

**FOURTH REPORT OF THE
EDUCATION, CHILDREN & FAMILIES SELECT COMMITTEE
2017/18**

**EARLY YEARS, CHILDMINDING
AND THE 30 HOURS CHALLENGE**

Meeting Date: Tuesday 27 FEBRUARY 2018

The Committee gives its sincere thanks to the witnesses for their contribution to the Select Committee.

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1. Introduction

- 1.1 The Education Children and Families Select Committee met on 27 February 2018 to undertake a review on the Early Years, Child Minding and the 30 Hour Challenge
- 1.2 The Committee also received an update from the Education, Children and Families Portfolio Holder, undertook scrutiny of the Council's Deputy Chief Executive and Executive Director for Education Care and Health Services, considered a report on Preventing Permanent Exclusions from Schools and conducted pre-decision on a Part 2 Portfolio Holder decision concerning Bromley Academy Trust Pupil Referral Units. Details can be found in the [minutes¹](#) of the meeting.

2. Executive Summary of Recommendations

- 2.1 **That steps be taken to ensure wider promotion of the requirement to register for those providing care in their home for more than two hours a day.**
- 2.2 **That Early Years Provision be included in any review of Special Educational Needs and Disability (SEND) Reform, including co-production and the Local Offer.**
- 2.3 **That an Early Years version of the Bromley Schools' Circular be produced with support from other Council services, such as design and communication, as appropriate.**
- 2.4 **That the potential for marketing the new bespoke IT system to other local authorities with comparable IT infrastructure be explored.**
- 2.5 **That work continue to explore the potential to develop the two Local Authority maintained nurseries as 'training hubs' for students and apprenticeships and the Committee be provided with an update in March 2019.**
- 2.6 **That the excellent quality of the Early Years provision available in Bromley as well as upcoming opportunities for training and employment in the Early Years sector be more widely publicised.**

3. Early Years, Childminding and the 30 Hour Challenge

- 3.1 The Select Committee's main inquiry for this meeting was Early Years, Childminding and the 30 Hour Challenge. The purpose of the review was to consider and review Early Years provision across the Borough.

¹ Minutes can be found on the London Borough of Bromley Website at:
<http://cds.bromley.gov.uk/iListDocuments.aspx?Cld=584&Mld=6165>

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- 3.2. A range of written evidence was provided to Members in advance of the meeting. This included a report explaining the position in relation to Early Years, Childminding and the 30 Hour Challenge in Bromley together with a link to the DfE Evaluation of the pilot schemes run in relation to 30 hours funded child care.
- 3.3 The Committee heard evidence from three witnesses at the meeting:
 - Carol Arnfield, Head of Early Years, School Standards and Adult Education (LBB),
 - Liz Hodgeman, Early Years Strategy Manager (LBB), and
 - Angela Leeves, Early Years Provider and Chairman of the Early Years Development and Childcare Partnership.

3.4 Statutory Duties in relation to Early Years Provision

- 3.4.1 Local Authorities have duties pursuant to Section 2 of the Childcare Act 2016 and Sections 6, 7, 7A, 9A, 12 and 13 of the Childcare Act 2006. These are set out in the February 2018 Early Education and Childcare Statutory Guidance for Local Authorities²
- 3.4.2 The main duties are to:-
 - ensure there is sufficient high quality childcare to meet the needs of working parents;
 - secure funded childcare provision including the 30 hours extended entitlement for 3 and 4 year olds, 15 hours universal provision and Iam2 places;
 - provide information, advice and assistance to parents and prospective parents;
 - provide information, advice and training to childcare providers; and
 - meet the requirements under the Equality Act 2010.
- 3.4.3 The Local Authority has a strategic role in the provision of childcare locally as a market facilitator rather than provider (with the exception of two maintained nurseries within the London Borough of Bromley: Blenheim and Community Vision) and local authorities are expected to support providers across the sector to meet the needs of working parents and carers so far as is reasonably practicable.
- 3.4.4 The quality of provision is regulated and assessed by Ofsted. However local authorities have a responsibility to improve quality. Bromley's Early Years Quality Improvement Team (consisting of 3.6 FTE staff) undertake individual support as well as delivering training and supporting events and activities. The current staff structure chart is attached at Appendix 1.

