



Sure Start Children's Centres:

Phase 3 Planning
and Delivery



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1. Introduction

1.1 What this guidance covers

This guidance is for local authorities and Sure Start Children's Centres and focuses on issues for the third phase which completes the national roll-out of 3,500 children's centres. It includes:

- planning and delivering services for all families;
- what Sure Start Children's Centres serving families living outside the most disadvantaged areas should offer;
- how to plan and gain approval from *Together for Children* for Phase 3 children's centres;
- building on existing health and private, voluntary and independent sector provision;
- suggested ways of allocating adequate resources to centres for both less intensive delivery in more affluent (phase 3) areas and very disadvantaged areas in earlier phases;
- performance management arrangements for Phase 3 centres; and
- capital issues for Phase 3 centres.

Local authorities should continue to refer to the *Sure Start Children's Centres Planning and Performance Management Guidance* issued in November 2006 which can be accessed through the Sure Start website (www.surestart.gov.uk). This guidance provides additional information on Phase 3 centres and does not supersede the earlier guidance.

1.2 Children's centres roll-out

Phase 3 (2008-10) centres will provide improved access to services for families living in less disadvantaged and more affluent areas. This will require careful planning and a thorough knowledge of families' needs, as well as of the existing provision and demand for services. A considerable number of disadvantaged children live outside the most disadvantaged areas. Even in more affluent areas there will be small pockets of children living in poverty, who may be at risk of greater social exclusion because of their isolation, and these children and their families must be able to access the full range of children's centre services.

2. Sure Start Children's Centre services

2.1 Centres serving less disadvantaged areas

In Phase 3, local authorities will be working towards delivering 3,500 Sure Start Children's Centres in total, nationally, by 2010, offering universal access to children's centre services. All Phase 3 centres will be situated outside the most disadvantaged areas and will therefore offer a less intensive level of support than those Phase 1 and 2 centres serving families in the 30% most disadvantaged areas. Local authorities have greater flexibility in deciding what services should be provided in the more affluent areas and this must be based on an assessment of local needs.

There is a universal level of service that must be provided in Sure Start Children's Centres serving families in less disadvantaged areas. It is important that families, no matter what their situation, feel the benefit of better integrated, accessible services delivered through the children's centre in their community. In the main, children's centres will build on existing private, voluntary, independent or statutory services for children and families; for example schools, health centres, nurseries and family centres. We expect children's centres services to have a focal point, with signage that makes it a clearly identifiable Sure Start Children's Centre. There must be some form of activity for children and families on site. Additional outreach sites may be necessary to improve access for parents especially where families with children under five are dispersed over a wide area.

Centres in the most affluent areas offering the least intensive services must ensure they have a minimum core staffing infrastructure (see model A in Appendix 1). During opening hours, the centre must always be staffed by someone

who is able to offer information and advice to families and can help families access the services they need.

Sure Start Children's Centres may offer a range of other services for parents and their children, based on local demand, but funding for these must come from other sources. Arrangements should be reviewed regularly to ensure they remain relevant and appropriate.

Sure Start Children's Centres serving less disadvantaged families are not required to provide early years provision (integrated early learning and full day care) within the centre, but they may do so where there is sufficient demand and inadequate existing private, independent or voluntary provision. The local authority's sufficiency data will be particularly helpful here. The staffing requirements, including teacher involvement, and the opening hours outlined for centres in the most disadvantaged areas must be met where early years provision is part of a centre's services. See Chapter 3 of *Sure Start Children's Centres Planning and Performance Management Guidance* (2006) (www.surestart.gov.uk).

Where only sessional or drop-in activities for children are offered, children's centres are not bound by the requirement to be open for 10 hours a day. These centres will have more flexibility over opening hours and should consult with local parents to establish what will best meet local need.

Local authorities were advised that children's centres in the first two phases should serve, on average, 800 children under five. In Phase 3 centres in rural or less densely populated areas may serve smaller numbers, say 600, while in more affluent areas with less intensive need numbers may be larger, say 1200.

Universal services in children's centres

The intensity of services offered by children's centres will vary according to the level of disadvantage in the area. For example, children's centres in areas close in terms of deprivation to the 30% most deprived areas would be expected to deliver children's centres with a similar level of services.

