in Cambridgeshire was given, and the report included a query in relation to the viability of delivering the Ofsted requirements within the resource available to the Centre. This has raised a question about whether in the future it is necessary (or possible) to sustain the amount and coverage of Children's Centre provision.

- 2.4 Partnership working with Health Visiting at a provider level, coupled with the increase in the health visiting establishment has presented new opportunities for collaboration and the opportunity to consider some rationalisation of the service offer across services in order to avoid duplication and maximise use of resources. Some of this could be achieved through the existing joint working taking place.
- 2.5 There is an opportunity to consider the wider scale re-commissioning of 0-5 services in particular, bringing into scope Children's Centres, Family Nurse Partnership, and health visiting (and maybe others) as an integrated offer, (this would be without prejudice to any structural changes which may be considered). Linked to this is a strategic question about the future desirability of externally commissioning all Children's Centres, or bringing all Children's Centres back under local authority management as part of a structurally integrated Locality offer, more closely aligned with health provision. Autumn 2017 could be a good timescale within which to have completed this work, which aligns with Peterborough's. An initial stakeholder meeting was held on 4th June to start the dialogue across the partnership.
- 2.6 The Together for Families extension into Phase 2 and the wider approach to "Think Family" working presents opportunities for thinking differently about the delivery of our early childhood services. This will need to link to the development of ideas in relation to integrated working with early years, health visiting, community hubs, service provision in new communities and extending the range of provision across a wider family age range
- 2.7 Taking these factors into consideration, a wide-scale procurement process for the outsourced Children's Centres at this stage, without reference to the wider change underway is inadvisable. The Service needs to consider the operating environment which continues to be fluid.
- 2.8 Children's Centre commissioning needs to undertake an exercise in Cambridgeshire to fully understand what sort of service should be delivered, including how it should be adapt to being more targeted toward need. The commissioning exercise also needs to fully consider discussions taking place at the Children's Joint Commissioning with Health Board and the opportunities to commission across sectors, and across Cambridgeshire and Peterborough. Extending our understanding of these issues and spending time to develop a service model will support the County Council's longer term work on Business Planning.

3.0 PROCUREMENT PROPOSAL

- 3.1 Due to the value of the contract in question (over £600k) under the new 2015 Public Procurement Regulations we are now required to advertise the contract in the Official Journal of the European Union. However, if there are legitimate reasons to do so, the Council is able instead to issue a Voluntary ex-ante Transparency (VEAT) notice which informs the marketplace of the Council's intention to award the contract without competition and set out the reasons why.
- 3.2 Organisations who feel they should be given the opportunity to bid are given 10 days to raise an objection and their reasons why. There is a small risk that we may receive a response which we would have to consider and deal with on its

merits.

- 3.3 In this instance our principal reasons are that it is for a short term contract that will not be viable for a new provider to deliver and will be uneconomic for the Council to conduct a procurement process when we will be conducting a full process when the future shape of the service has been determined

4.0 ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

- 4.1.1 The following bullet point sets out details of significant implications identified by officers:
- The proposal and request to award a VEAT notice to those providers of Children's Centres in the voluntary sector, sits within a wider context of a timely opportunity to consider what opportunities there are to more fully develop integrated working arrangements across organisations in the early childhood sector, including children's centres, health visiting, early years learning and the wider voluntary sector.

4.2 Helping people live healthy and independent lives

- 4.2.1 The following bullet point sets out details of significant implications identified by officers:
- Taking the opportunity which arises to consider a different approach to commissioning services across the early childhood sector with the potential for greater integration provide is a unique opportunity, and one which it is intended should result in a focus on helping people live healthy and independent lives.

4.3 Supporting and protecting vulnerable people

- 4.3.1 The following bullet point sets out details of significant implications identified by officers:
- Making a change to the timeline for commissioning Children's Centres seeks to combine this with the opportunities which may arise from investigating development of an integrated service across early childhood services. This presents greater opportunities to ensure that our arrangements to support and protect 0-5 year olds and their families are as seamless as possible. .

5.0 SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

- 5.1.1 The following bullet points set out details of significant implications identified by officers:
- This report seeks permission for the application of a VEAT notice which by enabling service delivery continuity for the outsourced Children's Centres will enable any future re-tendering to be tied in with the future procurement of Health Visiting.
 - This will save on procurement costs, officer time and particularly make the most of opportunities presented by future wider service development.

5.2 Statutory, Risk and Legal Implications

5.2.1 The following bullet point sets out details of significant implications identified by officers:

- Current contracts cannot be further extended and run out in March 2016. A re-procurement exercise has been considered as a minimum for those centres currently provided by third sector partners. New Procurement Regulations introduced at the beginning of 2015 give greater freedom for contracts for Children's, Social and Educational Services, and a requirement has been introduced to advertise all opportunities with a value in excess of 750K Euros (£600K). In place of a standard notice stating the intention to procure, we propose to issue a Voluntary ex-ante Transparency (VEAT) notice which informs the market place of the Local Authority's intention to award the contract without competition for specific reasons as outlined.

5.3 Equality and Diversity Implications

5.3.1 There are no significant implications within this category.

5.4 Engagement and Consultation Implications

5.4.1 The following bullet point sets out details of significant implications identified by officers:

- There will be engagement with users and the wider community to develop proposals for future arrangements, and full consultation will be undertaken.

5.5 Public Health Implications

5.5.1 The following bullet point sets out details of significant implications identified by officers:

- Any proposals will be fully considered and developed with Public Health colleagues in order to avoid detrimental impact on Public Health and health service delivery. It is considered that an approach which develops greater integration in service delivery will have overall benefits for families in accessing services

5.6 Localism and Local Member Involvement

5.6.1 The following bullet point sets out details of significant implications identified by officers:

- At this stage Local Member involvement has not been sought. Briefing about direction of travel will be provided at an early stage in order to ensure involvement and seek ways of jointly developing proposals which will include ways in which communities can be empowered to do more for themselves.

SOURCE DOCUMENTS GUIDANCE

Source Documents	Location
None	