



Children and Education Overview & Scrutiny Sub-Committee

Title	Expansion of the Funded Early Years Entitlement
Date of meeting	7 March 2024
Report of	Executive Director for Children’s Services
Wards	All
Status	Public
Urgent	No
Appendices	Appendix A – Update presentation
Officer Contact Details	Karen Pearson, Head of Service Child and Family Early Help, karen.pearson@barnet.gov.uk 020 8359 2459
Officer Contact Details	Debra Davies, Assistant Head of Service Child and family Early Help, debra.davies@arnet.gov.uk 020 8359 6315 Andy Whiting, Early Years and Primary Service Manager, andy.whiting@barnet.gov.uk 020 8359 3980
Summary	
<p>The spring budget of March 2023 announced a range of measures to help parents with early years and childcare so that they can return to work more easily, work longer hours and provide more children with access to high quality early years education.</p> <p>The reforms are a significant expansion of the Early Years and Childcare Entitlements and, for the first time, eligible working parents of children aged from the term after they are 9 months old will be entitled to 30 hours of free early years and childcare per week up until their child starts school at age 5 years old. Current entitlements are 15 hours of funded childcare for eligible two-year-olds, universal 15 hours for all three and four-year-olds, and targeted 30 hours for all eligible working parents of three and four-year-olds.</p> <p>Barnet’s Childcare Sufficiency Assessment was reported to Cabinet on 14 November 2023. It demonstrates that there are no immediate concerns around childcare sufficiency in the borough. The findings are further supported by the analysis conducted by the Department for Education (DfE) which has estimated that no new places will be required in April 2024, at implementation of phase one of the early years’ entitlement.</p>	

The Council is working closely with early years settings, schools, childminders, and parents to ensure supply and demand for the future phases are met. In addition, officers are engaged with the DfE, Childcare Works, and partner agencies to support the rollout.

Recommendations

1. That the Children and Education Overview & Scrutiny Committee is asked to note and comment on the plan to deliver the Expansion of Early Years Entitlement

1. Reasons for the Recommendations

1.1 In the Spring Budget, the government announced a £204m national investment into three and four-year-old and two-year-old funding rates in 2023/2024 to be distributed to local authorities through a new, standalone top-up grant called the Early Years Supplementary Grant (EYSG). The rates were published in September for the Early Years Entitlements of individual local authorities and £12m allocated to support local authorities to prepare for the expansion and roll out the new offer.

1.2 The funding will increase to £288m in 2024/25. The government will also invest £289m over the same two-year period to enable schools and providers to offer 8 am - 6 pm wraparound childcare either stand-alone or in partnership with private, voluntary, and independent providers. The announcement also committed to a consultation to explore possible Early Years Foundation Stage regulatory changes and flexibilities.

1.3 In July 2023, the government published a consultation on a proposed approach to funding for two-year-olds and under from 2024-25. The consultation also included proposals for the local funding framework within which local authorities will be expected to pass money on to local providers. Once the proposals are agreed, the Local Authority will be required to consult with the Schools Forum, maintained schools and early years providers as there will be changes to the formula for funding two-year-olds.

1.4 To implement the national scale-up of wraparound care, the government has selected a representative group of sixteen local authorities to form a co-design group to support the development of the programme.

1.5 The government has acknowledged the crucial role that local authorities have in supporting local early years and childcare markets and is aware that there will be challenges for council teams to successfully deliver the reforms. In preparation for this and to support plans to ensure local sufficiency to deliver the entitlements and wraparound care, the Department for Education (DfE) is monitoring national readiness for implementation. A local authority 'readiness self-assessment' is to be completed on a termly basis to help the DfE understand where future support for local authorities may be needed and to ensure delivery plans will be in place.

1.6 This update aims to inform members of the requirements set out in the Expansion of the Early Years entitlement and provide an overview with regards to Barnet's childcare sufficiency.

1.7 Having sufficient childcare means that families can find childcare that meets their child's learning needs and enables parents to make a real choice about work and training. By September 2025, the early years funded childcare offer will include the term after 9 months for working parents, Two-year-

old disadvantaged offer, two-year-old working parents, universal three and four-year-old's offer and the additional hours offer (30 hours offer) for working parents.

1.8 Timeline of Change;

From April 2024, working parents of 2-year-olds will be able to access 15 hours childcare.

From September 2024, 15 hours childcare will be extended to all working parents of children from age of 9 months

From September 2025, working parents of children under the age of 5 will be entitled to 30 hours childcare per week.

1.9 Barnet's Early Years, Early Help and Barnet Education and Learning Services (BELS) are working together with schools and local providers to monitor childcare sufficiency and to prepare for and monitor the impact of supply and demand of provision.

1.10 Particular attention is being paid to the expansion of childcare for children aged 9 months and the role of childminder's in this area of expansion.

1.11 Barnet early years settings are reporting that issues with staff recruitment and retention is having an impact on the number of childcare places settings can offer, this is also reflected nationally. As a Local Authority we are continuing to work with partner services to identify ways to address this.

2. Alternative Options Considered and Not Recommended

2.1 Not Applicable

3. Post Decision Implementation

3.1 The council will continue engagement with local providers and parents to explore opportunities for expansion and use local data to monitor sufficiency.

4. Corporate Priorities, Performance and Other Considerations

Corporate Plan

4.1 Childcare sufficiency enables parents who want to return to work to do so without reliance on extended family members to provide daycare. Opportunities to stay in work and/or return to work can provide greater financial security reducing the risk of financial hardship and poverty, supporting inclusion and providing children with safe and stimulating care and early learning environments. These are core to the corporate priority in Caring for People.