All centres must provide a universal range of services including:

- outreach services for isolated parents/carers and children at risk of social exclusion, including health visitors linked with the centre, underpinned with good information and data about families in the local area;
- information and advice to fathers and mothers /carers on a range of subjects including: local childcare, looking after babies and young children and local education services for three- and four-year olds;
- support to childminders via a quality assured, coordinated network, but also to other childminders in the area, for example by providing shared training opportunities, loan of toys and equipment and by hosting drop-in sessions;
- activities for children and mothers and fathers/carers at the centre, eg: play groups, stay and play, parent groups, drop-in sessions, crèches in the centre itself, these could be existing services which the children's centre is being built around;
- links with Jobcentre Plus, to encourage and support labour market participation by parents/carers who wish to consider training and employment. The nature of the links will be negotiated locally in light of community needs and local circumstances but could consist of, one or more of the following: up to date vacancy boards in the centre, internet access, warm phones, Jobcentre Plus advisers offering one to one or group support, drop-in or regular opportunities to consult personal advisers for advice on the financial impact of starting work, a named 'link adviser' at the Jobcentre providing a direct contact point for parents, leaflets and posters advertising Jobcentre Plus services; and
- access to community health services; including antenatal services and the Child Health Promotion Programme, led and delivered by health visiting teams tailored to meet different levels of risk and need, and access to specialist services – in particular for children with special needs and disabilities.

More detailed guidance on these areas can be found in the Sure Start Children's Centres Practice Guidance issued in November 2006.

2.2 Centres serving rural areas

Local authorities planning Phase 3 centres in rural areas, where communities are dispersed and may have only small numbers of children under five, have greater flexibility in how they deliver services. More details on services in rural areas can be found at paragraph 3.12 of the *Sure Start Children's Centres Planning and*

Performance Management Guidance (2006) (www.surestart.gov.uk). Local authorities must ensure that they provide effective outreach to the most disadvantaged families so they are able to access the full support they need.

Together for Children (TfC) can offer further help to local authorities planning and

delivering Sure Start Children's Centres in rural areas through their Local Programme Advisors. Their online Business Planning Toolkit can help rural local authorities plan sustainable services and the TfC website has a growing number of resources for rural authorities, such as case studies and research evaluations (www.children's-centres.org).

2.3 Campus/cluster service models

In Phase 3, as in previous phases, it may not always be possible to deliver all services from one building, although this should always be the preferred option. Where services are delivered from more than one building, the buildings should be close to each other so that parents can access all of the services they need easily on a single 'campus'. Buildings should be clearly identifiable as part of the Sure Start Children's Centre, using appropriate signage, but only one building should house the Reception and that should also be the centre's postal address.

If Phase 3 centres build on existing good quality daycare provision, for example provided by private or voluntary sector organisations, to deliver integrated early learning and full daycare as part of their offer, they may need to use another building for other service delivery. These buildings should

not be more than half a mile apart (other than in rural areas).

Sure Start Children's Centres offering advice and information about daycare provision, but not delivering this as part of their service, can link to daycare provision at any distance from the children's centre. This provision is not subject to the usual requirement to employ a qualified teacher, as it is not part of the children's centre.

Some local authorities, particularly in rural or more affluent areas, may deliver children's centre services through cluster arrangements, where a number of centres work together to provide access to the full core services. These clusters may be managed by an area-manager, employed by the local authority to oversee the centres within the area. This can be a very effective way of coordinating and planning the delivery of less intensive children's centre services in more affluent areas. A cluster may incorporate centres delivering the most intensive range of services to families in very disadvantaged areas – particularly if this will support more effective service delivery – but these centres should retain autonomy over decisions relating to their own resources and services for their own areas within their separate management and governance arrangements.

Doing things differently in Phase 3

Building around existing, funded services for children and families

Generally Phase 3 centres will build on existing services for children and families like schools, health centres, nurseries and family centres to offer better integrated and accessible services for families, and will work closely with local private, voluntary and independent sector organisations.

Cluster approach – particularly in rural or more affluent areas, cluster arrangements allow a number of centres to work together to provide access to the full core services.

Governance

Most centres will have an advisory board to offer support and challenge but smaller centres, serving families in more affluent areas, or clusters of centres may share one advisory board. Where a cluster includes centres established in earlier phases the earlier centres should retain autonomy over decisions relating to their resources and services within their separate management and governance arrangements.

Management – centres offering less intensive services may share a manager. Centres operating in a cluster may be managed by an area-manager, employed by the local authority to oversee the centres within the area.

Shared posts

As well as shared management, centres may share specialist resources. Where, for example, the incidence of teenage pregnancy is low, it will make sense for several centres to share a teenage pregnancy worker. Other shared posts could include fathers workers and outreach workers.

Capital projects mainly involve extension/refurbishment

Local authorities are not expected to plan major new build centres in Phase 3. The level of services will be tailored to meet the different needs of each community, fitting around existing provision and requiring a lower level of capital investment for example to refurbish or extend existing premises.

