



Haringey Council

The Children and Young People's Service

Report to Haringey Schools Forum – 23rd October 2014

Agenda Item

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Report Status

For information/note
For consultation & views
For decision

Report Title: Update on the delivery of the Two Year Old programme in Haringey and budget projections for 2014 - 2019.

Authors:

Ngozi Anuforo, Early Years Commissioning Manager

Contact 020 8489 4681 Email: ngozi.anuforo@haringey.gov.uk

Purpose: To provide Schools Forum members with an update on the delivery of the two year old programme In Haringey and the budgetary implications for meeting the £6 per hour funding rate.

Recommendations:

1. That Schools Forum notes the revised budget projections for the two year old programme to 2018/19.

1. Introduction

1.1 The purpose of this paper is to provide Schools Forum with a general update on progress in the delivery of the two year old programme in Haringey.

1.2 This paper is intended to give the Forum a brief overview of the programme to date and a revised profile of the budget and projected expenditure for the financial years 2014 to 2019.

2. Background

2.1 From September 2013, all local authorities have a statutory duty to provide 15 hours per week of free early education for all eligible two year olds. Eligibility is limited to those children who meet the following criteria:

- Children whose parents would be eligible to claim for Free School Meals (FSM)
- Looked After Children (LAC)
- Families receiving Working Tax Credits and have annual gross earnings of no more than £16,190 a year
- Children receiving a current statement of Special Educational Needs or an education, health and care plan
- Children attracting Disability Living Allowance
- Children leaving care through special guardianship or through an adoption or residence order

2.2 The Department for Education (DfE) estimated that in Haringey, 891 two year olds would become eligible for a place within the academic year September 2013 to July 2014, extending to an estimated 1790 children from September 2014.

2.3 Grant Funding

2.3.1 Haringey Council receives funding for the provision of the two year olds free entitlement through the Early Years Block of the Dedicated Schools Grant (DSG). Schools Forum agreed to ring fence the allocation for the purpose of delivering the programme.

2.3.2 The DSG Early Years Block funding for the Two Year Old Free Entitlement comprises:

- £2.656 million revenue funding for statutory place provision; and
- £1.043 million one-off trajectory funding to support the expansion of the programme.

- 2.3.3 Haringey Council is funded by DfE at a rate of £5.28 per hour for a two year old programme place. From April 2014, the Council have paid providers at a rate of £6.00 per hour to bring our funding formula rate more in line with neighbouring local authorities and to attract more providers to offer places within the borough. This increase to the funding rate was agreed by Schools Forum and the Council in autumn 2013 and would be initially funded through the existing ring-fenced funding allocation for the two year old programme.
- 2.3.4 Based on the current estimation of annual numbers of eligible children (1790) from September 2014, we are aware that by increasing the formula funding rate to £6.00 per hour would require an additional amount of DSG funding, approximately £800,000, to be found on an on-going annual basis from 2018/19.
- 2.3.5 For the period April 2013 to March 2015, the funding allocation given to the Council for statutory place provision by the DfE is based on the anticipated number of places required (place-led) giving us the flexibility to secure places within a variety of settings before children are allocated.
- 2.3.6 From April 2015, DfE will fund the two year old programme on a participation-led basis, in line with the current funding arrangements for the universal three and four year old free entitlement. This will mean that the amount of grant funding allocated to Haringey for April 2015 – March 2016 will be based on the numbers of children recorded as participating in the programme in the January 2015 census.
- 2.3.7 The move to participation-led funding from April 2015 could have significant implications for future levels of DSG funding. Take up levels by January 2015 will need to be high in order to mitigate against potential reductions in future levels of DSG Early Years Block funding. Mitigation against any potential reduction in funding levels will be through maximising the take up of two year old places by eligible children.

2.4 Place Development

- 2.4.1 There are currently **796** places available for children across a range of providers. With current plans, this is set to increase to 846 by the end of December 2014.
- 2.4.2 Intensive work continues to be undertaken with childcare providers to develop two year old early years free entitlement places. This includes the targeting of providers not yet engaging in the programme, new providers opening up in the borough and

existing providers who have the capacity to expand. We routinely inform all private, voluntary and independent childcare providers and childminders in the borough about where places are needed and inviting them to express an interest.

