

## Frequently Asked Questions: Early Years Strategy and Consultation on Children's Centres

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### 1. PROPOSALS

#### **What is a children's centre?**

A children's centre is a place where local families with young children, and pregnant women, can go to engage in activities to support children's development, and receive the support that they need. Children's centres have a clear focus on improving outcomes for young children and their families, with a particular focus on the most disadvantaged families, in order to reduce inequalities in child development and school readiness.

#### **How many children's centres does Hackney manage?**

There are 20 children's centres across the borough, which offer a wide range of child and family services. Eleven of these offer childcare places, subsidised by the Council, all of which have been judged good or outstanding by Ofsted. Six centres are managed by the Council, 11 are under the management of schools, and three are managed by community organisations.

#### **What are the proposals in the consultation?**

[We are consulting on the closure of two children's centres and the reprovisioning of children's centres](#) to make savings and to target resources to our most vulnerable and disadvantaged children; and in order to make changes that will protect services for young children into the future.

The proposed closures are:

- Hillside Children's Centre, in Holmleigh Road, N16
- Fernbank Children's Centre, in Fountayne Road, N16.

#### **What is a consultation and how are you consulting?**

Consultation gives local people a voice and an opportunity to influence decisions. It involves listening to and learning from local people before decisions are made. The children's centres consultation is a statutory consultation, which means we are bound, by law, to consult residents on the issue.

All residents, and particularly those impacted or likely to be impacted in future by the proposed closures, are being asked to take part in the consultation.

We are bringing this consultation to residents via the Council's printed publications, including Hackney Today and Hackney Life, which go to every home and business in the borough; through regular e-newsletters; via our online and social media platforms; through local press; through posters and leafleting; by making printed copies of the consultation available in affected centres; and by writing directly to those who will be most affected by the changes.

**What is the purpose of this consultation? Are the closures a 'done deal'?**

We are inviting feedback from all residents, particularly parents and carers of children and young people that currently use our children's centres or may do so in the future. We are also inviting feedback from professionals who support these families in Hackney.

No decisions have been made at this stage, all the feedback received from the consultation will be shared with senior managers and councillors to help them make a decision on whether to implement the proposals, or to make changes to the proposals.

**Why are you proposing closures?**

The proposals form part of the Council's new Early Years Strategy, based on engagement with parents, carers and professionals. It sets out the Council's vision, priorities and principles that underpin all the services it provides for young children and their families, and outlines how it will protect those services into the future.

Over the past two years, we have listened to hundreds of residents – parents, carers, those who would like to become mothers and fathers in the future, as well as other professionals who work with families – to ensure this strategy reflects what is most important to them. When creating the new strategy, we had a number of challenges to confront - such as the significant savings we must make - and changes to make, in order to protect services for children into the future.

The impact of the Covid-19 pandemic and sustained Government cuts on the Council's finances has been profound.

We spent hundreds of millions of pounds providing direct help and emergency response to residents and businesses during the pandemic.

We've done this while responding to increasing demand for our services in the most challenging of circumstances; whilst also feeling the severe impact of income loss; and now we are faced with rising inflation and commodity costs.

This comes on top of a more than a decade of sustained Government cuts, which has seen our core funding nearly halved since 2010. Hackney has suffered the biggest funding reduction, per household, of any London borough.

This all means the Council has tens of millions of pounds of savings to make in this and the next financial year, impacting services across the Council. Including the Early Years Service, which manages children's centres, and which has a £1 million savings target.

Until now, the Council has been reducing spending and making savings in a way that minimises the impact on front-line services. But despite this, we will still need to make millions of pounds of savings this coming year, and we will be left with funding challenges that will impact us all, for many years to come.

We know how important early education, early help and affordable childcare is and yet it remains seriously underfunded. Local authorities across the country have been continually calling for more support for this sector; we cannot keep promising to carry on as usual for less and less money.