2.4 Priorities for all centres

The *Sure Start Children's Centres Practice Guidance* (available from

www.surestart.gov.uk), contains information on good practice in providing key services and how children's centres should meet the needs of particular groups. Phase 3 centres serving more affluent areas and offering less intensive services must still ensure they are meeting the following priorities:

2.4.1 Outreach and home visiting

Even in the most affluent areas there will be families with young children at risk of social exclusion. Outreach to these parents – to ensure they access the services their children need – is a key role for all children's centres. In the most disadvantaged areas we suggest teams should include at least 3 outreach workers per centre. In less disadvantaged areas local authorities will decide on the best approach. Some local authorities have 'twinned' affluent areas with disadvantaged areas so as to share the outreach resource. Other local authorities are using peripatetic outreach teams to serve a number of communities.

2.4.2 Supporting parents

In Phase 3, the intensity of family support offered by Sure Start Children's Centres serving more affluent areas will vary according to the level of need but priority must be given to reaching out to vulnerable and disadvantaged

families. This can be achieved by reshaping existing statutory provision to deliver services through the centre, or by contracting with local private, voluntary or independent sector organisations to deliver services. For the majority of Phase 3 centres in more affluent areas that will not offer intensive family support services on site, links with other organisations and services must be established so that parents can access evidence based parenting programmes where particular needs are identified. In particular centres should link with local health visitors providing the Child Health Promotion Programme and support to parents.

More information about structured parenting programmes, assessed as being of good quality and having a proven and effective evidence base, is available on the online database at www.toolkit.parentinguk.org. Advice is also available from local authorities' Parenting Commissioners.

Worcestershire County Council – Providing family support in a less disadvantaged area

WANDS Children's Centre in Droitwich, Worcestershire is a Phase 1 centre in a 30% disadvantaged area. The centre provides outreach services to an adjoining less disadvantaged rural area in nearby Pershore. In order to deliver support to children and families with additional needs, the children's centre employs a Family Support Worker to conduct home visits, run drop-ins, and one-to-one support sessions for parents in the Pershore area.

The Family Support Worker receives referrals from a range of professionals, including teachers, health visitors, CAMHS and social workers as well as self-referrals from parents themselves. The referral threshold is low to ensure needs are identified and addressed early on. The children's centre team offer further support by running parenting groups and evidence-based parenting programmes which may be accessed by parents in the Pershore area. The Family Support Worker has also run workshops for parents at local schools on topics such as protective behaviours and plans to run more in the future, linking with other professionals locally.

This work has helped to identify families in the area with additional needs at an early to prevent problems from escalating further. Onward referrals have also been made to services such as Relate and Children's Services, as well as signposting to local summer children's activities through the Family Information Service.

Contact: Kate Jones – Children's Centres Programme Manager, Worcestershire
(kjjones@worcestershire.gov.uk, 01905 758411)

2.4.3 Working with fathers

Father-child relationships can have a profound and wide-ranging impact on the child that lasts a lifetime. Sure Start Children's Centre services should be responsive to supporting fathers and father figures in their role as parent. A parent link or outreach worker with a specific remit to engage with fathers will be most effective. In smaller Phase 3 centres or clusters, a specialist fathers' worker may need to be shared between centres. All other staff should also have the skills and confidence to engage with fathers, particularly on initial contact.

2.4.4 Working with teenage parents

Sure Start Children's Centres should provide teenage parents with access to specialist, tailored support. In areas where there is a high incidence of teenage pregnancy, children's centres should provide parents with personal advisors, or at least a lead worker in the children's centre to support all young parents. Past experience has shown that childminders can play an important role in supporting teenage parents. Where teenage pregnancy is less prevalent – which may be the case in some Phase 3 areas – children's centres should consider a cluster arrangement where specialist resources are shared, or one centre takes the lead and receives referrals. Centres unable to provide a lead worker should identify one from within the Targeted Youth Service or Teenage Pregnancy Partnership to work with each teenage parent.

2.4.5 Working with children and families from minority ethnic groups

When agreeing sites for Phase 3 centres, local authorities should consider carefully how children's centres can help to promote community cohesion and foster positive relations between different communities. Local authorities should work within natural communities where possible but balance this with the need to avoid centres that are segregated and serving one ethnic community exclusively.

Activities in children's centres should enable all parents and children in the centre to get to know each other and to appreciate the diversity of their community. 'Inter-centre' activities can promote better understanding of different ethnic backgrounds, faiths and cultures. Building mutual trust and respect within and across communities is an important role for children's centres but will take time and perseverance.

