

Subject:	Early Years and Childcare: Role of the Local Authority		
Date of Meeting:	Children and Young People's Committee		
Report of:	Executive Director of Children's Services		
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Ward(s) affected:	All		

FOR GENERAL RELEASE/ NOT FOR PUBLICATION**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The report explains changes in the role of the local authority in relation to childcare as set out in the Government publications More Great Childcare (January 2013) and More Affordable Childcare (July 2013). These documents include plans to improve the quality and affordability of childcare. The Government is strengthening the inspection regime, making Ofsted the sole arbiter of quality and limiting the role of the local authority.

2. RECOMMENDATIONS:

- 2.1 That the Committee agrees to continue to promote high quality early years provision across the city by offering support to all early years providers and by targeting most support on the weakest early years providers and those with the highest numbers of funded two year olds.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 High quality early education promotes children's development in their early years and is crucial to their future success at school. It is especially beneficial for the most disadvantaged children.
- 3.2 Local authorities are responsible for allocating funding for early education places for all three and four year olds and two year olds from low income families. Previous Government guidance encouraged the use of local eligibility criteria to improve quality in private, voluntary and independent (PVI) and Council run providers. Local conditions included asking providers to meet quality requirements before agreeing funding, taking part in an annual quality review and completing a quality assurance scheme. The quality review considered a range of factors including the last Ofsted report and was used to determine the level of support for each provider. This approach was successful in improving the quality of PVI provision in the city. In 2012 Brighton and Hove was in the Ofsted top ten local authorities for good and outstanding providers. The latest figures from Ofsted (June 2013) show that 88% of providers were good and outstanding

compared to 77% in England.

- 3.3 In the future the Government wants local authorities to act as “champions” for disadvantaged children and their families and to focus on challenging and supporting early years providers judged as “requires improvement” by Ofsted. A key role will be to identify hard to reach families and help them choose an early education provider. The Family Information Service already encourages families to apply for 2 year old funding, performing eligibility checks and supporting them to find a childcare provider. Most families self serve on line and use the FIS helpline if they need more support. FIS provides a case work service for families who need more help, for example those referred from social work, including helping with forms and claiming benefits, and referring to specialist agencies.
- 3.4 The 2013 Statutory Guidance on Early Education and Childcare said that the local authorities (LAs) should base their decision whether to fund a provider to deliver early education places solely on the provider’s Ofsted inspection judgement. Local Authorities should fund all good and outstanding providers (including childminders). LAs can no longer require providers to complete quality assurance schemes or new providers to meet quality conditions. This means that the Brighton and Hove has to change. The statutory guidance also states that LAs should withdraw funding from providers rated “inadequate” as soon as practicable.
- 3.5 The Government is re-focussing the current duty on local authorities to secure information, advice and training, on meeting the needs of providers who have been rated as “inadequate” or “requires improvement”. In a time of limited resources the Government considers that it does not make sense to compel LAs to deliver services to high quality providers. LAs will still have the power to provide support and training for high quality providers but will not be able to require these providers to access support. In Brighton and Hove there has already been a reduction in funding for this area over the last two years. A programme of training is available and providers now contribute to the cost.
- 3.6 The proposal is that Brighton and Hove should remain committed to high quality provision across the city to continue to improve outcomes for childcare and narrow the achievement gap. The Council’s proven, effective Early Years workforce will continue to offer a programme of training, support and challenge to all providers but with a reduced offer to good and outstanding providers. All providers will be offered support and challenge on quality improvement, safeguarding, the inclusion of children with special needs and support for children with English as an additional language. Targeted additional support will be given to settings judged by Ofsted to be inadequate or “requires improvement”. Providers with high number of funded two year olds, who will later be our pupil premium pupils, will be strongly encouraged to engage in a language development programme.
- 3.7 The change in the statutory guidance means that there will be no requirement for good and outstanding providers to accept support. This creates a tension with the LA’s role to ensure the provision of high quality places for all children and particularly the most disadvantaged. There is no accountability to the LA for the progress of disadvantaged two year olds. Ofsted, with a strengthened inspection regime, will be the sole arbiter of quality.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The proposals about change in the role for the local authority in relation to childcare flows from new statutory guidance which the local authority has to follow. The new statutory guidance means that the local authority can no longer require funded early years settings to meet quality requirements if they have a good or outstanding judgement. The proposal is to continue to offer support for these settings to ensure that they remain good and outstanding. The alternative of not offering support to all early years providers could lead to a reduction in quality.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Early years providers have been consulted about future support. Responses so far indicate that the majority of providers are keen to continue working with the local authority.

6. CONCLUSION

- 6.1 The proposal is continue to promote high quality early years provision by offering support to all early years providers and by targeting the most support on the weakest and those with the highest numbers of funded two year olds.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 Funding for early education places for 2, 3 and 4 year olds comes from the Dedicated Schools Grant. The average hourly rate for a 3 and 4 year old place is £4.15 and for a two year old place is £5.15. The proportion of total expenditure used on central spend is 8% compared to the SE and England percentages of 11% and 15%. The Government plans to reform early education funding with the aim of a new system from 2015/16.

Finance Officer Consulted: David Ellis

Date: 15/10/13

Legal Implications:

- 7.2 The Childcare Act 2006 outlines the duty of local authorities and their partners to improve outcomes of all children under 5 and remove inequalities and other duties in relation to childcare. Local authorities must have regard to any statutory guidance issues under the 2006 Act. The Government published new statutory guidance for local authorities in September 2013.

Lawyer Consulted: Natasha Watson

Date: 05/11/13

Equalities Implications:

- 7.3 The proposal aims to narrow the gap for protected groups by continuing to support all providers with safeguarding, the inclusion of children with special

needs, English as an additional language and to target additional support on the weakest providers and those with the most funded two year olds.

Sustainability Implications:

- 7.4 Free early years provision aims to support sustainable communities by improving outcomes for children and reducing poverty for families
- 7.5 Any Other Significant Implications: None.

SUPPORTING DOCUMENTATION

Background Documents

- 1. More Affordable Childcare (available on www.education.gov.uk/publications.)
Reference DFE-00025-2013

Crime & Disorder Implications:

- 1.1 None.

Risk and Opportunity Management Implications:

- 1.2 The key risk is that the changes will reduce outcomes for children. This has been mitigated by identifying an early years strategy which focuses on the weakest settings and those with the most disadvantaged two year olds.

Public Health Implications:

- 1.2 The Marmott Review of health inequalities made improving experiences in the early years the priority objective for reducing health and other inequalities.

Corporate / Citywide Implications:

- 1.3 Early years childcare supports the corporate priority of reducing inequality and ensuring children and young people have the best start in life.