4.2 Family Friendly is a key driver of our corporate planning with the vision of "Creating a Family Friendly Barnet, enabling opportunities for our children and young people to achieve their best".

Corporate Performance / Outcome Measures

4.3 Measurement of the uptake of the free entitlement at a local level will continue and compared to national uptake.

Sustainability

4.4 The Department for Education has announced a capital funding project to support with the roll out of the extended entitlement.

Corporate Parenting

4.5 There are currently no sufficiency issues that impact the council's Corporate Parenting responsibilities. The Early Education and Childcare Statutory guidance for local authorities April 2023 states we must 'Promote equality and inclusion, particularly for disadvantaged families, looked after children, children in need and children with special educational needs and disability, by removing barriers of access to free places and working with parents to give each child support to fulfill their potential. 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 Early Years and Brokerage team works with families, Children's social care, and other teams such as the virtual school to ensure these children are able to take up their Early Years entitlement.

Risk Management

4.6 Specific risk management is being carried out for Children and Young People's Plan. Any Family Services risks are recorded on the Family Services Risk Register and monitored each quarter by the Senior Leadership Team with escalations to CMT if necessary

Insight

4.7 The following data sources have been used when undertaking the childcare Sufficiency:

- Number of children: based on GLA population projections from the London Data Store
- Children with EHC plans: based on January 2023 School Census data held by London Borough of Barnet
- Supply of childcare: based on data provided to us by Ofsted, who regulate early years provision in schools and childcare provision (In some cases, we have supplemented this with local intelligence where providers are not registered with Ofsted).
- Funded early education: data on take up of funded early education entitlements is based on the Early Years and Schools Censuses, which are taken every January and published by the Department for Education in the statistical collection *Education provision: children under five years of age*. Data on entitlement to a funded early education place for 2-year-olds is provided by the Department for Work and Pensions.
- Price of childcare: Collected from Free Early Education providers in Barnet.
- Quality of childcare: data on childcare quality is provided by Ofsted.

Social Value

4.8 Access to good quality early education and childcare provision plays an important part in children's development and can support children to be prepared for education. Sufficient childcare provision that is accessible and inclusive will improve opportunity and choice for local parents.

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)

5.1 Barnet has been awarded £81,254 capacity funding to support with the roll out of the extended free entitlement.

5.2 Capital funding has been provided by the Department for Education to help with the early years expansion.

6. Legal Implications and Constitution References

6.1 The Childcare Act 2006 places a duty on Local Authorities to secure sufficient childcare for working parents, and to

- secure early years provision free of charge. Regulations made under the Act set out the type and amount of free provision and the children who benefit from free provision, .
- make provision about how local authorities should discharge their duty under section 7. and and limit the requirements local authorities can impose when they make arrangements to deliver early education places for two-, three- and four-year-olds.
- There is also a duty to provide information, advice and assistance to parents and prospective

The Childcare Act 2016 • places a duty on the Secretary of State to secure the equivalent of 30 hours of free childcare over 38 weeks of the year for qualifying children. Children in England will qualify if they are under compulsory school age and meet the description set out in regulations made under Section 2. These regulations (The Childcare (Free of Charge for Working Parents) (England) Regulations 2022 set out the conditions to be met by parents in order for their children to qualify.

- Section 2 allows the Secretary of State to discharge their duty under section 1 of the Act by placing a duty on English local authorities to secure free childcare for qualifying children. This duty is set out at regulation 33 of the Childcare (Early Years Provision Free of Charge) (Extended Entitlement) Regulations 2016

The terms of reference for the

6.2 The Children and Education Overview and Scrutiny Sub-Committee include:

6.3 Overview and scrutiny role and function in relation to:

- All matters as that relate to Children's Social Care
- All matters which relate to services pertaining to the education and well-being of children and young people including youth services.

7. Consultation

- 7.1 Consultation has been undertaken with providers and residents to determine the likely uptake of the extended offer.
- 7.2 In line with DfE guidance, ongoing data collection is being obtained from both providers and residents to monitor supply and demand.
- 7.3 Following the School Forum held in January 2024, early years providers have been consulted on the hourly rates for children the term after 9 months for working parents, 2-year-old disadvantaged offer, 2-year-old working parents, universal 3- and 4-year-old offer and the additional hours (30-hour offer) for working parents. These rates have now been confirmed.

8. Equalities and Diversity

- 8.1 All eligibility criteria is set out by the Department for Education. The entitlements differ within the various offers.

Current Offer

- 8.2 Two-year-old free entitlement - Families with children aged two are currently eligible for 15 hours per week of funded care and education (for 38 weeks of the year) if they receive any of the following benefits: Income Support, income-based Jobseeker's Allowance (JSA) income-related Employment and Support Allowance (ESA).
- 8.3 Three-year-old universal offer – All three and four-year-olds are entitled to 15 hours free childcare over 38 weeks.
- 8.4 Three and four-year-old working parents (30 Hours) - Both parents (or a single parent) are earning or expect to earn the equivalent of at least 16 hours per week at the National Living Wage or National Minimum Wage over the coming three months. If you earn more than £100,000 per annum you will not qualify.

Early years Expansion

- 8.5 Both the term after 9 months and two-year-old working parents - Both parents (or a single parent) are earning or expect to earn the equivalent of at least 16 hours per week at the National Living Wage or National Minimum Wage over the coming three months. If you earn more than £100,000 per annum you will not qualify.

9. Background Papers

- 9.1 Child Care Sufficiency Assessment and Cover Report 14 November 2023 [CSA Cabinet Report.pdf \(moderngov.co.uk\)](#)
- 9.2 [Early education and childcare - GOV.UK \(www.gov.uk\)](#)
- 9.3 [Early education entitlements and funding - GOV.UK \(www.gov.uk\)](#)

