



National Audit Office

# Sure Start Children's Centres

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# SUMMARY

Sure Start Children's Centres are multi-purpose centres bringing together childcare, early education, health, employment and support services for pre-school children and families (**Figure 1 overleaf**). The first 800 centres are located in the most deprived areas but the Government is committed to creating a children's centre for every community – 3,500 by 2010. Between 2004 and 2008 the Department is planning to spend a total of £3.2 billion on children's centres and Sure Start Local Programmes. Children's centres also have income from various other sources including grants and fees for childcare charged to parents.

We undertook our examination at a time of transition and substantial change for local authorities and children's centres. And many of the improvements they are seeking to make in children's lives will show

their main results only after a number of years. We therefore focused our examination on the capacity of the centres established by the time of our examination and the responsible local authorities to deliver value for money through sound financial management; reaching the most disadvantaged families; and monitoring their performance effectively. To do this we visited 30 children's centres which had been set up by September 2005, collected financial and activity data about each children's centre and interviewed staff in the 27 local authorities where they were located, and conducted focus groups with parents. In total we interviewed 191 centre and local authority managers and staff. **Figure 2 on page 10** summarises their views on the benefits and challenges of children's centres and their main concerns.

## 1 Sure Start Children's Centres – the facts at your fingertips

### What are they?

- Multi-purpose centres that bring together childcare, early education, health, employment, and family support services
- Designed for use by families, parents and carers of children under five
- Centres' set up varies: some are based in schools, at health centres, in colleges or are standalone buildings on their own sites
- In September 2006 there were 1,000 centres, nearly all in deprived areas
- The Government aims to provide one for every community – 3,500 centres by 2010

- The Department is spending £2.2 billion on revenue and over £1 billion on capital for children's centres and Sure Start Local Programmes over the four years from 2004 to 2008.
- In 2005-06, centres in our sample that were formerly Sure Start Local Programmes, some of which had been established for some years and offered a wide range of services, spent on average £580,000. Other centres, some of which were recently opened, had not built up the full range of services and used more services provided by partner organisations, spent on average £350,000.
- Centres aim to help all children, and particularly disadvantaged children, improve their life chances, such as through better educational achievement and employment prospects, and living more healthily. They also aim to support families and help parents who are unemployed return to work.

### How it delivers

Public, private and voluntary providers work together at a children's centre. The services they provide range from centre to centre but often include:

- |  |                                     |   |                                       |
|--|-------------------------------------|---|---------------------------------------|
| ■ Integrated early education and childcare | ■ Ante-natal and postnatal services | ■ Play sessions                                       | ■ Home visits to families             |
| ■ Baby weighing with health visitors       | ■ Speech and language development   | ■ Baby massage  | ■ Play sessions in community settings |
| ■ Health checks                            | ■ Training sessions                 | ■ Signposting to employment opportunities             | ■ Mobile toy libraries                |
| ■ Links to Jobcentre Plus                  | ■ Support networks for childminders | ■ Support for children and parents with special needs |                                       |
| ■ Crèches                                  |                                     | ■ Pre and post-natal classes                          |                                       |

### Who provides the services?

#### Public providers

- Childcare
- Family support
- Social care
- Health services (pre-natal, post-natal, speech and language therapy)
- Employment and training support, Jobcentre Plus
- Adult education support
- Children's information services
- Housing support services

#### Voluntary and private providers

- Childcare providers
- Centre management service providers
- Community outreach organisations
- Ethnic support groups and refugee organisations
- Business and regeneration support agencies
- Housing support services

**Average price per childcare place, per week: £133**  
(Figure 11 on page 21)

**Other services or classes: normally free, or with token charges**

## 1 Sure Start Children's Centres – the facts at your fingertips *continued*

### Where they came from

Up to March 2006 most children's centres have been developed from facilities that were formed from earlier initiatives for young children

|                             |   |
|-----------------------------|---|
| Early Excellence Centres    | <b>Started in 1997</b> to provide high quality integrated care, child and adult education and family support for families |
| Sure Start Local Programmes | <b>Started in 1999</b> to provide integrated family support, health and early learning services in one place              |
| Neighbourhood Nurseries     | <b>Started in 2001</b> to provide accessible and affordable day care in the poorest areas                                 |

