

Southend-on-Sea Education Board

on

7th June 2017

Report prepared by:
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Report Title: 30 Hours Entitlement for Working Parents of 3-4 year olds from September 2017

Agenda Item: 6

1. Purpose of Report

- 1.1 To update the Education Board on the progress of implementation of 30 hours.**
- 1.2 To provide reassurance and best value to ensure the use of the funding which is centrally retained and administrated through the Dedicated Schools Grant under The School and Early Years Finance (England) Regulations 2017. In order for the Local Authority to meet its statutory duties under the Childcare Act 2006, Sections 6,7 and 7A.**

2. Recommendations

- 2.1 To request the completion and submission to the Education Board of an Equality Impact Assessment for all providers including schools who are planning significant changes to their nursery admission criteria from September 2017**
- 2.2 To require all providers including schools delivering nursery places to sign the Providers Agreement by September 2017. Please note: this is currently in draft due to go out on June 9th to all providers for comment. The draft agreement has been developed using the DfE Model Agreement Document (March 2017)**
- 2.3 To require all schools delivering nursery provision under early years ratios, where the children are not registered pupils of the school, to complete the Early Years headcount and Census information**

3. Background/Context

Local authorities **are required** by legislation to:

Secure free places offering 570 hours a year over no fewer than 38 weeks of the year¹ and up to 52 weeks of the year for every eligible child in their area from the relevant date

From September 2017 SBC has an additional statutory duty to ensure that there is sufficient childcare available for all parents eligible to access the new extended entitlement. This is free provision - an additional 15 hours a week for working parents of

three- and four-year-olds (on top of the universal entitlement of 15 hours a week for all three and four year olds). Eligibility for the additional hours will be determined by HMRC.

Please note that the term 30 hours is used as a way of describing the 15 hours universal funding for all children and the additional 15 hours for working parents. This equates to a maximum of 1140 hours per year, which can be taken within term time or extended over more weeks.

SBC expects all providers including schools to offer flexible options to meet the needs of both children and working parents. It is important to note that some of these children will only be 37 months old and 30 hours is equivalent to full time school attendance.

Local authorities must ensure they meet their duties under the Equality Act 2010 and take account of the Special Educational Needs and Disability (SEND) Code of Practice 0-25 when securing free places.

The [Equality Act 2010](#) introduced the term 'protected characteristics' to refer to groups that are protected under the Act. These groups are: age, disability, gender reassignment, marriage and civil partnerships, maternity/pregnancy, race, religion and belief, sex, sexual orientation.

In addition, the Council has identified the need to assess the impact of a policy, service function or restructure on carers, looked after children (as part of the age characteristic) as well as the socioeconomic impact of different groups, such as employment classifications.

An EA provides an assessment of the impact of decisions relating to a policy, service function or restructure on particular customers, residents and staff.

Anyone planning a project or activity in the community activity on behalf of Southend Borough Council or in partnership with them should complete an Equalities Impact Assessment (EIA). The EIA should be submitted to Education Board for consideration who will then establish if providers or schools need to complete any further community impact assessment.

4. Summary of benefits of the proposal

The 30 hours free childcare entitlement has benefits for Southend. These include:

- Enable the local authority to meet its statutory functions
- Opportunities for working parents to access high quality, flexible childcare
- The recruitment and retention of skilled staff i.e. early years teachers and support staff
- Supporting children with preparing for school and effective transitions

4.1 Poverty Agenda

In addition the entitlement will enable parents to enter work, to increase working hours or change working patterns which contributes to lifting children out of poverty. It will enable

some families to move from informal to formal high quality childcare arrangements and help allow families more time spent together. The benefits to parents include:

- being able to save up to £5,000 per year in childcare costs by accessing an additional 570 free childcare hours per year
- further savings through Tax-Free Childcare worth up to £2,000pa per child (or £4,000 for children with SEND) which is available to a wider range of working parents than childcare vouchers (self-employed, zero-hours contracts etc) and for children from 0-12 (or 17 with SEND)

5. Implications of the report

To raise the concerns of ensuring targeted 2 year olds and children only entitled to the universal 15 hours for 3 – 4 year olds are not negatively impacted by providers including schools by policy change decisions.

Historically school nursery provision was developed in areas of deprivation to provide high quality early years education for Southend's socially disadvantaged children. Any major policy change can have a direct impact of displacing our most vulnerable children.

From April 2017, the Early Years Foundation Stage mandatory framework allows school nursery classes to be able to decide on the governance structure in which they operate. The Early Years Entitlements: Operational Guidance (DfE April 2017) this clearly states whether the school needs to return data via the school census or the early year's census.

This has implications for schools currently only recording data via the school census.

6. Financial implications

It is expected that the 30 hours entitlement will have an impact on the sustainability. From April 2017 there has been a small increase in the funding rate for PVI providers and a staged decrease for school provision to March 2019 when all funded places will be at a flat rate per child.

For the majority of providers the funding rate for the additional 15 hours pw will represent a decrease in funding as their standard funding rate per hour for wrap-around childcare is higher than the local authority funding rate. This could have a significant impact on the sustainability of childcare providers and schools in Southend. Some providers have indicated that they will either not be offering more than the universal 15 hours free childcare or very limited 30 hours places.

There is a concern that some PVI provision could become unsustainable and have to cease trading – having a negative impact on the LA statutory duty to ensure sufficient childcare provision. Early Years have provided business training for providers and continue to work with providers to look at business planning and delivery options to support sustainability

Early Years will be carefully monitoring this potential impact and will raise concerns to the Education Board.

7. Consultation

Full consultation took place in December 2016, the agreement/handbook will go for comments only. This has been developed using the DfE Model Agreement framework (2017) to be fully in place by September 2017.

Risk associated with the report
Universal provision – vulnerable children -impact

6. Background Papers

- Early education and childcare statutory guidance for local authorities (DfE March 2017)
- Early years entitlements: operational guidance for local authorities and providers (DfE April 2017)