

Children and Young Peoples Scrutiny Committee Briefing Paper

17th June 2019

Title of paper:	Take up of Early Years funding
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Background

All 3 to 4-year-olds in England are entitled to 570 hours per year of free early years provision (universal entitlement). This is usually taken as 15 hours per week for 38 weeks of the year. Some 3 to 4-year-olds are eligible for 1140 hours per year or 30 hours per week (extended entitlement) and some 2-year-olds are eligible for 570 hours of free provision.

Eligibility criteria and further information:

[2-year-old free entitlement](#)

[3 and 4-year-old universal entitlement](#)

[3 and 4-year-old extended entitlement](#)

There are no National targets for the take-up of early years funded provision. Due to the benefits to children and the social mobility of families, through access to affordable childcare, the Government and Local Authorities (LA) are keen to maximise participation.

The Childcare Act's 2006 and 2016 places duties on LA's to secure early years provision free of charge and provide information, advice and assistance to parents and prospective parents. The mechanisms for executing these duties and thus supporting the take-up of early years funded provision span LA service areas and beyond. Nottingham City Council dispenses these duties as follows:

The Early Years Team are responsible for the administration of early years funding to the private, voluntary and independent sectors; are responsible for the sufficiency of early years and childcare places to ensure every child can access their funding entitlements if they choose to do so.

The Families Information Service are responsible for providing information and advice to parents; checking parents eligibility for certain aspects of funding, signposting to accessible early years provision.

Early Help are responsible for providing targeted support in communities to raise participation such as promotional work and advice for families, linking with providers, supporting transitions with onsite providers and co-ordinating the contacts to potential eligible families (DWP List).

Analysis and Insight are responsible for providing accurate termly reports on participation to inform parental engagement strategies.

The LA has collaborated for some time with external stakeholders to enrich our parental engagement strategies. These include Health services, schools and other early years settings, Nottingham City Homes, Social Care, NCVS, SSBC and Job Centre Plus. We hold periodic Stakeholder events to bring everyone together to update, share successes etc.

Family Mentors, who are commissioned as part of the SSBC programme, have direct contact with families and actively encourage participation as do CityCare through their Child Development Review programme.

Participation of early years funded places are measured according to the nature of the entitlement:

- 3 and 4-year-old universal entitlement = take-up measured against all children within the age range living in the city
- 2-year-old funding = take-up measured against the number of potentially eligible families appearing on the DWP bi-monthly release
- 3 and 4 year olds extended entitlement = take-up measured against the number of validated codes

Current position

Funding entitlement	% Take-up		
	Nottingham city	Statistical neighbours	National
2 year-olds	74%	65%	68%
3&4 year-olds universal	90%	92%	94%
3&4 year-olds extended	84%	90%	90%

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Strengths and key drivers

Quality of early years provision in Nottingham

Currently 98% of childcare settings are graded by Ofsted as good or outstanding.

The LA Early Years team provide general and targeted support to early years settings and schools through a Provider Support Framework, networking and comprehensive CPD training plans. These strategies provide information, guidance and challenge to providers in order to improve the quality of experiences for children.

Relationship with Ofsted

The LA Early Years team meet with Ofsted each term to discuss current issues affecting the early years sector. There are elements of collaborative working with regards to Ofsted specific provider briefings and targeted intervention for settings causing concern.

Sufficiency of early years provision in Nottingham

In order to understand the early years market in Nottingham City, the LA undertakes a bi-annual Childcare Sufficiency Assessment (CSA) and subsequent scorecard. Every three years this is extended to a full Childcare Sufficiency Audit including a comprehensive parental needs survey. The findings from these assessments are published publicly and any gaps in sufficiency are addressed through a CSA Action Plan and Market Management approach. 2018 CSA reports there are sufficient quality early years places across the city.

Parental engagement

The LA has established effective partnerships to encourage take-up of the early years free entitlements. Internally the Early Years team, Early Help, Families Information Service and Analysis and Insight work closely together to analyse and use available data to target interventions. Externally, Health, Job Centre Plus, NCVS, Nottingham City Homes, childcare providers and Small Steps Big Changes are engaged with the Local Authority to work collectively to support and encourage parents to access their entitlements.

The LA are currently collecting and compiling data to produce a 100% reach profile for the 2-year-old free entitlement. This will demonstrate how the LA has engaged with potentially eligible families and why some parents choose not to engage and where.

Risks and barriers

The LA continues to improve systems for collecting and reporting on participation to ensure accurate returns. To support this aim, the LA are working on a project to centralise all early years funding claims through one system. This will ensure data will arrive, be cleansed and stored in one place avoiding duplicate or missing records. The success of this project relies on both up front and ongoing Capita technical costs.

Some schools admit children the term they turn three and offer more than 15 hours 3 and 4-year-old provision without accessing early years entitlement funding. Without checking children's eligibility or claiming for these children correctly, these children are not counted towards the city's participation percentages. It is hoped that the project above will prevent this from happening in the future.

LA capacity continues to reduce particularly within services working directly with families, for example the Families Information Service. Front line non-statutory services are at risk of future cuts due to financial pressures of the council. This inhibits the vital 'outreach' activity needed to engage with some of our more vulnerable families.

Nationally, Early Years provision are experiencing financial and operational difficulties. Minimum wage, pension contributions and Government funding allocations are placing financial strains on businesses. Recruiting quality early years practitioners is also an issue placing further strain on operations. The LA will maintain a close eye on the early years market through the CSA and day to day provider support programmes.