2.4.3 All new providers are kept informed about the two year old programme through regular forums meetings and have access to ongoing support and training to deliver places.

2.4.4 There is a need to raise the profile of child minding in the borough and encourage the parents of eligible children to consider a childminder as an option for their child's place. To this end, we are working with the corporate communications team to develop material aimed at promoting childminding as a childcare choice.

2.4.5 All providers expressing an interest in developing places or developing places are supported with information and access to training. As part of this support, providers are encouraged to plan for transition of two year olds into three year old places and have access to business support materials that include exemplars and options for place provision that models transition planning.

2.5 An exercise to review all potential council owned premises was completed in May 2014. As number of sites were identified and form part of our plans to increase the sufficiency of places. It is anticipated that the successful development of these sites could yield approximately 216 places.

2.6 **Take up of places**

2.6.1 The take up of places by children is currently **623**. As Haringey are currently below the 50% take up level, additional support is being provided from the DfE commissioned Achieving 2YO team with an agreed focus on developing provision in schools and provided by childminders.

2.6.2 A number of approaches are being developed and implemented to maintain communication and improve take-up by parents/carers including;

- The introduction of two-year-old branded envelopes with our existing freepost return.
- On-going marketing campaign to increase awareness in the community about the programme and encourage more parents and carers to take up the entitlement for their child.

- Enabling Children's Centres to carry out targeted engagement of eligible 2 year olds in their reach area.
- An on-going programme of targeted follow-up telephone calls to the parents/carers of eligible children and brokerage support for parents/carers.
- Refreshed information to professionals; including health visitors and children's social care.
- Targeted information and community outreach to support engagement.
- Series of parent road shows to raise awareness and support parents to access the programme.
- The development of childminding promotional material; including promotional video supported by a campaign to promote childminding as a childcare choice.

2.6.3 Improvements have been made to the IT system used to manage the 3 and 4 year old free entitlement to include the 2 year old free entitlement. We have been working with providers to develop the system further and are exploring how the full implementation of an online checking system can be linked with our existing systems to enable local admissions systems to be swifter, robustly managed and enable the effective tracking of take-up and gathering of data by the council for the annual DfE census.

2.6.4 Work is being undertaken, supported by the DfE, to develop the capability for parents/carers to check their own eligibility online; particularly in light of the widening of the eligibility criteria to include those parents accessing Working Tax Credits or Universal Credits and with annual gross earnings of no more than £16,190 a year. This will be accessed via refreshed information pages on the corporate web site.

2.6.5 The 'Champions' model is being developed and forms part of our overall communication strategy for improving the engagement in the programme of children and families from different communities in Haringey. To date, our outreach into the community and exploration of barriers to take up, have identified language as a significant barrier for some parents' awareness and understanding of the two year old free entitlement. The intention is to establish a number of parent champions from the

autumn who will be supported to undertake a targeted programme of promotion, information giving and signposting.

- 2.8 Information about levels of take up, available places and numbers of eligible children not taking up a place is collated and reviewed on a regular basis. These figures are monitored on a fortnightly basis.
- 2.9 Through an analysis of needs and the development of our strategy for early help, we are working closely with partners such as health and other council services to identify the outcomes we are seeking for those children accessing a two year old programme place, how we will measure improvements and track children's progress towards these outcomes.

3. **Programme Delivery Challenges**

- 3.1 A number of issues have emerged as the development of the programme has progressed and are being tackled through the specific plans that are in place to meet the sufficiency and take-up targets;
 - Finding sufficient number of providers to deliver places in key locations
 - The need to increase current number of good quality places available in the market
 - The need for additional delivery spaces to be found within school premises
 - The limited places on offer amongst childminders and reduction in numbers of places available through childminders due to low take up. Some parents appearing unwilling to take up places offered by childminders.
 - A generally lower than anticipated take up of places with some eligible children not taking up a place at any provision
 - Language and literacy barriers to parents accessing information about the 2 year old programme
- 3.2 The anticipated 80% take-up rate continues to be a challenging target for local authorities in London and a range of support, targeted at the London boroughs, has been developed and implemented by the DfE since August 2014.

4. **Budget Profile and Projections to 2018/19**

- 4.1 **Appendix 1** sets out the budget and projected expenditure reported in December 2013.

4.2 **Appendix 2** sets out the revised projections based on the current trajectory for place take up to 2018/19.