

London Borough of Bromley

PART 1 - PUBLIC

**Briefing for Education Services
Policy Development and Scrutiny Committee
on 2nd July 2014**

EARLY YEARS' SERVICE

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1. Summary

1.1 This paper is to provide an overview of the Early Years' Service in Bromley, outlining the statutory duties linked to the service, the challenges the service faces over the next 12-18 months, and an indication of planned changes which may have an impact on service delivery. This is in response to a request for clarification at Education Budget Sub-Committee, and by the Education Portfolio Holder.

2. Background

2.1 Bromley has historically encouraged the development of a diverse and independent Early Years sector, with the majority of Early Years Foundation Stage (EYFS) education being delivered in the private, voluntary and independent sector (PVI). There are 12 school nurseries, attached to maintained schools or academies, but these make up a small proportion of Early Years provision in Bromley, where there are currently 58 day nurseries, 111 pre-schools and 636 child-minders delivering over 6300 Free Early Education (FEE) places for 2,3,and 4 year olds under contract to the Local Authority.

2.2 There is **universal** eligibility for **all** children from the term following their third birthday until they start school to 15 hours of Free Early Education (FEE) for 38 weeks per annum. Some two year olds are also eligible from the term following their second birthday for 15 hours of FEE for 38 weeks per annum. This is **statutory non-compulsory education**.

- 2.3 The provision of FEE places is governed by the *Early Education and Childcare - Statutory Guidance for Local Authorities 2013(revised for September 2014)*. This means that providers **cannot charge** for any part of the FEE, nor can they place any condition on the delivery of a free place(compulsory purchase of a uniform for example). This **effectively caps** the amount a provider can earn for a free place to the level that Bromley pay. This varies according to the supplements which a provider can attract, from a minimum of £3.66 per child per hour, to a maximum of £4.83 per child per hour. There is a flat sum of £6 per child per hour for two year olds.
- 2.4 Some of these providers **additionally** deliver childcare places, for which they **can** charge.

Statutory Duties

- 2.5 There are several statutory duties, some linked specifically to childcare, and some to the provision of statutory Free Early Education for 2,3,and 4 year olds. They are listed below.

Childcare

Childcare Act Section 6 - Duty to provide sufficient childcare for working parents (or parents in education/training)

Childcare Act Section 11 –Duty to assess the sufficiency of childcare provision and report on its findings

Childcare Act Section 12. - Duty to provide information, advice and assistance, in particular to parents from groups likely to find it more difficult to access suitable childcare, e.g. parents of disabled children.

Childcare Act Section 13 - Duty to provide information, advice and training to childcare providers and prospective providers to help deliver sustainable affordable and high quality childcare that meets the needs of the community. (N.B. this will be amended in the Children and Families Bill and statutory duties will only be in respect of providers judged to be below ‘good’)

Education

Childcare Act Section 7 - Duty to secure prescribed early years provision free of charge at point of delivery

Early Education and Childcare - **Statutory Guidance for Local Authorities 2013(revised for September 2014)**

Challenges

Quality of Provision

- 2.6 Bromley early years settings are generally of high quality, with 90% of day nurseries, 93% of pre-schools, 81% of child-minders being good or outstanding. We currently provide support to settings which have been categorised as high priority (those which are graded below good or new providers). This is in line with the statutory requirements of the Childcare Act Section 13. In order to try and support all settings to maintain high quality, a Quality Improvement Programme (QIP) has been developed which can be used by settings to support their own continuous improvement. It is hoped that settings will proactively seek to improve their practice. There is a significant risk, if they don't, that the number of settings judged to be below good will increase and there may not be capacity within the team to provide the statutory level of support required. This in turn may limit the available FEE places.

Creation of places for two year olds

- 2.7 Over 600 new places for funded two year olds were successfully created for 2013/14. During 2014/15 we shall need to create the same amount again. This will present a real challenge, as those places can only be funded in settings judged to be good or above, and because they are available to those families on low income, or in receipt of workless benefits is a greater demand for places in certain areas in the borough where worklessness and low income is a greater problem.
- 2.8 In order to meet the demand there is a need to create additional high quality places, and at the same time stimulate demand so parents are aware of and take up, their entitlement.
- 2.9 £743, 903 of capital funding has been made available for this purpose. Initial feasibility is underway exploring the option of developing four large schemes, which was the subject of previous reports. In addition, where a school is being expanded to provide additional places for primary aged children, where this is in an area of need for FEE places, the possibility of creating a space suitable for nursery provision is being considered.
- 2.10 If sufficient places cannot be created there is a risk that Bromley will not be able to provide sufficient places for funded two year olds. This will in turn have an impact on the Dedicated Schools Grant (DSG), as from 2015 funding will be allocated on take up of places.

Provision for Children with Special Educational Needs and Disability (SEND)

- 2.11 Support is available for children with high levels of identified SEND to enable them to access their FEE place, however at present there is no support for settings to assist them to include children with lower levels of need, or where there is not a diagnosis. Such children can sometimes display challenging behaviour, or need more adult support to enable them to access activities safely. Universal early years provision is key in developing the Local Authority local offer for SEN for the 0-5 age range under the revised SEN code of practice. Additional funding has been identified within DSG to provide additional financial support for inclusion, and this will need to be carefully administered and monitored.

Internal and External Audit.

- 2.12 The Early Years team administer a budget of in excess of £15m in direct payments to Early Years settings. This will increase as the number of two year olds increases. The processes are subject to annual internal audit, and periodic external audit. This is the direct responsibility of 2 members of staff, with double checks and balances being undertaken at a more senior level. The systems have been streamlined considerably over the past two years. Returns from settings are collected electronically, and consideration is being undertaken to further automate the process.

Future considerations

- 2.13 Changes and modifications to statutory duties will inevitably result in changes to the structure of the service, however consideration needs to be given to the impact of potential future changes in the sector. The following changes are likely to be implemented within 12 months:-

- The introduction of pupil premium for children in the early years by April 2015
- A re-emphasis on separate Ofsted inspections for the Early Years Foundation Stage in schools.
- A statutory requirement that two year olds can only access their FEE in a setting judged to be good or above.
- Changes to Ofsted regulations from September 2014.

Further suggested changes:-

- An increase in FEE from 15 hours to 25 hours