- At their highest point there were around 500 Sure Start Local Programmes, 100 Early Excellence Centres and 1,300 Neighbourhood Nurseries
- In September 2006 there were 1,000 children's centres comprising about 500 Sure Start Local Programmes, 430 previous Neighbourhood Nurseries and 70 previous Early Excellence Centres

*Source: National Audit Office, Department for Education and Skills and information collected from the Sure Start\_On web-based system*

### Are centres meeting families' needs?

- Local authorities are rapidly expanding the number of centres – from 350 in September 2005 to 1,000 by September 2006.
- Some of the centres we visited were still building up their services, and most were developing further the services that were already established. From our visits to 30 centres and focus groups with parents during January to May 2006:
  - Most families we spoke to who used children's centres were happy with the quality of services. Centres were providing support such as a one-stop, accessible source of advice, and social networks that are not available through other services (Figure 2). Other than childcare, services are generally free.
  - Centres were raising the quality of services and making them more relevant to the needs of lone parents, teenage parents and ethnic minorities in areas with large minority populations. But managers agreed they needed to do more to identify and provide outreach services to families with high levels of need in their area – only nine of the centres we visited were targeting them directly.
  - Less progress was being made in improving services for fathers, parents of children with disabilities, and for ethnic minorities in areas with smaller minority populations.

- Families we spoke to lacked awareness of the full range of services available, and want more accessible, clearly signposted services. This extended to people using some services as well as to families not using the centres at all.

### Are centres well managed?

- Based on our visits to 30 centres and interviews and data supplied by 27 local authorities:
  - Centre managers and staff considered that one of the main benefits of centres is working with other organisations to deliver the services needed by families (Figure 2). But the local authorities we examined had not all developed effective partnerships with health and employment services (18 of the centres we visited reported problems working with health services, and six with Jobcentre Plus). Part 3 of our report outlines how some centres have overcome these difficulties.
  - Building willingness to cooperate among agencies and managing multi-agency centres are new skills; a quarter of centre managers considered they needed more training in leadership.
  - Most children's centres and local authorities were able to manage their finances for the current financial year. However, 4 out of 30 were forecasting a deficit.

- Local authorities were concerned about their ability to manage the roll-out of more children's centres and how they will manage a sustainable childcare market (Figure 2).
- Reflecting the relatively recent establishment of children's centres, we found that they and local authorities had as yet collected only limited data to assess cost-effectiveness. Comparing cost-effectiveness is not straightforward because centres' expenditure varies widely owing to factors such as the numbers of families in their area, what services the centre funds (as opposed to funding by partners), and whether the centre was developed from a Sure Start Local Programme, which generally funded the most comprehensive activities. We could not identify a clear relationship between costs and the range or quantity of the services provided. Part 2 of this report identifies the average unit costs of providing core services using data collected as part of our local examination.

## Is the programme well managed?

- Local authorities' new responsibilities for children's centres began only in April 2006 and they present a major challenge, which will increase as the programme expands.
- As local authorities plan and establish new centres in less disadvantaged areas where there are higher levels of existing provision, for example through private providers, they will need to undertake assessments of need in order to inform decisions on the most appropriate allocation of resources and services across their whole area. At the time of our local examination, centres and local authorities had largely focused on securing the core services required by the Department.
- The Department has commissioned a comprehensive seven-year evaluation of Sure Start Local Programmes, which is continuing with the creation of children's centres. By examining progress with children's centres this report complements this evaluation.
- For day-to-day monitoring at local level, we found centres and local authorities were uncertain about how they should measure their performance. Over half of local authorities we examined were not carrying out any active performance monitoring. The Department published a national performance management framework on 30 November 2006.

## Value for money assessment

The impact of children's centres on children's development will not be measurable for some years. Good progress is nevertheless being made in creating centres that bring together services that families value, though much more needs to be done to reach and support the most excluded groups. The costs of centres, and of activities in centres, vary widely, and we cannot yet say whether they are using their funds cost-effectively. Centres will be better placed to deliver their objectives in a cost-effective manner if:

- centres and local authorities get better at understanding their costs and putting resources where they are most effective;
- centres make sure the most needy families access their services; and
- local authorities have effective partnerships with other agencies providing relevant services in their localities, especially health and employment services, and so avoid duplication by centres of existing provision.

