

**Schools Forum**

**20<sup>th</sup> September 2016**

**Creating Early Learning Places for 2 Year Olds Report**

**1. Purpose of report**

- 1.1 The purpose of this report is to update Schools Forum on the progress of Walsall's provision and the take up of two year old provision particularly linked to the £3.4 million capital and revenue investment. The report also informs schools forum about the extended offer of early learning for working parents and seeks permission that some of the remaining financial resource can be used to support this new agenda.

**2. Recommendations**

- 2.1 That Schools Forum note the progress, and funding committed, to date in creating 2 year old places, and the further work being undertaken to ensure sufficient places are available.
- 2.2 Schools Forum confirm their support for utilising any remaining balance, once the required number of 2 year old places are secured, to invest in supporting the creation of sufficient places for the 30 hour/ extended offer.

**3. Background**

- 3.1 The local authority is responsible for ensuring that:

- there are sufficient good or outstanding places for eligible two year olds
- parents are aware of the entitlement and are supported to access the free place

- 3.2 School Forum (14<sup>th</sup> October 2014 and 13<sup>th</sup> January 2015) agreed that £2,200,000 from the Designated Schools Grant would be used to create further places for two year olds, as well as £183k capital carried forward from 2014/15. In addition £1.2m revenue trajectory funding would be carried forward into 2015/16.

**4. Progress and Current Status – Early Learning for Two Year Olds.**

- 4.1 By March 2015, 67% of the 2199 eligible two year olds had accessed their free education. (1473 children) Some of these places were already available in existing day-care and childminder provision. 404 new places were created in this phase (Phase 1) utilising £515,341.00 capital fund and £453,724.00 revenue.
- 4.2 Following a further needs analysis in March 2015, schools in target areas were approached to create the remaining 33% places (726)
- 4.3 Phase 2 involved 12 schools, 1 private provider and 5 Children's Centre conversions. It resulted in 364 places being created at a cost of £1,210,886 capital and £613,102 revenue.

The revenue costs include transitional funding to support schools with staffing costs as they increased the numbers of children accessing the places.

4.4 The current, as at 19<sup>th</sup> May 2015, balance remaining is £1,086,074 capital and £598,298 revenue with 362 places to create.

4.5 By February 2016, Walsall take up had increased to 69% and a decision was taken to let the market settle and reassess take up and demand in August 2016 except in those areas where there was a clear identified unmet need and corresponding gaps in supply, namely Willenhall, Bloxwich and Birchills. Opportunities to increase two year old places through the use of the Children's Centre and a former Youth Centre are subject of a report to Cabinet in Jul 2016.

## **5. Transition Fund**

5.1 In June 2015, Schools Forum agreed to offer transitional fund to schools. The intention of the scheme was to put in place a short term amount of financial support, which tapered off throughout the academic year, to avoid providers incurring significant unfunded costs associated with staffing places that had been created, whilst those places were being advertised and filled.

5.2 This scheme was successful and all schools were given financial support through their first year whilst they were monitoring and assessing the need for ongoing staffing levels.

## **6. Sufficiency of places for the 30 hour/ extended offer**

6.1 All 3 and 4 year olds are entitled to 15 hours free early learning. Most children take up their nursery place in one of our 80 Primary Schools and 8 Nursery Schools. There are approximately 25% of parents who choose for their children to use a day-care setting or childminder.

6.2 From September 2017, the government will be increasing the offer from 15 to 30 hours for nursery aged children of eligible working parents. Local Authorities are tasked with working with schools and settings to ensure there are sufficient places for those eligible families who choose to access the additional hours.

6.3 Schools and settings have been invited to identify possible ways forward to offer sufficient places. Not all children will be eligible, particularly those from workless homes or in receipt of some benefits, as it is for children of families where all parents in the household work for over 16 hours at minimum wage and earn less than £100,000 a year. Schools where there are more working families are likely to have a higher demand for places. Schools where there are high levels of deprivation are likely to require fewer places.

6.4 Some schools may already provide wrap around provision where the offer Governor led fee paying wrap around care. In these cases schools are ready to offer the 30 hours.

6.5 Some schools may already work in partnership with providers of day-care or childminders and have safe arrangements for transporting children between sites or to be collected. The government seek to encourage this type of arrangement.

6.6 Schools and settings will need to consider whether there are spare places in their existing provision or additional space in their building.

6.7 The DfE have offered Walsall the opportunity to bid for up to 4 schools or settings to apply for funding for capital builds. The process is a competitive one and there is strict assessment criteria to include:

- A track record with Ofsted/ Independent Schools Inspectorate
- Clear evidence that the project will be completed by the end of August 2017
- Total cost of project is below 1 million including alternative sources of funding
- A minimum of 25% of the total project costs is obtained through alternative sources of funding

Further evidence needed includes: a high percentage of eligible children in the area, demand from parents, that the provider is close to or at full capacity and could provide additional spaces without capital, other providers in the area have little or no capacity to provide, the place creation will not impact on the universal offer (15 hours) or the offer for eligible 2 year olds, a costed options appraisal, a good or outstanding provision, readiness milestones that demonstrate project delivery within the timeframes and value for money.

6.8 The DfE expects 25% of each project to be funded locally.

6.9 Officers met last week to determine a process to meet the DfE required timescales.

6.10 Although we want schools to be in a position to offer this opportunity for their cohorts of eligible children we do not want it to be at the detriment of those more disadvantaged children. Therefore, if a school nursery is usually full more places would have to be created in order to offer the 30 hours.

6.11 The LA will support schools and settings by ensuring finance pathways are understood to support sustainability, offering clear information about eligibility checking, support and training practitioners to tailor the child's 30 hour learning experiences. In order to ensure fairness and sector led approaches there are three reference groups being set up. There will be a schools group, a settings group and a parents group.

## **7 Financial Implications**

5.1 Table 1 provides a summary position of committed spend against the agreed funding allocations to support the creation of 2 year old places.

Table 1	Capital	Revenue
Schools Forum Allocation	£2,220,000	
(including carry forward)	(£2,383,116)	(£1,211,400)
Actual Spend to date	£1,285,474	£464,821
Remaining Costs Already Committed (incl. transitional	£11,568	£148,281

fund)		
Remaining Balance	£1,086,074	£598,298

- 7.2 Once the required number of 2 year old places have been secured, there is also the opportunity for Schools Forum to agree to utilise any remaining funding to invest in supporting the creation of sufficient places for the 30 hour/ extended offer.

## 8 Legal Implications

8.1 All development of this agenda considers the legislative frameworks and statutory guidance as outlined in:

- The Children and Families Act (2014) <http://tinyurl.com/CandFAct2014>
- Equality Act (2010) <http://tinyurl.com/EA2010guidance>
- Working Together to Safeguard Children (2013) <http://tinyurl.com/WTTSC2013>
- Education Act 1996 <http://tinyurl.com/EducationAct1996>

## 9 School Improvement

7.1 The implications for school improvement are that eligible 2, 3 and 4 year olds will access quality learning opportunities earlier resulting in improved levels of development and a closing of the disadvantaged gap.