2.5 Governance

Local authorities should set up advisory boards early on in the planning stages of Phase 3 centres to give parents, the community and other providers an opportunity to shape services. In smaller Phase 3 centres in the more affluent areas, it may be appropriate for a cluster of centres to share one advisory board, providing the communities served are adequately represented.

3. The planning and approvals process

3.1 Strategic planning

Children's trust arrangements, underpinned by the Children Act 2004 duty to cooperate, bring together all services for children and young people in an area to focus on improving outcomes. The Children and Young People's Plan (CYPP) provides a strategic direction for the local area's approach to the delivery of Sure Start Children's Centres¹.

The CYPP is the overarching strategic plan for children and young people in the locality. From 2008 all local areas will negotiate a new style, statutory local area agreement, which will be both the delivery plan for their overarching local strategic vision and the central delivery contract between central government and local government and its partners. The CYPP will continue to inform and be informed by this wider process and Sure Start priorities will be embedded within it.

Commissioning services effectively is a vital step in developing Sure Start Children's Centres as they rely on the joint-working of partners. This is even more important for Phase 3 centres where services may not be on site but where there still needs to be strong coordination of delivery. The *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006), sets out the process for local authorities, working through children's trust arrangements, to introduce joint commissioning in their area. Commissioning decisions should be based on a joint commissioning strategy, drawn from

priorities agreed in the CYPP or equivalent, and informed by a thorough needs assessment.

3.1.1 Consultation

Local authorities should involve providers, parents and other interested parties at a formative stage in identifying needs and developing plans for Sure Start Children's Centres, preferably as part of developing the CYPP. When local authorities are planning Phase 3 children's centres and before decisions are taken they must:

- **ensure the views of children, mothers and fathers, carers and families are valued and taken into account;** and
- **establish children's centre advisory boards** to provide support and challenge in the planning and delivery of centres.

¹ There is a statutory requirement for all local authorities to publish a Children and Young People's Plan. Four star authorities are exempt from this requirement but it is nevertheless considered good practice to have a plan in place.

Shropshire County Council – Assessing local need when planning services in less disadvantaged areas

Shropshire County Council undertook a comprehensive 'audit and mapping' exercise to inform the priorities for development in each children's centre area. This began with a proforma designed to measure and rank need in each school catchment area and take account of: number of children under 5; existing level of services in the area; deprivation level of each Super Output Area (SOA) in the catchment area; and distance to services unavailable in the area (to account for rurality).

Following this initial assessment, the County Council then conducted an extensive postal survey to each household to ascertain local priorities. The results of the survey were developed into local action plans shaped around the children's centre core offer.

The County Council feel confident they are planning services with the needs of local children and families in mind and that by considering the level of deprivation in each SOA, higher levels of need in pockets of deprivation in less disadvantaged areas will be met. Information Sharing and Assessment (ISA)/Common Assessment Framework (CAF) underpins service delivery and ensures that all families with additional needs are identified.

Contact: Michael Jarrett – Children's Centre County Manager, Shropshire
(michael.jarrett@shropshire-cc.gov.uk, 01743 254293)

3.1.2 Delivering Phase 3

In Phase 3 (2008-10) local authorities will be supported by the Together for Children consortium (TfC). Chief Executives and Directors of Children's Services will need to ensure that there are robust and achievable local plans for the delivery of centres during the 2008–10 period.

Local authorities may need to reconsider some of their earlier plans as they seek to deliver a children's centre for every community, giving careful thought to the most cost effective use of their resources. For example where an existing centre serves a relatively small number of families it may be sensible to extend its reach to include nearby less disadvantaged families if that will make the centre more viable in the longer term.

3.2 Project planning

The precise format of project plans is a matter for local decision and they will not need to be approved by the Department for Children, Schools and Families. However TfC will be in regular contact with local authorities to discuss programme delivery.

Local authorities should start their planning as soon as they have capacity to do so and do not have to wait until April 2008. Most of 2008–09 will be taken up with consultation, auditing existing services and planning and negotiating contractual arrangements with partners, but local authorities should aim to open some designated centres during this year.

It is essential that local authorities record progress on the development of individual centres on the web-based portal managed by TfC. This can be accessed from the TfC website, www.childrens-centres.org. This data and knowledge management system has been developed to support local authorities' delivery of the programme.