## Our conclusions and recommendations

### For centres and local authorities

**1 The most disadvantaged families and children have the greatest need for the integrated services provided by children's centres.** Most centres we visited recognised they needed to do more to identify families with the highest needs, make them aware of the services on offer and help them to access these services. Part 3 of our report gives examples of effective strategies to bring services to these families. For example, centres that are successful at reaching disadvantaged groups showed commitment from the centre manager and staff; used outreach and home visiting in co-operation with health and community groups to reach excluded families; and provided outreach services on the doorsteps of deprived communities.

**2 Centres and local authorities need to establish the costs of centres' various activities and how well they are being used, so that they can take informed decisions to move resources on the basis of priority and cost-effectiveness.** We found that few centres or local authorities knew what centre activities cost or were allocating funds according to an assessment of need or demand for services. Part 2 of our report identifies unit costs for providing the main services. Local authorities may wish to use Figures 9 to 12 as indicative benchmarks when calculating funding for centres. If the average cost of delivering key services is significantly higher, local authorities should investigate why and assess whether the higher costs are justified.



Local authorities should help centres to provide services cost-efficiently, for example by sharing staff across centres such as centre managers or administrative support; developing agreements with partner organisations to work across centres; and sharing specialist expertise, such as working with teenage parents or employment support. Centres should avoid setting up new services where they can work efficiently and effectively with existing outreach and community organisations, and should consider existing private and voluntary providers for delivering childcare and other services.

**3 Centre managers and staff are working in challenging ways that will often be new to their professional disciplines.** Some centre managers and staff were cultivating the skills required to lead centres, manage finances cost-effectively, and deliver successful services and outreach to disadvantaged groups. A framework for training is in place through the National Professional Qualification in Integrated Centre Leadership. Centre managers should be supported to take up relevant training and develop networks to share knowledge with each other. And they should do the same to equip their staff for their new roles.

For local authorities and their partners

**4 Having people from different organisations working together in an integrated way is an essential feature of children's centres, and it is also one of their greatest challenges.** Children's centres provide an opportunity for effective joint working for the benefit of families, but there is a risk of confusion and disenchantment with collaboration because in many centres the expectations and responsibilities of the various partners are unclear. Health services, employment advice and childcare provision, for example, all require improved partnership arrangements, which may need to involve more formal local agreements about the services to be delivered through children's centres. Part 3 of our report gives examples of how some children's centres have formed effective partnerships.

**5 Local authorities are accountable for the Department's funds, though the way individual centres are managed and supervised reflects the different configurations they started from.** Local practices are based on a variety of partnership boards, steering groups, governing bodies on the school model or boards of community organisations. The Department has issued a discussion paper on key issues relating to the governance<sup>1</sup> and management of children's centres for consultation with centres themselves, local authorities, schools and other key stakeholders. It intends to issue guidance early in 2007 on possible models of governance and management that children's centres may adopt. Board members will need training to help understand their responsibilities better, so that they can provide local authorities with the support they require to assess local needs and priorities, monitor whether centres are meeting them, and challenge centres to raise standards and improve performance.

For the Department and local authorities

**6 The Department needs information to provide assurance that the programme is delivering value for money for the funds expended.** It published a performance management system in November 2006 for local authorities to use to monitor performance in children's centres, but this needs to be supplemented by longitudinal data and local monitoring in order to identify what is working. Figure 20 on page 37 shows the range of indicators we consider is needed to give a full picture of performance. The importance of having such a framework to provide assurance at national level will increase as local authorities begin to use the funding flexibilities allowed through local area agreements.<sup>2</sup>

<sup>1</sup> Governance is the system of control for overseeing the management of an organisation, setting goals, priorities and monitoring progress.

<sup>2</sup> Local authorities are at different stages of their local area agreements (LAAs):

- LAA pilots (21 authorities, 7 of which included Sure Start funding), which were selected in autumn 2004 and operated from April 2005;
- second round LAAs (66 authorities, 26 of which included Sure Start funding), selected in June 2005 and operating from April 2006;
- third round LAAs, developed from April 2006 and planned to operate from April 2007.

