

**Subject:** Extension to the Free Early Years Entitlement  
**Date of Meeting:** 19 January 2009  
**Report of:** Director of Children's Services  
**Contact Officer:** Name: **Caroline Parker** Tel: **29-3587**  
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**Key Decision:** Yes Forward Plan No. CTB3083  
**Wards Affected:** All

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

1.1 From September 2010, every local authority must offer 15 hours of free early education to all 3 and 4 year olds, over a minimum of 38 weeks. That offer must be made available flexibly over a minimum of three days. As a step towards that, from September 2009, all local authorities must pilot the extension by making the offer available to 25 per cent of their most disadvantaged 3 and 4 year olds. The CYPTB is asked to agree a methodology for piloting the extension of the free entitlement to 15 hours for 25 % of children from September 2009 and a citywide framework for increasing flexibility.

#### 2. RECOMMENDATIONS:

- 2.1 To agree to target economic deprivation by using a measure of children living in worst 30% Super Output Areas as ranked by the national Index of Income Deprivation Affecting Children
- 2.2 To agree to target early years settings not individual children and to pilot the extension in those settings which have the highest proportion of children attending who live in worst 30% areas. To only fund settings who are open for 38 weeks and can show that the additional 2.5 hours will be free.
- 2.4 To agree a citywide framework of between 2 and 6 hours a day.

#### 3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 The Government is making this change because high quality early years education can lead to better education and social outcomes for all children with the benefits lasting through primary school. The benefits are greatest for disadvantaged children. Free early education can also allow parents to return to work, and/or enter education and training. The present entitlement is 12.5 hours a week for 38 weeks. This has traditionally been delivered in five 2.5 hour sessions during term time.

#### 4. CONSULTATION

- 4.1 The Childcare Sufficiency Assessment survey of parents last year included a question on what parents would like. There were a total of 377 responses from parents of 3 and 4 year olds (from 700 parents): would like to use over 3 days (41.4%), 4 days (10.3%), 5 days (44.6%), would not use (3.7%).
- 4.2 Two further surveys are under way. One is for parents with younger siblings to ask what additional flexibility they would like in the future. This will give useful information to both the provider as well as citywide information. The second is for parents who take up 10 hours or less a week to find out why and whether more flexibility would increase take up.
- 4.2 Private, voluntary and independent providers were consulted at a citywide Early Years Providers meeting. All providers have already been sent a consultation paper and asked to comment. Head Teachers with nursery schools and classes were consulted at a Head Teachers Breakfast meeting and a copy of the presentation and consultation form was sent to those who did not attend. Some providers are concerned that not all children living in worst 30% areas are deprived and that the whole settings approach means that advantaged children will also be funded. This is a significant change for schools who will need to provide staff cover over the lunch time that meet staff and qualifications ratios and adapt to children attending two sessions in a day.
- 4.5 The paper was agreed at the Schools' Forum meeting on 15 December.

#### 5. FINANCIAL & OTHER IMPLICATIONS:

##### Financial Implications:

- 5.1 The Government is providing extra revenue funding via Standards Fund to deliver the additional 2.5 hours and to incentivise flexibility. This money is ring fenced and can only be used to deliver the extension and it cannot be used to subsidise the present 12.5 hour per week entitlement. For Brighton & Hove, the standards fund grant available for 2009/10 is £332,530 and for 2010/11 the sum is £1,251,672. From 2011/12, it is anticipated that this element of revenue funding will be incorporated within the Dedicated Schools Grant. The Government is also making capital funding available through the Sure Start, Early Years and Childcare grant and it is intended that this will allow local authorities to more fully support providers in moving to a flexible offer.

*Finance Officer Consulted: Steve Williams*

*Date: 02/12/08*

##### Legal Implications:

- 5.2 The Childcare Act 2006 introduced a duty on local authorities to both improve all young children's outcomes, and to reduce inequalities between them, through integrated early childhood services. Section 7 of the Act places local authorities under a duty to secure early years provision. Regulations made under this section prescribe the type and amount of free early years provision each eligible child is entitled to.

