

CHILDREN AND YOUNG PEOPLE SELECT COMMITTEE		
Report Title	Nursery Education and Childcare Review Update	
Key Decision	No	Item No. 4
Ward	All	
Contributors	Head of Standards and Achievement Strategic Leader, Early Years	
Class	Open	Date: December 2014

Reason for lateness: This report was not available for the original dispatch because it was necessary to provide further information that required analysis before being able to be published.

1. Summary

1.1 In 2013 the Children and Young People's Select Committee conducted an in-depth review of Nursery Education and Childcare. The review was scoped in May 2013 and evidence gathering sessions were held in July 2013 and October 2013, as well as visits in October and November 2013. The report and the recommendations were presented to Mayor and Cabinet in December 2013. The response was agreed by the Mayor on 19 March 2014.

2. Purpose

2.1 This report updates the Response agreed by the Mayor in March 2014 to the 4 areas of recommendations made within the report: Flexible provision of childcare, Transitions from pre-school provision to reception, Role of Social Care and Free entitlement to childcare for 2 year olds. For ease of reference, this update uses the same numbering of the recommendations as the Response in Section 4.

3. Recommendation

3.1 The Select Committee is asked to note the updates.

4. Flexible Provision of Childcare – The Committee recommends that:

4.1 Childcare providers should be encouraged and supported by the Council to take a flexible approach to delivering childcare with a range of available hours and locations.

Officers have supported schools, PVI (private, voluntary & independent) nurseries and childminders to develop further their provision to offer additional hours above the 15 hours free entitlement. Three schools are providing

additional hours funded by parents and another three schools are keen to start. A small number of pre-school nurseries have extended their day to open in the afternoons. The longer opening hours mean that parents can have more hours of childcare per day if they need it. The childcare providers are able to be more flexible and the increase in opening hours has enabled them to engage with the two-year-old offer as more vacant childcare places have been generated. The number of childminders that are delivering flexible childcare provision has risen from 17 in January 2014 to 97 in November 2014. The increase on the number of funded eligible two-year olds has contributed to the change in provision.

4.2 Providers should be encouraged and supported to share their experiences of implementing flexible provision with other providers across the borough.

We currently have a number of leading PVI settings in Lewisham. These settings share good practice by providing opportunities for settings to visit them, focusing on quality improvement of specific areas identified by their own self-evaluation, Ofsted actions and/or areas of development identified by the Lewisham Early Years Improvement Team.

We have a group of leading childminders who support colleagues in developing their practice, both from paired work and presentations at childminder briefing sessions.

There are 5 schools currently exploring a pilot on providing 8:00 am to 6:00 pm care which will include schools providing 2 year old places within their early years settings. This pilot is at the very beginning of the whole process. It is being led by the DfE which is providing £10,000 to support each school which decides to run with the pilot to inform others as to its success.

However, there are many schools which already cover the 8.00 am till 6.00 p.m. provision for children through breakfast and after-school clubs.

4.3 Flexible arrangements for the free 3 and 4 year old entitlement provision, including arrangements to extend provision to cover more weeks than the specified 38 weeks through fee top-up arrangements, should be explored.

Some Lewisham providers have been delivering the stretched offer (the Free Entitlement over more than 38 weeks) for some time and others are building this into their business plans. This has been driven by a need to raise additional funding to cover increased costs for employing more qualified staff, higher utility costs and increased rent and rates costs. Many working parents still welcome the stretched offer as this means that their childcare costs remain constant throughout the year rather than rising in non-term weeks when there are no free entitlement hours.

Schools find stretching the offer over more weeks challenging in relation to staff contracts, but have been signposting parents to their local Children's Centres for more support.

Some schools have raised concerns that the current “top-up” fees would not cover their costs. We are looking at that with them to ensure there are as few restrictions as possible for them in providing an extended offer.

4.4 Schools and nurseries should be encouraged to work with childminders in order to provide wraparound care for younger pupils.

There are 470 childminders in Lewisham and many of them offer a pick up and drop off service to and from school to working parents. The number of childminders engaging with delivery of the early learning entitlement and the free entitlement has significantly risen since January 2014 from 17 to 97. This means that these childminders can offer the full day care provision as well as wraparound for some children.

4.5 Nursery and childcare providers should be encouraged to increase the number of children with special educational needs that they look after.