3.3 Designation process

We know from Phases 1 and 2 that it takes some time to put in place the full range of children's centres services. Phase 3 children's centres can be designated once:

- a full consultation with parents and a rigorous analysis of local services has been conducted;
- an advisory board has been established;
- **either** activity sessions for children such as stay and play, drop-ins, crèches are available **or** integrated full daycare and early learning for children from birth to five is being provided with 0.5 qualified teacher appointed and the centre is open a minimum of 5 days a week, 10 hours a day, 48 weeks a year;
- links with JobCentre Plus are agreed and operating; and
- plans are in place to provide or link to health, outreach and family support services for families in need within the agreed area, and to providing support, via a quality assured, co-ordinated network to local childminders.

Together for Children (TfC) are responsible for designating children's centres. Local authorities should update the web-based system as services come on line and notify their local TfC contact when centres meet the relevant criteria as set out above.

Designation is not an end in itself. It is the first stage in a two stage process of delivering the full range of services to children and families. After designation, local authorities should ensure that all other services are in place within two years and recorded as such on the web-based system, and that teacher input to any early years provision is increased to one full-time equivalent qualified teacher.

3.4 Existing provision which can develop into Sure Start Children's Centres

In Phase 3, especially in areas where there may be less demand for some services, a crucial part of the planning will be looking at what quality services are already available – including those provided by the private, voluntary and independent sector – and how these can be reshaped, or reconfigured, so as to improve access for families and achieve better, more efficient use of resources. For example, many health centres, primary and maintained nursery schools have already become, or are linked with, Sure Start Children's Centres. Local authorities should consider such sites as potential Phase 3 centres and explore the possibility of building around existing services and settings.

3.5 Working with and building on health services

Health services play a vital role in pregnancy and the first years of children's lives, with health professionals as the universal and first point of contact with all parents from early pregnancy when they are most receptive. The knowledge and skills that health professionals have in identifying risks and protective factors, early intervention and prevention gives them a central role in Sure Start Children's Centres. Their clinical skills and responsibility for delivering the Child Health Promotion Programme makes health visitors essential team members in children's centres, providing access to other health services and guidance to parents on the care of their children. Good collaborative working between Primary Care Trusts (PCTs), practice based commissioners, local authorities and children's centres can lead to a mutually beneficial partnership. See also guidance from Department of Health issued in June 2007 '*Delivering health services through Sure Start Children's Centres*'.

Together for Children (TfC) are working together with local authorities and PCTs, and have produced a suite of support products on improving health and local authority joint working available from the health section of the TfC website www.children's-centres.org.

3.5.1 Co-location and referral

The range of health services that are delivered from a Phase 3 children's centre will vary depending on local needs and the existing configuration of services. Increasingly we expect to see the Child Health Promotion Programme (CHPP), the core universal service that promotes the health and well-being of children, delivered from children's centres, especially in more deprived areas. The CHPP is set out in standard one of the National Service Framework (NSF) for Children, Young People and Maternity services. It begins antenatally and offers every family a programme of immunisations, screening tests, development reviews, information and advice to support parenting and healthy choices. It also has a key role in identifying where families need to access specific services to meet their health needs and ensuring that appropriate referrals are made.

The NSF recognised that some families will need more support than others, or may need more intensive support at specific points in time. A progressive universal model of the CHPP includes intensive interventions for the most at risk children, such as that provided by the Family Nurse Partnership Programme, which is currently being tested in 10 local authorities/PCTs across England.

Interventions provided under the Child Health Promotion Programme should be based on best available evidence. Health practitioners working in a children's centre will need a supporting infrastructure that includes high quality accommodation and robust supervision and clinical governance arrangements that will ensure safe practice.

However, where co-location is not possible, or in Phase 3 centres in less disadvantaged communities with less intensive needs, children's centres will instead have a role to ensure the co-ordination of integrated services to enable those families with additional needs to receive an appropriate level of support. In some areas, clusters of children's centres have forged links with local health services, or one centre within a cluster acts as a base for providing a specialist health service such as speech and language therapy.

3.5.2 Joint planning with health

Sure Start Children's Centres can also provide a focus for the reconfiguration of services. Children's centres can be the ideal location for child health and maternity services and support a mode of progressive universalism, where services are offered to all, but tailored according to risks and needs, to improve the outcomes for at risk children and reduce inequalities. At the same time it is important that strong links with GPs are maintained. Alternatively, existing health facilities may provide a suitable site on which to base a Phase 3 centre. In these circumstances, it may make sense for the PCT to take the lead role in managing and delivering the children's centre services.

Central to this is the importance of joint plans which are based on a shared understanding of local needs. It is important that PCTs are involved as fully and as early as possible in the planning and commissioning of services for Phase 3 children's centres and that they are able to engage front line clinicians, midwifery and health visiting teams, therapists and community paediatricians. Health practitioners will have some very specific accommodation needs to enable them to deliver high quality health services. These will need to be factored into the design of any children's centre. PCT staff will be best placed to support and shape service delivery if they are represented on children's centre advisory boards.