We've held off proposing cuts to our children's centre provision for as long as we possibly can, but we have exhausted all other options, and now must make the difficult decision to consult on shutting two children's centres in order to make the drastic service savings required and safeguard our wider network of provision. This isn't about balancing the Council's wider books by cutting affordable child care. It is about reducing unacceptable pressures on service providers and making our services more sustainable, repositioning our children's centres, and targeting resources to the most vulnerable and disadvantaged children.

Hackney Council has one of the highest numbers of children's centres of any local authority in London and we still will, even after these proposed changes.

There is currently a 23% vacancy rate in nursery settings across the borough, which means that there are vacant childcare places across the childcare market. This reflects a London-wide trend of falling reception class and primary school rolls. There were 505 vacant reception places in 2020.

In addition, there are ongoing negotiations with the owners of Fernbank Children's Centre premises. Negotiations have not yet concluded but may result in an increase in the cost of a lease by an estimated £80k each year. In the meantime, costly maintenance works are required, such as boiler replacement and significant remedial works estimated at £120k.

**What factors have informed your proposals?**

To reach a decision about which children's centres would be considered for closure, a framework criteria that emerged from a review of children's centres in 2019, was applied.

The first stage criteria for selecting options for closure are based on the following:

- a) Geographical coverage and access (i.e. will sufficient coverage and access remain in the 'cluster area' following a reduction?)
- b) Extent of centre contribution to vulnerable children/families (e.g. extent of subsidised childcare)
- c) Special characteristics (e.g. does the centre serve a particular group; or have particular property implications?)
- d) Is it a nursery school; strategic children's centre, or a satellite centre where only extended services are funded?

The second stage criteria for refining options for closure would be based on:

- a) Financial acceptability
- b) Quality of provision and outcomes
- c) Extent of dual use for nursery and wider services.

In making these proposals, we've considered the following:

- Geographical location: There are five children centres within walking distance of each other, which would allow children to access 'stay and play' sessions at the remaining three centres, and across Hackney.
- Whether the setting has any financial vulnerabilities: The lease of one of the children's centre buildings is likely to become unaffordable in the longer-term, as outlined above.
- Support for children with special educational needs: The closures will allow us to develop 'early years hubs' in the north and south of the borough for children with complex needs to access provision, whilst they undergo assessment for an education, health and care plan. Hillside is being considered as the site for the early years hub in the north of the borough.
- Nursery occupancy: There are approximately 30 vacancies across both sites. The centres are situated in an area where increasing numbers of children are attending independent settings, up from 1,345 in 2020 to 1,446, with fewer children in the community attending mainstream provision.

All our children's centres have qualified staff, and are judged good or outstanding by Ofsted. These factors were therefore not considered.

### **How will the closure help with the Council's budget challenge?**

Closures will allow the Council to make the significant savings it needs to make, and focus its limited resources and competing pressures on making important changes and improvements, and to ensure these have the biggest impact for those who need them most.

These include:

- Developing, through a new special educational needs and disabilities (SEND) strategy, two 'early years hubs' in the north and south of the borough for children with complex needs.
- Changing six strategic children's centres into 'children and family hubs' that bring together family support for children of ages 0-19 years. The hubs are already hubs for the 0-8s. We will build on the work of the existing family support teams located at each of the strategic centres.
- Joining together Early Years and health visiting teams to provide combined support and guidance for young children and their families.

We would like to be in a position to protect all children's centres, having developed quality provision over the last 17 years. However, the current financial climate, specifically the £1 million budget reduction, means that we have no choice but to consider closures.

Salary, catering, cleaning, gardening, rates all increase each year, and these costs are not fully passed on to parents. Doing so would increase the cost of provision significantly and make places unaffordable to some families.

The Council has several different funding streams, some of which must be used in ways that are set out by law. There are 'ring-fenced' funds, which are often provided in all or part by government grants, and can only be spent on a specific service or area, such as school services; there is capital funding, which must be spent on a project or asset that usually brings longer-term benefits to many residents, such as a new building or expansion project; and then there is the Council's general fund, from which the Council has discretionary use.