It is critical to ensure that all early years settings are able to meet the needs of children with special educational needs. Currently, within existing resources, the local authority continues to provide services for the early years settings and childminders to develop their skills in dealing with children with special educational needs. Following the SEN Review, the local authority has increased its ability to build capacity in the early years sector through appointing a Senior Specialist Educational Psychologist Early Years, who coordinates the work of the EP Team in our nurseries, working with providers and the Early Years Improvement Team and Drumbeat’s ASD Early Years outreach support. Good practice across this field is shared at managers’ meetings, SENCO forums, programmes of training and childminders’ networks with the aim that more settings have both the capacity and the confidence to take children with special educational needs. We want to ensure that this capacity is then sustainable through on-going training and support. However, given resource restraints, in the future this support, and potentially other services as well, will be dependent on PVI’s buying into training and support packages. There are still a number of issues that need to be addressed, especially in terms of how to include children who need a high level of adult support in our early years settings. The SEND Reform Early Years Project Group is looking at how best to address these.

5 Transitions from pre-school provision to reception - The Committee recommends that:

5.1 Schools should be encouraged to improve their relationships with nursery and childcare providers in their local area to support transitions from pre-school settings to the Reception stage.

- The Transition Working Party is ready to roll out *Egress* as a secure system for sharing sensitive data.
- Chelwood, as a teaching school, is to bring providers together in training.

- The Early Years Improvement Team has discussed the importance of building better relationships and this is also part of the School Achievement Review meeting by School Improvement Advisors.

5.2 Nursery and childcare providers should also be encouraged to improve their relationships with schools in their local area to support transitions from pre-school settings to the Reception stage.

As indicated in 5.1, managers from PVIs and nurseries come together in transition training delivered by the Teaching School.

The Educational Psychology team are leading on Early Years and the Head of Clyde has led sessions at managers' meetings to improve communication.

5.3 Schools should provide information to parents about childcare availability in the local area, including nurseries and childminders.

Some school and nurseries already provide information about practitioners who deliver childminder services in their local communities. Both schools and nurseries also provide group sessions for childminders to attend to support their children's development. Childminders have presented at our EYFS leaders' briefing in order to promote their sector and build links between childminders and schools.

6. Role of Social Care – The Committee recommends that:

6.1 The priority places budget supporting nursery placements on social care grounds should be maintained at its current level.

While this budget was not included in this round of savings proposals, officers are required to continue to keep all areas under review given the scale of savings that is required.

6.2 Children's Social Care should further improve links with early years providers, with attention paid to childminders to address perceptions.

There are now Social Workers allocated as points of contact in each of the 4 areas across the borough. They have been assigned to Children's Centres so that they can improve communication and links with local schools and providers.

6.3 Officers should explore the possibility of increasing the role of early years practitioners in early intervention work to potentially reduce the escalation of cases to social care practitioners.

Officers in the Early Intervention Service Family Support Team have good links with all the nurseries in their respective areas. Visits are carried out regularly and on request. Work with early years practitioners includes support with individual cases, participating and chairing Team Around the Family (TAF) meetings where appropriate, and upskilling the early years workforce in the Common Assessment Framework (CAF) process. CAF / TAF training is

promoted to and attended by staff from early years settings and childminders. Officers from the Early Intervention Service also attend Settings Improvement Board meetings and actions are followed up with those nurseries which need additional support as well as new providers. Children's Centres are also required to have links with nurseries in their local areas and can offer support and outreach for families as well as group sessions at the Centres. Information on Children's Centres and Targeted Family Support is also regularly disseminated to nurseries and childminders by the council's Early Years Improvement Team.

7. Free Entitlement to Childcare for 2 Year Olds – The Committee recommends that:

7.1 The sign up process for both parents and providers should be simplified in order to encourage further take up.

The processes for parents and providers have been reviewed and updated to encourage further take-up and engagement. 2,032 parents have already received their 'Letter of Eligibility' so parents are able to engage with childcare providers now to reserve their Spring term 2015 placement. With previous cohorts, the local authority used a two stage system which meant a slight delay in parents receiving the letter. The new strategy will mean a higher level of take-up again at the next count point in January 2015. The interaction between parents and Children's Centres has been improved to ensure that they offer support to those parents who need additional encouragement to take up the offer. Childcare providers are being encouraged to be more interactive through their marketing strategies, for example, through open days when parents can go to a drop in session and meet the staff. The number of childminders has significantly increased from 17 in January 2014 to 97 in November. We are looking to increase this number still further.

7.2 Regular monitoring of the availability of places should be carried out and publicised to provide up to date information about provision to parents. This should include information on the Lewisham website showing whether there are vacancies with specific providers.

The local authority does not have the resources to provide regular updates of the availability of places as recommended. Providers are encouraged to log onto the Lewisham website to register their provision and regularly update their vacancy information. However, most providers do not do this as their environment is very changeable, especially leading up to the beginning of term when vacancies could go from a number to none in a short space of time. Some nurseries have waiting lists and therefore do not need to engage with updating or sharing information about their vacancies.

Children's centres have been provided with lists of Lewisham childcare providers and are encouraged to liaise with them to confirm their vacancies in order to support parents with finding childcare.

