Item 6

### **Schools Forum**

## 6th May 2014

# The Free Nursery Entitlement for 2 year olds

#### Introduction

- 1. As previously reported to members, in September 2013 the Government introduced a new legal entitlement for up to 40% of all two year olds to access funded early education. This is being introduced in two phases, the first from September 2013, offered funded early education to 571 qualifying children across Stockton-on-Tees and from September 2014 the offer will be extended to reach 1,153 children.
- The free places are targeted towards those children that will benefit the
  most, with the primary focus being on economic disadvantage. An eligible
  child is entitled to receive a maximum of 570 hours of funded provision
  across the year.
- 3. As part of the September 2013 criteria, a child can access a place if they are looked after by the Local Authority or eligible for Free School Meals. The entitlement commences from the term after the child's second birthday and runs until the term after their third birthday.
- 4. From September 2014 and in addition to the above eligibility criteria, additional places will be offered to two year olds where:
  - families are in receipt of Working Tax Credits and earning no more than £16,190 a year;
  - children have a current statement of special educational needs (SEN) or an education, health and care plan;
  - they get Disability Living Allowance; and/or
  - they have left care through special guardianship or an adoption or residence order.
- 5. This free entitlement has stimulated increased demand for high quality early years places for 2 year olds in communities where there previously has been a limited requirement for provision.
- 6. Up to mid December 2013, there have been 379 full time equivalent, eligible 2 year olds that have accessed places. There are a further 129 eligible 2

year olds waiting to be placed. A total of 508 eligible children have taken up the entitlement to date, for a varying number of hours.

- 7. Places are available in a range of settings, including:
  - Private and voluntary childcare settings;
  - Childminders:
  - Nursery classes within schools
- 8. Take up from schools has been limited with only 7 of the 59 primaries joining the programme, offering a term of provision to 37 children (12.33 fte). This number falls well below the estimated number of 264 (88 fte) eligible children.

#### **Priorities**

- 9. The key role of the Local authority is to raise awareness of the programme with parents and it is the Government's strong intention to reward local authorities who achieve high levels of take-up by moving to participation funding. It is expected that this will be introduced in April 2015, based on the January 2015 head count.
- 10. It is imperative that the numbers of children accessing the free entitlement is improved and increased in order to ensure maximum take up by January 2015. This will ensure that the Local Authority receives the optimum level of funding for the 2015/16 financial year.
- 11. Therefore there are two key priorities:
  - To ensure there are sufficient places available across the borough to meet the increasing demand for provision.
  - To actively promote the entitlement to ensure as many eligible children as possible benefit from free, good quality early years care and education.
- 12. In order to achieve this it is proposed that the following key actions take place:
  - Bring forward the September 2014 criteria to May in order to maximise the scope of eligible children accessing a place.
  - As in other local authorities implement a comprehensive marketing and promotion campaign in order to reach and inform as many families as possible.
  - Offer funding to settings in priority areas in order to increase available places.
  - Source a new information system in order to ensure that management of the programme is effective and efficient.
  - Facilitate training and partnership work with settings, schools, childminders and Children's Centres.

13. Local authority allocations for two year old free early education, alongside funding for three and four year olds, form part of the notional Early Years block within the reformed DSG. The full DfE allocation for 2 year olds was included the budget agreed by the Forum in January. This included £329,667 Trajectory funding for 2014/15 and this together with a proportion of the underspend carried forward from 2013/2014, it is proposed that £740,000 is utilised in order to achieve the Local Authority's priorities and key actions as detailed above.

#### Recommendations

- 14. It is requested that the Schools Forum support the following recommendation:
  - To undertake the key actions, as detailed in paragraph 12 utilising the funding identified.

David New Senior Finance Manager – Service Strategy

Jane Wright
Planning & Partnership Manager – Education, Early Years & Complex Needs Service, CESC.