The Council chooses to fund children's centres; it is not a legal requirement. Children's centres are funded through the Council's discretionary spend. We do this because we know how valued and impactful they are to the families who use them. However, this also means we do not get any dedicated - or 'ring-fenced' - government funding to help us provide these centres, and that's why, as our budget faces unprecedented pressure, we are having to make this difficult funding decision.

### **What is the impact on families who use these children's centres?**

Sixteen children attending Fernbank and 29 children attending Hillside childcare are likely to be impacted by the time any changes happen next year; the remaining children will have moved into schools. We will work with the affected families to help them access alternative places and they will be given priority where there are vacancies at other children's centres, including at the three within a short walking distance.

## **What else is the Council consulting on?**

### **1. Development of 'children and family' hubs**

We are proposing to broaden the role of our six 'multi-agency children's centres' into 'children and family hubs', offering support for families with children and young people aged up to 19 years old, rather than just for families with young children. This will make it easier for parents with children of different ages to access the support and information they need in one place. To achieve this, we will provide joined-up support for families with children of all ages. The 'children and family' hubs will provide:

- Universal early years services such as 'stay and play' activities to support language, communication, physical, emotional and social development.
- Targeted support for families with children pre-birth to 19 years who need extra help.
- Support for vulnerable and disadvantaged children, and children with special educational needs and disabilities (SEND).

### **2. Youth hubs**

We are proposing that the four youth hubs work alongside the proposed 'children and family hubs' to provide joined-up support for families with children 0-19 years.

The four youth hubs are located at:

- Young Hackney Forest Road, 29 Forest Road, E8 3BY
- Young Hackney Stoke Newington, Chaucer Court, N16 8TS
- Young Hackney The Edge, 7 Woodberry Grove, London, N4 1ST
- Concorde Youth Hub, Kingsmead Way, E9 5PP

The youth hubs are run by Young Hackney, a service that works across the borough in youth clubs, adventure playgrounds, community halls, voluntary and community sector provision and in schools. They provide individual support within schools, community settings or at our youth hubs, but will often provide support within the family home. Young Hackney services are for children and young people aged 6-19, or up to 25 years if the young person has a special educational need or disability.

Feedback received from the consultation will help us deliver the Early Years Strategy and inform how we deliver service in our children's centres, ensuring that what we do reflects local needs and continues to support outcomes of children at risk of underachievement.

## **2. PLACES AND VACANCY RATES**

### **What is the overall vacancy rate in childcare and nursery settings?**

There are 496 children's centre nursery places delivered by 11 children's centres. These places are subsidised by the Council. There are a further 203 15 hours and 30 hours children's centre childcare places for children 2-4 years that are not

subsidised by the Council, created initially to support eligible 2 year olds to access their free 15 hours nursery entitlement. The proposal to close two children's centres will leave 404 subsidised childcare places, and 203 non-subsidised places.

Many providers report childcare vacancies to the Parenting & Family Information Service on a monthly basis. In October 2021, 134 vacant places were reported by nurseries who provide daycare, and 19 vacancies reported by childminders totalling 153 vacant daycare places. Many schools have reduced their pupil admission numbers, which means that nursery vacancies are not reported.

A reduction in the demand for childcare places invariably impacts on the sustainability of the childcare market.

In addition, there were 29 reported free 15 hours and 30 hours vacancies in nursery classes in schools. These 15 hour and 30 hour nursery 'free entitlement' places (£5.97/hour) for 3 and 4 year olds are subsidised by the Government.

However, the cost for a place for a baby (£10.70/hour) and a child 0-2 years (£8.43/hour) is heavily subsidised by the Council - at up to 63% for families with an income of £35k.

The Council has a duty to ensure that there are sufficient childcare places to support working parents, disadvantaged children and those eligible for their free 15 hours nursery entitlement. That duty is monitored each year to ensure there are sufficient places. At the moment there are surplus places, with new private and voluntary sector childcare provision opening each year.

### **What is the vacancy rate in Fernbank?**

There is a 32% vacancy rate in Fernbank subject to change. This means there are approximately 19 out of 60 full-time equivalent spaces unfilled each day.

