



Executive Meeting
18 October 2010

Report from the Director of Children and Families

For Action

Wards Affected:
ALL

Report Title: Update on Implementing the New Policy for Allocation of Early Years Full Time Places

1.0 Background

- 1.1 A decision was made by Executive in February 2010 to implement a new policy for the allocation of early years full time places based on need from September 2011. The policy would also apply for the first time to private and voluntary sector nurseries (PVI's). Executive also agreed to consult with parents on the impact of the new policy. Up to this decision nursery schools and primary schools with nursery classes had offered full time places based on head teacher decisions and individual school policy developed over a number of years. Future allocation of a full time place would be based on applying needs based criteria currently used for the government's 2 year old childcare subsidy.
- 1.2 Over the summer officers took the opportunity to update a previous assessment of the likely demand for and supply of fulltime places before commencing the consultation process with parents. The outcome from the assessment was that under the proposed eligibility criteria demand from parents for between 1,600 to 1,800 full-time places was likely to exceed supply of 750 to 800 places by a significant margin. The survey also revealed there were 750 children potentially eligible for a full time place but not currently in either a part time or full time place in schools or PVI's. Taken together with the rising birth rate this indicates that there could be pressure on the sufficiency of part time places in the next few years.
- 1.3 Officers now need to reconsider the proposed minimum eligibility criteria given the potential mismatch between demand and supply. This will be followed by extensive consultation with parents as some children who are currently benefitting from fulltime provision may no longer be entitled to such provision. Parents/carers will therefore need an early indication if they are to make alternative provision.

1.4 The admissions process for the September 2011 intake commences in September 2010 before the parental consultation will be completed. In light of this and the requirement to reconsider the eligibility criteria, a key part of the consultation information, the implementation of the new policy can only commence from September 2012.

2.0 Recommendations

2.1 To agree to implement the introduction of the new policy for allocating full time early years places from September 2012.

3.0 Financial Implications

3.1 Through the Dedicated Schools Grant (DSG) the Council only receives funding for a part time nursery/ early years place from the government. The extra cost of the full time places of around £2m is absorbed within the overall DSG and effectively means there is less funding to distribute to all schools through the schools funding formula.

3.2 In the current financial year 4,298 children benefit from an early place as follows:

- Schools
 - 2,543
 - 1,170 Full Time
 - 1,373 Part Time
- PVIs
 - 1,755 Part Time

This provision costs £12.2m and is funded through the DSG.

3.3 There are no financial implications for the current financial year, however, the additional staff implications outlined below will have to be considered as part of the 2011/12 schools budget process that allocates the DSG to schools and sets the centrally retained element.

3.4 Moving the implementation date of the new policy to September 2012 will impact on the 2012/13 DSG budget shares.

4.0 Legal Implications

4.1 The Authority has a statutory duty in accordance with Section 7 Childcare Act 2006 to secure free early years provision for each 3 and 4 year old in its area.

5.0 Diversity Implications

5.1 There are no diversity implications contained within this report.

6.0 Staffing Implications

6.1 Implementing and managing the fulltime place applications process will require additional staff resources. Further work is required to ascertain the full impact and this will be discussed as part of the 2011/12 schools budgeting process.

Background Papers (essential)

- i) 15 February 2010 Executive Report Introduction of Early Years Single Funding Formula and Changes to the Allocation and Funding of Early Years Full Time Places in Maintained and Private, Voluntary and Independent (PVI) Sectors.
- ii) Draft Code of Practice on Provision of Free Early Education Entitlement for 3 and 4 Year Olds – September 2009 (DCSF).
- iii) Implementing the Early Years Single Funding Formula Practice Guidance July 2009 (DCSF).

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