²

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/682005/Early_education_and_childcare_Statutory_guidance_for-LAs.pdf

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3.5 30 Hours Funding

- 3.5.1 Prior to September 2017, the Government's Early Education Entitlement offered 15 hours of early education for 38 weeks each year to all three and four year old children and the most disadvantaged two year olds in England.
- 3.5.2 In September 2017, with the national rollout of 30 hours funded childcare, this universal offer for three and four year olds was extended to 30 hours for children of working parents³.
- 3.5.3 While the universal entitlement is focused on supporting child development, the aim of this extension is that "Additional free childcare will help families by reducing the cost of childcare and will support parents into work or to work more hours should they wish to do so"⁴.

3.6 Early Years Provision in Bromley

3.6.1 Non-Domestic

- 3.6.1.1 Bromley has a higher number of childcare settings on non-domestic premises (premises which are not residential homes) than any other London borough. Between them they provide 8,299 childcare places (Ofsted Early Years and Childcare data as at 31st August 2017).
- 3.6.1.2 Settings are a mix of pre-schools (116), day nurseries (61), maintained nurseries (11) and other providers on non-domestic premises (15). 74.3% of all Ofsted registered early years places within the borough are provided by these settings.
- 3.6.1.3 The different providers offer a range of flexible childcare packages. Pre-schools generally offer morning or afternoon sessions whilst day nurseries often open at 7:30am and close at 6:30pm to accommodate the working pattern of parents. Pre-schools are typically only open during term time and day nurseries offer all year-round care.
- 3.6.1.4 The cost of childcare varies widely across the Borough depending on locality and demand. Hourly rates can vary from £6 to £8 per hour. Babies require higher child to staff ratios (3 babies to 1 adult) so care for babies is usually charged at a higher rate.

³ Working parents are defined as those who earn or expect to earn the equivalent to working 16 hours each week at the national minimum or living wage. This currently equates to earnings of £115.20 a week (or around £6,000 per year) for parents aged 25 or older.

⁴ Department for Education (2015), *Childcare Bill: policy statement*, DFE-00177-2015, December, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482517/Childcare_Bill_Policy_Statement_12.03.2015.pdf, page 4.

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3.6.2 Childminders (Domestic)

- 3.6.2.1 Bromley also has a higher number of childminders than any other London Borough. Between them they provide 2,877 childcare places, 25.7% of all Ofsted registered early years places.
- 3.6.2.2 Often, childminders can provide greater flexibility for parents, such as wrap around care (caring for children before and after pre-school for example). Ratios are normally lower and some parents prefer a home environment for their children.
- 3.6.2.3 People who provide care in their home for more than two hours a day as a paid provision are required to register as childminders unless they have a close family relationship with the child they are caring for.

Recommendation 1: That steps be taken to ensure wider promotion of the requirement to register for those providing care in their home for more than two hours a day.

- 3.6.2.4 The Committee notes that all Early Years providers are expected to offer care to children with special educational needs and disabilities to meet their individual needs. Within the Borough, the Phoenix Centre offers a range of Early Years Services to children with special educational needs and disabilities but there is a clear emphasis on supporting children to remain within mainstream settings where appropriate.
- 3.6.2.5 During the Autumn Term of 2017, early years providers claimed the Early Years Pupil Premium for 420 children. This is additional funding for early years settings to improve the education they provide for disadvantaged 3 and 4 year olds.

Recommendation 2: that Early Years Provision be included in any review of Special Educational Needs and Disability (SEND) Reform, including co-production and the Local Offer.