### **What is the vacancy rate in Hillside?**

There is a 23% vacancy rate in Hillside subject to change. This means there are approximately 11 out of 41 full-time equivalent spaces unfilled each day.

Under-occupancy impacts on income, resulting in a deficit.

### **What other factors have you considered?**

Other factors are that these centres are in an area where 24% of the child population attend independent settings, and this number is steadily growing, this all indicates and means less demand for these centres.

### **Why do vacancy rates affect children's centres?**

We have spent the last 17 years developing quality children's centre provision of which we are proud and we know that parents and carers highly value. Closing children's centres is not something we ever want to do. However, the current financial climate, specifically the £1 million budget reduction, means that we have no choice but to consider closures.

Vacancies have a direct impact on the Council's already stretched budget - and will lead to a budget deficit for the Council long-term, all of which sadly means these centres are no longer sustainable. Hillside is a small centre, which is impacted by under-occupancy. Fernbank is also under-occupied, and is projected to accrue a deficit if vacancies continue as they are. We simply cannot afford to continue to run centres at a loss. The Council has in the past been criticised for failing to move quickly enough to prevent school managed children's centres from developing deficits. At a time when the Council must make savings to balance the books and protect services for all residents, it cannot run services at ongoing loss.

### **Is there a number Hackney Council regards as 'sufficient nursery provision' for 2021-2026?**

The Childcare Act 2006 and 2016 places a duty on local authorities to ensure that there is sufficient provision for children to take up their free 15 and 30 hours nursery entitlement. Along with sufficient provision to enable parents to take up or remain in work or to undertake education or training to assist them in obtaining work. Hackney has fulfilled this requirement, with surplus childcare places. The link to the childcare sufficiency audit can be [found here](#).

## **3. SUPPORT FOR FAMILIES**

### **How will the Council be working with families affected by the proposals?**

We know this is a worrying time for parents and carers of children who attend these centres. But we will do everything in our power to support and access alternative provision where needed. We will always do our best to ensure our disadvantaged families continue to have access to the childcare and respite they need.

Here's what we're doing:

1. We've informed parents on the admissions register of these centres about the closure of the registers pending the outcome of the consultation.
2. We're identifying children going to school or nursery class in September 2022, and those who will require ongoing childcare at that time.
3. If the proposals go ahead, we will work with parents of children who still require childcare to identify specific needs, and match requirements to alternative settings, where possible. These settings will be mapped: this means finding out how many places will be available at alternative children's centres and nurseries.



4. We will confirm offers in the spring (April/May) to coincide with reception and nursery class offers in primary schools.

### **Will more places be offered by other Children's Centre to cover the places from Fernbank and Hillside?**

Children's centres regularly review their intake in relation to demand and adjust the nursery capacity where possible. This has meant creating new places for 2, 3 and 4 year olds who are eligible for the free 15- and 30-hour nursery entitlement.

The Council is not in a position to create new subsidised childcare places, however, we will review arrangements for baby places as part of the reprovisioning of a children's centre in the far north of the borough.

## **4. STAFFING IMPACT**

### **How will the proposals affect staff?**

We know the proposed changes may have a significant impact on staff, and that this will be disappointing news to them.

Staff who are affected by the changes will be supported by our human resources team and will have the opportunity for redeployment into vacant positions, where these exist, in other Council-run centres; they will have access to the Council's full redeployment list; or, separately, they can apply for roles in centres and nurseries across the borough, where they exist. Unions have been notified of the proposed closures, and staff are currently taking part in a separate staff consultation.

Any potential redeployment opportunities into other children's centres, should these proposals be implemented, will take place when the proposed changes take effect, in order to limit any further disruption to the children.

## **5. TIMELINES AND DECISION-MAKING PROCESS**

The consultation closes on 16 November 2021. A report of the findings will be shared with senior managers who will make a recommendation about taking forward the proposals, informed by the feedback. The recommendation will go to Cabinet for a final decision in December.

[Take part in the consultation here.](#)