

Cabinet – 22 October 2008

Early Years Capital programme 2008 to 2011

Portfolio: Councillor Zahid Ali, Children's Services

Service: Walsall Children's Services - Serco

Wards: All wards

Key decision: Yes

Forward plan: Yes

1. Summary of report

The report sets out the plan for improving the quality of the learning environment within early years settings across Walsall. The Department for Schools, Children and Families has allocated capital funding, over the financial period 2008 to 2011, for this specific purpose.

2. Recommendations

That cabinet approves:

- 2.1 the approach to allocate the early years capital funding over three phases; namely the purchase of resources, capital development in Walsall owned facilities and capital grant allocations to the private, voluntary and independent sectors;
- 2.2 the allocation of up to £750,000 for the purchase of equipment and learning aid resources as part of the first phase of development;
- 2.3 the allocation of up to £250,000 towards improvements in the external play areas of the Children's Centres; and
- 2.4 that all expenditure in advance of permission to incur expenditure from Cabinet, be agreed with the Portfolio Holder, Children's Services and the Director of Children's Services.

3. Background information

The Department for Children, Schools and Families (DCSF) has allocated funding to Local Authorities to develop and improve the quality of the learning environment in early years settings. The expectation is that the majority of the grant is to make improvements in the private, voluntary and independent (PVI) settings, although spending on the maintained sector is not precluded. The aims of the grant are:

- to improve the quality of the learning environment in early years settings to support delivery of the Early Years Foundation Stage, with particular emphasis on improving play and physical activities; and ICT resources;
- to ensure all children, including disabled children, are able to access provision; and
- to enable PVI providers to deliver the extension to the free offer for 3 and 4 year olds and to do so flexibly.

The DCSF guidance defines capital expenditure and gives a current capitalisation threshold (currently £2,500, including VAT).

3.1 Vision for Early Years Quality and Access

In September 2008, the Early Years Foundation Stage (EYFS) became statutory; the overarching aim being to help young children achieve the five Every Child Matters outcomes, through a principled approach.

A rich and varied environment supports children's learning and development. It brings them confidence to explore and learn in secure and safe yet challenging indoor and outdoor spaces.

Our aim is to support settings so that, wherever possible, there will be access to a quality indoor / outdoor play area; this is the expected norm for providers as stated in the EYFS statutory guidance.

3.2 Approach

This report proposes a three phased approach to improve the quality of early years environments.

Local authorities are expected to spend their allocations and ensure the delivery of services and activities in line with the grant allocated. The DSCF has confirmed that local authorities can carry forward capital grant from 2008 -09 and 2009-10, provided all grant is spent by the end of March 2011.

In Walsall, the majority of 3 and 4 year olds access their free early years entitlement in the maintained sector. This differs from the majority of other local authorities. Therefore, whilst the majority of the capital funding will be directed to the PVI sector, funding will also be made available to the maintained sector, as permitted in the DCSF guidance letter.

It is proposed that the first phase will be a bulk purchase of equipment; this would satisfy the grant definition for capital expenditure.

The second phase will be to improve early years environments in settings located in Council owned buildings. The benefit from the investment and corresponding asset remains in the ownership of the Council.

The third phase will be to extend this to the PVI sector by enabling them to access funding to improve the quality within more settings. Grant procedures that satisfy DCSF and audit requirements will be established to enable the transfer of capital assets to other organisations.

3.2.1. Phase 1 - Equipment / Resources

The initial phase will focus on improvements to the outdoor environment. It is proposed that settings will be offered a range of high quality resources to enhance their outdoor provision. The Early Years Team within Walsall Children's Services – Serco who support the settings has identified a selection of resources that will support a principled approach to improving the outcomes for under fives in Walsall.

This will include high quality play materials and learning aids e.g. children's wooden play blocks, IT equipment, digital cameras, all-weather suits and cover for play areas to allow outdoor learning experiences in all weathers. Resources will be purchased centrally, to enable capital funding to be used for bulk purchases.

3.2.2 Phase 2 and 3 Capital developments

To enable early progress to be made, Cabinet is asked to approve a budget of up to £250,000 to improve outdoor play areas at Children's Centres across the Borough. Children's Centres should be examples of best practice, including the provision of the highest quality outdoor environments. The amount of funding to be allocated to an individual centre will be based on a needs assessment and expenditure will be agreed with the Portfolio Holder.

Detailed proposals for extending this to other settings will be brought to a future Cabinet meeting.

3.3 Achievements

Improvement to the quality and access to Early Years provision in Walsall has been provided thorough the Neighbourhood Nursery Initiative (NNI) and Children's Centre developments.