Good partnership working will depend on staff across agencies having shared values and objectives, joint training and shared information. More guidance on effective multi-agency working is in the *Sure Start Children's Centres Practice Guidance* (available on www.surestart.gov.uk) and *Governance Guidance for Sure Start Children's Centres and Extended Schools* (available from www.teachernet.gov.uk/extendedschools). The TfC website (www.childrens-centres.org) contains further useful materials.

3.6 Working with private, voluntary and independent (PVI) providers

Since April 2007 local authorities have been carrying out comprehensive assessments of the supply and demand for childcare and identifying gaps in provision. This assessment should be the starting point when local authorities are considering developing a Phase 3 children's centre in a particular area.

Local authorities should draw on the relevant and valuable expertise within the PVI sectors at an early stage – about where centres should be located, what services should be provided and who should run them. The largest PVI providers of childcare may want to take on responsibility for managing the centre itself and delivering services other than childcare.

Section 8 of the Childcare Act 2006, in force from October 2007, restricts local authorities from providing childcare where there are alternative and appropriate means of delivery available. Local authorities will have to determine, before providing childcare themselves, whether a PVI provider is willing to do so.

Local authorities should also explore with private, voluntary and independent sector providers, the options for renting space in their facilities for the delivery of some services e.g. drop-in sessions, play groups.

Hertfordshire has recently completed a multi-agency commissioning process to identify lead agencies to deliver 44 locally run children's centres. This process completes the second phase of children's centres development in Hertfordshire. It has involved a range of local stakeholders including schools, the county council, the voluntary and community sector, the primary care trust and borough councils, and has attracted a wide variety of potential new providers into the market place. Benefits include:

- improved provision of locally accessible, high quality, integrated early years services;
- rationalisation of planning, funding and procurement across early years services;
- strengthened local ownership of services for local children;
- reduced duplication of planning and funding arrangements;
- increased added value generated by building on local capacity and resourcefulness; and
- provision of high quality through assessment processes and reviewing quality standards.

Full details can be found at

www.everychildmatters.gov.uk/strategy/planningandcommissioning/casestudies/

3.7 Links to extended schools

Local authorities should be making strong links between extended schools and Sure Start Children's Centres. When planning Phase 3 children's centres, local authorities should consider the opportunities for children's centres to co-locate with maintained nursery and primary schools in particular. Some primary schools are facing falling pupil numbers and linking with children's centres can help secure the long-term future of the school. Savings can be made by sharing space, equipment and teaching resources where early years provision is part of the offer. Support staff such as outreach workers will be able to work with families using both the school and children's centre. Co-location can also aid the transition when children start formal education, both for the children and their families although centres should not be seen as 'feeders' for individual schools but should link with the wider community and its schools.

Where children's centres are co-located with schools we expect there to be a centre manager appointed and would advise against head teachers taking on direct responsibility themselves for running the centre.

Schools are able to provide or arrange the provision of Sure Start Children's Centres through their extended services powers. Local authorities should refer to *Governance Guidance for Sure Start Children's Centres and Extended Schools* (www.teachernet.gov.uk/extendedschools) for information on how to establish good governance arrangements for centres on school sites.

4. Financial management and value for money

4.1 Responsibilities of the local authority

The local authority is ultimately accountable to the Department for ensuring that public money is spent properly and in accordance with any grant conditions, and that value for money is achieved. Local authorities should therefore ensure that sound financial controls and monitoring arrangements are in place, and ensure that centres are using their resources to achieve the best possible outcomes.

Together for Children (TfC) will offer help and support here. An online Business Planning Toolkit, which guides local authorities and centre managers in developing and reviewing business plans, is at (www.children's-centres.org) and TfC regional advisers will, if required, offer one to one advice to authorities on allocating resources to different types of centres.

The Government has provided schools with a simple one page statement of the characteristics you would expect to find in a school that is well managed financially. Some local authorities have already adapted the schools' standard for use by their Children's Services. We suggest this as a good guide for planning and developing good financial management systems in Phase 3 centres and Appendix 2 shows how the standards could be adapted for centres. More about the Financial Management Standard in Schools can be found at www.fmsis.info

4.2 Allocating resources

It is important that local authorities take into account levels of need and demand for services when allocating funding so that

centres serving the most disadvantaged children receive the most resources. Within the Sure Start, Early Years and Childcare Grant allocations for 2008–2011, the children's centres revenue – together with the ringfenced grant for ex-Sure Start Local Programmes that are now children's centres – provides sufficient resource for 1,500 centres to provide intensive support services for around a million children under five living in the most disadvantaged areas; resources for around another 1,000 centres serving families in less disadvantaged areas to provide services at a less intensive level and set up costs for around 1,000 centres that are being developed between 2008 and 2010. Most Phase 3 centres will not incur full-year running costs for all their services during 2008–2010.