- 3.6.2.6 The Early Years sector in Bromley is predominantly made up of private, voluntary and independent (PVI) providers. This is a very different profile to other London Boroughs who have a high number of maintained nursery classes. This PVI landscape brings with it its own challenges for information sharing and managing transitions.

3.6.3 Quality of Provision

- 3.6.3.1 A good Early Years education helps to build a strong foundation for a child's emotional, social, physical and mental development. It helps to give them confidence and prepare them for school. Studies have shown that children who participate in early education (between the ages of 2 and 4) progress better in school.

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- 3.6.3.2 The Committee notes that in Bromley there is a higher percentage of Ofsted graded Outstanding childcare than the London average. Any Early Years providers graded below Good are supported to improve by the Bromley Quality Improvement Team who undertake regular visits to these providers and offer regular support, challenge and guidance.
- 3.6.3.3 Thirteen proposed child minders are currently awaiting registration with Ofsted. These providers are being supported by the Quality Improvement Team to ensure that they fully comply with the Ofsted standards. One to one support continues to be provided post registration until the provider has their first full inspection grading (within 2 years).
- 3.6.3.4 The Quality Improvement Team provides the following training on a regular basis to all childcare providers:
- Child Protection for Childminders and Child Protection Designated Lead
 - General Child Protection training for practitioners
 - Workshop raising awareness of Prevent.
- The Quality Improvement Team are also developing a workshop on preparing for an Ofsted Inspection.
- 3.6.3.5 Regular Early Years Foundation Stage (EYFS) information sessions are held on a termly basis at different locations around the Borough to provide updates on national and local issues and to encourage sharing of best practice. These sessions are well attended by providers. Regular e-bulletins outlining changes to funding are supplied to Early Years providers by the Early Years Funding Team.
- 3.6.3.6 The Early Years Foundation Stage (EYFS) results for the 2016/17 academic year demonstrate that Bromley continues to perform higher than the national average. Bromley's good level of development at 77.4% is above both the Inner London Average (72.8%) and the Outer London Average (73.2%). The percentage of children achieving at least expected level and good level of development has continued to rise year on year. Girls continue to do better than boys and the gender gap has increased slightly in all three key measures.

Recommendation 3: That an Early Years version of the Bromley Schools' Circular be produced with support from other Council services, such as design and communication, as appropriate.

3.6.4 Uptake of Provision

- 3.6.4.1 A total of 642 children (71% of all those eligible), are claiming their entitlement to Iam2 funding which provides 15 hours of funded childcare for 38 weeks per year.

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3.6.4.2 Bromley has a high uptake of children accessing their universal entitlement (15 hours for all 3 and 4 year olds) and the joint third highest percentage of take up of 3 and 4 year old funding in London.

3.6.5 The 30 Hour Challenge

3.6.5.1 In September 2017, the 30 hours extended entitlement was launched. In the Autumn Term 1,295 children aged 3 and 4 years accessed this additional entitlement through Bromley providers and childminders. The Committee notes that currently an average of 21 hours is booked.

3.6.5.2 Bromley has the highest number of children in a 30 hour place across all London Boroughs and the fourth highest number of eligibility codes (1,221) issued by HMRC of all the London Boroughs. In addition, 193 children are accessing the 30 hour entitlement because whilst their parents do not reside in Bromley, they work within the Borough and elect to use childcare local to work. .

3.6.5.3 The Committee notes that 97% of day nurseries and 70% of pre-schools in Bromley currently provide 30 hour funded places. Many of the remaining providers support the scheme by working in partnership with others. As at 31 December 2017, 140 childminders (27%) signed up to offer funded childcare with 106 children accessing their extended entitlement with a childminder during the autumn term 2017. Early Years providers are able to charge for any hours over and above the funded entitlement.

3.6.5.4 The Local Authority has been supporting providers by taking steps to ensure that Early Years providers are delivering funded provision in accordance with statutory guidance. The Committee notes that Early Years Providers are required to submit their admissions policy when agreeing provider contracts. The Committee heard evidence from the Chairman of the Early Years Development and Childcare Partnership who confirmed that submissions of the admissions policy had been a useful exercise. It had ensured that the Policy was up-to-date and had also assisted with the identification of budget implications in relation to changes to funded entitlement.