Walsall has successfully developed and opened 15 children's centres, meeting the Government's target for March 2008. A further 10 Neighbourhood Nurseries were also established.

4. Resource considerations

4.1 Financial:

A total of £3,045,651 capital has been allocated by the DCSF through the Sure Start, Early Years and Childcare Grant, across the financial years (2008-09, 2009-10, 2010-11). The grant will be paid to Walsall in equal amounts of £1,015, 217 in each year.

The Sure Start, Early Years and Childcare Grant is not available for pooling in the Area Based Grant or Local Area Agreements.

The financial terms attached to the grant are described in the Sure Start, Early Years and Childcare Memorandum of Grant, financial memorandum (Annex C). Over and above the general terms the specific requirements relating to this element of the grant are listed below.

- The authority shall maintain a capital asset register for all assets financed either wholly or in part by grant funding.
- The authority shall not, without the prior written consent of the Secretary of State, use the grant to provide loans. It shall not charge any asset or security, nor give any guarantees, indemnities or letters of comfort in relation to the grant, without the approval of the Secretary of State other than in normal course of business as defined in "Government Accounting."
- Where the market value exceeds £2,500, the authority shall consult the Secretary of State if it proposes to dispose of, change the use of, or transfer ownership of a tangible asset which has been financed wholly or developed with grant from the Secretary of State or which has been substantially improved by the use of such funds.
- Capital expenditure is defined as expenditure on the acquisition of tangible, productive assets, whose value exceeds £2,500 (including VAT) and which will give continuous service beyond the financial year in which they were purchased.

Capital expenditure is not necessarily limited to single purchases over £2,500; the following categories of expenditure are capitalised:

Individual assets: i.e. expenditure on single items whose value exceeds £2,500 e.g. vehicles, computer servers, land, new buildings, consultants' fees.

Grouped assets: i.e. assets of a similar nature are purchased at the same time, for example as part of a project. This can include consultancy costs incurred as part of the project costs. The value of the individual assets may be below £2,500, but the total value of all the assets determines whether expenditure falls above or below the capitalisation threshold.

Bulked assets: i.e. a bulk purchase of furniture or computer assets where the value of the individual items is below £2,500. As with grouped assets, the total value determines whether expenditure falls above or below the capitalisation threshold.

In Phase one the total spend will be approximately £750,000. In the initial stage of Phase two £250,000 will be allocated to improve Children's Centre external play areas.

4.2 **Legal:** Walsall Council Internal Audit Service will be consulted to ensure that procedures satisfy the financial and contract rules.

4.3 **Staffing:** There are no direct staffing implications as a result of this report.

5. Citizen impact

The adoption of this strategy will impact on the learning, health and social care of children, young people and their families in Walsall. It will contribute to make Walsall a place where “growing up is as good as it can be” by ensuring families can access high quality early years provision in their local area.

6. Community safety

The EYFS includes numerous references to the provision of quality outdoor experiences for young children, to include risk taking in a safe and secure environment, giving children skills and the ability to protect themselves from harm both within a setting and in their wider community.

7. Environmental impact

Being outside has a positive impact on children’s sense of health and well being and supports all aspects of children’s development. Quality outdoor environments give children the freedom to explore use their senses and be physically active and exuberant.

8. Performance and risk management issues

8.1 Risk There are specific grant criteria established by the DCSF that must be met.

8.2 Performance management: Project management systems will be employed to ensure the DSCF requirements are met and progress will be overseen by The Capital Grant Steering Group.

The allocation of good quality resources and supporting settings to improve environments will have a positive impact on childcare practice; reflected in Ofsted findings and outcomes for children.

9. Equality implications

The Early Years Foundation Stage is for all children regardless of ethnicity, culture or religion, home language, family background, learning difficulties or disabilities, gender or ability. The statutory guidance states that children should have the opportunity to experience a challenging and enjoyable programme of learning and development in indoor and outdoor environment. The planned expenditure will impact directly on ensuring equality of opportunity for children in the Early Years Foundation Stage

10. Consultation

The implementation of this approach to the allocation of capital resources will require detailed consultation with individual settings in the maintained, private, voluntary and independent sector, including Children's Centres. This will be conducted through a series of workshops to establish the requirements for high quality early years environments.

Background papers

None

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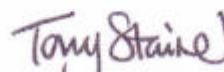
Signed:



Executive Director: David Brown

Date: 13 October 2008

Signed:



Managing Director, Education Walsall

Date: 13 October 2008

Signed:



Portfolio Holder: Councillor Zahid Ali

Date: 13 October 2008