7.3 The Mayor and Cabinet make representations to the government outlining some of the issues with the 2 year old free entitlement, including:

- a) The legislation has not been properly thought through, and is not having the intended impact.**
- b) Providing care for 2 year olds in a setting designed for 3 and 4 year olds requires different skills from staff and facilities, which many providers are unable to provide without further assistance.**
- c) The funding structure should be re-examined as the childcare market's response, especially from childminders, indicates that government funding is not in line with what the market requires.**
- d) As low income families are being targeted for this provision it is unlikely in many cases that they will be able to afford to pay for additional hours from providers, therefore providing less incentive for providers to offer the entitlement. All childminders should have DBS checks carried out every 3 years.**

The 3 year renewal process for DBS is a locally-agreed protocol for Lewisham employees. All childminders must have a current enhanced DBS certificate in order to register with Ofsted. Ofsted cannot insist, but recommends an annual update.

Otherwise, these recommendations are not for officer comment. However, it is hoped that the points below are helpful background to the issues raised.

- a) The local authority believes that the impact of the 2 year old free entitlement will take time before it becomes embedded, in the same way as the 3 & 4 year old offer which expanded to the 3 year olds in 2004.
- b) Training to support childcare providers to increase the number of places available for 2 year olds has been and will continue to be delivered. Some providers have applied for and received capital funding which has enabled them to purchase age appropriate resources to take additional 2 year olds. Business support has been provided to providers that extended their opening hours to offer afternoon opening rather than mornings only, but this is only possible where there are no restrictions to the use of the buildings that the providers occupy.
- c) The funding rate for 2 year olds of £6.00 per hour for 15 hours per week for 38 weeks has been set by central government. The rates that childcare providers charge per hour can range from £4.12 to £7.53 per hour depending on the type of provision, the facilities and the location.

Childminders are delivering the early learning entitlement for 2 year olds, although additional work needs to be carried out to address the current disincentive for childminders to continue with the same children as 3 & 4 year olds, when the rate drops..

- d) The extension of the offer in September 2014 has meant that low income working parents who need additional hours may be able to claim child tax credits.

The incentives for providers are that if the child is eligible for a funded place then the funding is guaranteed. Many full day providers are able to adapt to changes especially when new staff are employed to posts that are term time only to reduce their overheads.

8. Financial implications

- 8.1 Free entitlement places and the support provided to child care providers in the borough are funded from within the Dedicated Schools Grant. Support for child care sufficiency and the Family Information Service is funded from Council resources. The implementation of the actions set out in this update will create no additional burden on the resources of the general fund.

The DfE funding for 3 and 4 year olds has increased to £16.9m in total for 2014/15, an additional £500k from 2013/14. For 2 year olds, the DSG provides funding on the basis of the estimated number of children that are likely to meet the eligibility criteria. For 2014/15 this is 2,000 with a budget allocation of £6.1m based on the 40% most disadvantaged two year olds. The funding for 2013/14 was £3.9m based on 1,132 children estimated to be eligible as the 20% most disadvantaged.

From 2015/16 the funding process for two year olds will change to a participation based allocation. Local authorities will be funded based on the number of funded two year olds accessing the early learning entitlement in January 2015 and not on estimates. Local authorities will be given the opportunity to submit a supplementary claim in October 2015 if there are significant changes to the number of two year olds on the January 2015 census.

9. Legal implications

- 9.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director, and report back to the Committee within two months (not including recess).
- 9.2 Under the provisions of the Childcare Act 2006 a local authority has to make arrangements in an integrated manner with a view, broadly, to securing maximum benefit for users of early childhood services and making their availability widely known. Local authorities are required to facilitate and encourage the involvement of parents and prospective parents, early years providers and others engaged in activities which may improve the well-being of young children in the development of those arrangements.
- 9.3 In responding to its responsibilities under the Childcare Act 2006 the local authority must have regard to the quality and quantity of early childhood

services which are provided or expected to be provided, in their area and their location.

- 9.4 Section 8 of the Childcare Act 2006 enables a local authority to assist any person who is providing (or proposing to provide) childcare, or to make arrangements with a person for the provision of childcare (including, in either case assisting financially).
- 9.5 Local authorities are permitted to provide childcare themselves, but (except in the case of day care for children in need under s18 (1) or (5) of the Children Act 1989) only if there is no other provider willing to provide it or the local authority considers in all the circumstances, that it is appropriate to do so. In exercising any of these powers the local authority must have regard to guidance issued by the Secretary of State.
- 9.6 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.7 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 9.8 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 9.9 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

9.10 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

9.11 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

10. Crime and disorder implications

10.1 There are no crime and disorder implications arising from this report.

11. Environmental implications

11.1 There are no environmental implications arising from this report.

12. Equality implications

12.1 Promoting equality in the provision of affordable childcare is at the heart of this report.