Lawyer consulted: Serena Kynaston

Date: 04/12/08

Equalities Implications:

- 5.3 Good quality early years education improves outcomes for all children and particularly those who are most disadvantaged. The proportion of Black, Minority and Ethnic children in the targeted groups is 15.7% compared to the overall proportion of 14.7%.

Sustainability Implications:

- 5.4 Provision of childcare in local communities supports the sustainable communities goal, as well as reducing climate change and energy use.

Crime & Disorder Implications:

- 5.5 Research shows access to good quality childcare supports children and young people's learning and achievement in later life.

Risk and Opportunity Management Implications:

- 5.6 This is a significant change for schools and sessional early years providers. The aim of the pilot is to test new approaches.

Corporate / Citywide Implications:

- 5.7 The relevant corporate and CYPT objective are:
- Reduce inequality by increasing opportunity
  - Enjoy and achieve – improving early years outcomes

Health Implications

- 5.8 The Early Years Foundation Stage contributes to the Being Healthy Outcome through promoting children's physical and emotional well being including healthy eating and exercise.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 Government guidance asks local authorities to target economic deprivation and suggests using local Super Output Level information. The proposal is to use the national Index of Income Deprivation Affecting Children to identify those Super Output Areas which are in the worst 30% in the country. The Government uses the worst 30% to target full offer Children's Centre services. Alternative measures of deprivation were considered including the Index of Deprivation.
- 6.2 Local authorities have to choose whether to target children or settings. The proposal is to fund all children in a setting and not individual children. It will be easier for the setting if all the children are doing the same and less stigmatising for the child/family. This is particularly important in settings which are changing their hours from 12.5 to 15. This approach does mean that we will fund some children who live in less deprived areas. The alternative would be to only fund children who lived in certain areas of the city. The Department's view is that the pilot is just for a year and it is more important to have a workable system than a perfect match with deprivation. Feedback from the Government Office for the South East is that all south east authorities are adopting a similar approach.
- 6.3 Different options for the maximum number of hours in the day were considered including the maximum of 10 hours. Although not every provider has to offer flexibility the local authority must ensure that a citywide offer is available to parents who want it. Many providers, including schools, would find it very difficult to provide more than 6 hours a day.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 The proposal is to offer the funding to those settings with the highest proportion of children living in the worst 30% Super Output Areas based on January 2008 census information. The new January census information will be available in March 2008. Any significant changes in the pattern of attendance by disadvantaged children will be reviewed then.
- 7.2 To fund 25% of children will mean ensuring that just under 1000 children can access 15 hours. All early years settings in the city have been ranked according to the proportion of children who live in the worst 30% areas (annex 1). The proposal is to fund the top 40 settings who meet certain conditions. If a setting does not meet the conditions or did not want to participate in the pilot then the next setting on the list would be considered.
- 7.3 For the pilot settings will need to be open for at least 38 weeks a year. Where providers are open for less than 38 weeks the Department expects local authorities to arrange additional weeks for those children. This would be difficult to arrange and would be disruptive for the children.
- 7.4 The DCSF guidance states that local authorities can offer a minimum of 2 hours a day and a maximum of 10 hours in one day. LAs must
- Ensure genuine flexibility is delivered
  - Actively encourage and support providers to increase flexibility
  - Ensure a sufficient number of providers deliver a flexible offer to meet local needs – not every provider has to offer the same level of flexibility
  - Agree the maximum hours that can be funded in a day
- 7.5 The proposal is to agree a maximum of 6 hours a day – this is the same length as a school day. Providers would be able to decide the level of flexibility they wanted to offer parents. For example some providers might decide to just offer 3 hours a day.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Ranked list of settings according to the Index Income Deprivation Affecting Children is considered to be most relevant.

### **Documents In Members' Rooms:**

1. None

### **Background Documents**

1. DCSF Guidance on the Flexible Free Entitlement