3.6.6 IT Systems

3.6.6.1 The increased complexity and volumes of funding claims from providers has put pressure on the Local Authority's capacity. The Local Authority has received £31,000 from the Department of Education to develop a bespoke system that could interact with the Local Authority's Oracle system in processing funding claims for Early Years entitlement. It is anticipated that this new portal will provide an improved experience for providers and parents, reduce the data entry workload and provide better information.

Recommendation 4: That the potential for marketing the new bespoke IT system to other local authorities with comparable IT infrastructure be explored.

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3.6.6.2 The Committee notes that there has been a nationwide issue with some parents struggling with the online eligibility system provided by HMRC. This has resulted in confusion and delay in obtaining eligibility codes, something which had been well documented in the national press.

3.6.7 Future Capacity

3.6.7.1 It is clearly evident that the demand for 30 hour places will increase as more children meet the eligibility criteria and parents choose to work longer hours now they can claim additional childcare funding.

3.6.7.2 The Committee notes that there are four wards where demand is likely to outstrip capacity in the 2017/2018 Summer Term: Cray Valley West; Darwin; Orpington; and Shortlands. A further six wards have low capacity levels: Biggin Hill; Bromley Common and Keston; Kelsey and Eden Park; Mottingham and Chislehurst North; Petts Wood and Knoll; and West Wickham.

3.6.7.3 It is pleasing that the Local Authority was successful in its bid to the Department of Education's 30 Hours Delivery Support Fund for 9 projects totalling £69,000. These projects aim to increase capacity within the Early Years sector.

3.6.7.4 The Committee notes that there is both a national and local shortage of qualified Early Years Practitioners and this prevents providers from expanding their places. To address this, work is underway to explore the potential to develop the two Local Authority maintained nurseries as 'training hubs' for students and apprenticeships working in partnership with Bromley Adult Education Service, local training providers and Children and Family Centres.

Recommendation 5: that work continue to explore the potential to develop the two Local Authority maintained nurseries as 'training hubs' for students and apprenticeships and the Committee be provided with an update in March 2019.

3.6.7.5 The predicted increase in demand in the 2017/18 Spring and Summer terms may have a detrimental impact on the number of funded places available for 2 year old children. Providers are able to achieve a higher rate of funding for 3 and 4 year olds if they are entitled to deprivation funding and Early Years Pupil Premium (EYPP). This coupled with lower staffing costs for older children (as a result of higher child to staff ratios) makes it financially more beneficial for a provider to offer places to 3 and 4 year olds.

3.6.7.6 The Committee also notes that a consequence of the extended provision may be an increase in the number of children who choose to remain within their Early Years childcare setting rather than taking up a place in a reception class.

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3.6.8 Conclusions and Recommendations

- 3.6.8.1 Many families will have benefitted from the extended entitlement 30 hours offer. Research from the early implementers of the funding demonstrates that there have been improvements to many family budgets with parents being able to work more hours. The family life for some has significantly improved with parents no longer having to work opposing shifts to reduce the cost of paying for childcare. However, there are undoubtedly challenges for providers in ensuring that their early years provision remains financially viable and in order to ensure the continued success of the scheme, the burden on providers will need to continue to be well managed.
- 3.6.8.2 The Committee considers that as a Borough, Bromley is in the enviable position of having an abundance of high quality, affordable Early Years provision. This affords working families a great deal of choice in terms of childcare options. The Committee further notes the importance of promoting the excellent quality of the Early Years provision available in Bromley as well as upcoming opportunities for training and employment in the Early Years sector.

Recommendation 6: That the excellent quality of the Early Years provision available in Bromley as well as upcoming opportunities for training and employment in the Early Years sector be more widely publicised.