## 2 We consulted 134 centre staff, 30 centre managers and 27 local authorities on their top benefits, challenges and concerns

### Benefits

#### Centre Staff

**Partnership working:** working with other organisations to deliver services according to need. ●

**Impact on children and families:** providing services that improve the lives of children and their parents. ●

**Making services more accessible/user friendly:** easier access to all services, one-stop-shop provision that is more user-friendly. ●

**Job satisfaction/professional development:** staff can see the contribution they make and have progressed in their profession during their time at the centre. ●

**Teamwork:** working with other professionals to deliver services. ●

#### Centre Managers

**Partnership working:** working with other organisations and agencies to deliver services according to the needs of the community and learning from them. ●

**Impact on children and families:** providing services that improve the lives of children and their parents. ●

**Being part of the community:** working closely with families and integrating into the community. ●

**Working in new and creative ways:** having the ability to be creative and innovative in methods of working. ●

**Continuity of service:** having all services in one place means that continuity exists for individuals and services become more accessible. ●

### Challenges

#### Centre Staff

**Reaching individuals:** targeting individuals and encouraging them to use services. ●

**Multi-agency/multi-disciplinary working:** working with different organisations and different professionals to deliver a seamless service. ●

**Funding:** not enough money to provide all the services needed. ●

**Workload:** managing workload given time constraints of the job. ●

**Communication:** with all the people involved in children's centres including staff from different organisations and parents who may or may not be using the centre. ●

#### Centre Managers

**Sustainability and funding:** difficult to cover costs and maintain quality provision if take up not high, given limited funds available to the centre. ●

**Multi-agency/multi-disciplinary working:** working with different organisations and different professionals to deliver a seamless service. ●

**Evaluation/monitoring:** difficulties in evaluating impact/quality of service and monitoring centre performance. ●

**Recruiting and retaining staff:** recruiting skilled staff with the right experience. Retaining staff given uncertainty. ●

**Coping with change:** dealing with pace of change in the transition to children's centres. Managing staff during the transition. ●

### Concerns

#### Centre Staff

**Sustainability and funding:** of children's centre services as provision not affordable and centres may not receive sufficient funds, which will affect quality of services and lead to loss of skilled staff due to uncertainty. ●

**Risk of change in agenda:** replacement by new initiative/early closure of children's centres. ●

**Recruiting staff:** difficulty in recruiting staff with the necessary skills and qualifications and then retaining them. ●

**Centre too small:** not enough facilities to provide the services needed by the community. ●

**Outreach:** getting too hard to reach individuals. Loss of outreach services. ●

#### Centre Managers

**Sustainability and funding:** of non-core services. Insufficient funding to maintain quality of service currently offered, leading to resources spread too thinly over large number of services. ●

**Risk of change in agenda:** policy changes away from children's centre provision, as not given time to show impact. ●

**Recruiting staff:** difficulty in recruiting staff with the necessary skills and qualifications and then retaining them. ●

**Centre too small:** not enough facilities to provide the services needed by the community. ●

**Data sharing:** with partner organisations and agencies, not easy or straightforward. ●

Source: National Audit Office interviews with children's centre staff, centre managers and local authorities

### NOTE

Colours have been used for each benefit/challenge/concern to denote the strength of opinion among the various groups interviewed. A darker shade signifies a benefit/challenge/concern that was raised more often, while a lighter shade relates to those that were less important to interviewees. This feedback reflects the views of the participants during interviews on the day.

Local authority development officers

**Timescale:** for delivery of targets and centres.

**Bringing everyone on board:** to deliver centre services given different cultures within the many organisations.

**Insufficient funding:** not enough money to deliver targets/ make childcare provision affordable to all.

**Understanding of children's centres:** providers not always clear on scope/responsibilities of centres and have different expectations.

**Completing children's centre buildings:** managing building work and completing within budgets.

Local authority development officers

**Sustainability and revenue funding:** of childcare provision and children's centres, given the uncertainty of revenue funding in the future.

**Timescale:** timetable given in which to build centres and deliver services will be difficult to achieve.

**Capital funding:** not enough capital funding for number of new centres required or to refurbish buildings to meet community expectations.

**Recruiting staff:** problems recruiting skilled, high quality staff due to budgetary constraints.

**Requirement to spend capital funding:** capital funds must be spent within a given timescale which may not be feasible given delays to building work.