Family and community health services, such as the delivery of the Child Health Promotion Programme, and employment and training advice for parents are not funded through children's centre revenue. We expect these services to be provided by the NHS and Jobcentre Plus, reshaping existing resources where necessary, and working in partnership with local authorities within children's trust arrangements.

Early Years Provision (integrated early learning and daycare), which is a key part of the offer in centres serving the most disadvantaged communities and is optional elsewhere, is intended to be self-sustaining and run on business lines once it is fully established. There is no expectation that children's centres revenue will be used to subsidise places in children's centres.

4.2.1 Funding centres serving less disadvantaged communities

Where centres predominantly serve families who do not live in areas ranked in the 30% most deprived Super Output Areas (SOAs) – **which will include all Phase 3 centres** – we expect full year costs will range between £250,000 and £100,000 when all services are up and running, depending on local need and existing provision. Models A and B in Appendix 1 give examples of costs for centres delivering a flexible range of services.

Local authorities will decide the best, most cost effective way to distribute resources and meet management costs across the less disadvantaged areas so that services meet local needs. We encourage local authorities to delegate the majority of funding to the Sure Start Children's Centre manager, who will consult with advisory board members on decisions about resources. In less disadvantaged areas with a cluster of smaller Phase 3 centres overseen by an area manager, the local authority is encouraged to delegate the total budget for these centres to the area manager.

4.2.2 Funding centres serving the most disadvantaged communities

For centres serving predominantly very disadvantaged families ie where the majority of local families live in areas ranked in the 30% most deprived SOAs, our expectation is that local authorities will allocate around £400,000 on average in a full year to fund the most intensive support services to around 800 children. This should include: outreach to families, particularly those at high risk of social exclusion and isolation; parenting programmes and family support services; support for childminders – including a network; and the local management and administration of the centre. Model C in Appendix 1 gives an example of costs for this type of centre – there should be no new centres of this type in Phase 3.

4.3 Monitoring and managing performance

Performance management of Sure Start Children's Centres enables local authorities – working with children's trust partners – to monitor value for money and identify areas that need development. When planning Phase 3 centres, local authorities should draw on their knowledge from the performance management of existing centres to identify what works well, the best way to provide services and how much they should cost. This information should inform the planning of services and the allocation of funding.

Local authorities are encouraged to adapt the children's centres performance management framework and the self-evaluation form for use in centres serving less disadvantaged communities where the full range of services may not be delivered. Forms should reflect local priorities and support effective outreach to the families most at risk of social exclusion.

5. Capital

The development of the centres in phase 3 will again be supported by capital funding. Local authority allocations were announced in October 2007.

In Phase 3, centres are being developed outside the most disadvantaged areas and will offer a less intensive level of support than those developed in earlier phases. This will generally mean developing centres around existing provision and we would expect to see modifications/extensions of existing premises rather than large new builds.

It will be important that local authorities strategically plan the development of centres and in particular have strong programme management arrangements in place. Local authorities are expected to develop a detailed programme for each capital project using the Surestart_on web-based system and to regularly update these. (Surestart_on: <http://onsurestart.portal.echarris.com>)

The Department will continue to offer capital consultancy support to local authorities. These consultants will work closely with the contractors Together for Children, to provide each authority with a coherent package of support which meets their individual needs. As well as the normal scrutiny and assessment of individual projects, the capital consultants can also provide earlier support where this would be helpful eg supporting the planning and developing of strategic plans or programme management arrangements.

It is also important that local authorities make use of best practice from centres developed in earlier phases. The Department funded CABA (Commission for Architecture and the Built Environment) to carry out a post occupancy review of 100 Phase 1 children's centres. This showed that addressing key issues can make a significant difference to the success of children's centres. To help local authorities CABA have produced a top ten hints guide which together with more detailed capital guidance, Q&As, and case studies can be found at <http://www.surestart.gov.uk/resources/general/capitalbuildingsfacilities/>

Appendix 1: Resources for Sure Start Children's Centres

These examples are illustrative. Figures are hypothetical and indicative of the funding levels needed to provide adequate resource for centres serving 800 children under five. Actual levels of staff resource and funding per centre are for local decision.

Local authorities should take into account: local circumstances and priorities; the fact that not all children using a centre will have the same high levels of need; some centres may serve fewer/more than 800 children; the extent to which demand is met by existing provision; whether unmet demand should be met

through reshaping existing provision or additional, new resource; building on other funding streams already in place. This means that levels of children's centres revenue grant will vary from centre to centre and should be informed by earlier years' expenditure levels.

The models do not include staff resources for family and community health services or employment/training advice, as we expect these to be provided by the NHS and Jobcentre Plus. Where early years provision is a required core service the cost of a qualified teacher is included but other childcare staff costs and overheads must be funded via fees or other income.

Model A – Example of a Phase 3 centre serving an affluent community		
1. Fixed costs – core children's centre posts		
Post	Full-time equivalent	Cost
Children's centre manager	0.5	23,000
Sessional childcare worker	1.0	26,000
Family support/outreach	1.0	26,000
Admin/reception	0.5	8,500
2. Additional costs – Training, maintenance, cleaning, utilities, telephone, IT, office resources		17,000
Total		100,500

Model B – Example of a centre serving a mixed population/area		
1. Fixed costs – core children's centre posts		
Post	Full-time equivalent	Cost
Children's centre manager	1.0	46,000
Head of parenting/family support	1.0	33,000
Family support/outreach	1.5	39,000
Parent/child drop-in worker	1.0	26,000
Teenage pregnancy worker	0.2	5,000
Admin/reception	1.5	26,000
3. Additional costs – Training, maintenance, cleaning, utilities, telephone, IT, office resources		30,000
Total		205,000

Model C – Example of a centre serving the most disadvantaged communities		
1. Fixed costs – core children's centre posts		
Post	Full-time equivalent	Cost
Children's centre manager	1.0	46,000
Deputy manager	1.0	33,000
Head of parenting/family support	1.0	33,000
Outreach workers	3.0	79,000
Childminder network supervisor	1.0	26,000
Parenting and family support worker	1	26,000
Teenage pregnancy worker	0.3	8,000
Fathers worker	0.2	5,000
Parent/child drop-in worker	1.0	26,000
Admin/reception	1.5	26,000
Qualified teacher	1.0	42,000
3. Additional costs – Training, maintenance, cleaning, utilities, telephone, IT, office resources		60,000
Total		410,000

Appendix 2: Financial Management Standards for Sure Start Children's Centres

1

Leadership and Governance

- 1.1 The staff and advisory board members have a shared understanding of their own financial management roles, responsibilities and accountability, and those of others
- 1.2 Governance arrangements ensure that advisory board members are able to fulfil their financial management roles, responsibilities and accountabilities properly
- 1.3 The Centre Manager and Finance Officer (if in post) operate with financial integrity, setting an example to advisory board members and staff alike
- 1.4 The centre has effective governance arrangements covering issues which include conflicts of interest and whistle blowing

2

People Management

- 2.1 The advisory board includes individuals who are able to:
 - be an effective "critical friend" on financial management issues;
 - provide strategic leadership on financial management issues; and
 - ensure financial management accountability.
- 2.2 The staff with financial management responsibilities include individuals who are organised in a way that enables them to:
 - provide a strategic view;
 - ensure accountability requirements are met; and
 - facilitate the effective operation of financial processes.

3

Policy and Strategy

- 3.1 The centre has an annual budget that:
- is realistic and affordable in relation to available resources and cash flows;
 - is approved by the local authority on a timely basis;
 - reflects the centre's development plan; and
 - is consistent with longer term delivery plans where the centre is not yet delivering all the planned services.
- 3.2 The advisory board and the staff have compared the centre's financial performance with that of similar centres, examined reasons for differences and taken action where necessary.

4

Partnerships and Resources

- 4.1 The local authority and the centre have agreed their respective financial management roles and responsibilities.
- 4.2 The centre has procurement arrangements in place to secure value for money from suppliers where appropriate.

5

Processes

- 5.1 The financial management information provided to advisory board members and staff meets their needs by being:
- relevant;
 - accurate;
 - timely; and
 - user friendly.
- 5.2 The centre provides the local authority with accurate and up to date information in accordance with the local authority's needs and is ready to discuss financial management as part of the annual performance assessment.
- 5.3 The centre has up to date, documented and approved detailed financial procedures that are tailored to the centre's needs and implemented consistently.
- 5.4 The centre maintains proper accounting records throughout the year.

5

5.5 The advisory board members and staff have evidence that there is effective control over:

- financial management system;
- income received;
- payroll;
- purchasing;
- the banking system;
- petty cash holdings and payments;
- taxation system; and
- the centre's assets.

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