

23 May 2016**Agenda Item: 13**

REPORT OF THE SERVICE DIRECTOR, YOUTH, FAMILIES AND CULTURE

DELIVERING 30 HOURS OF FREE CHILDCARE

Purpose of the Report

1. To provide the Committee with an update of national and local plans to offer three and four year olds with 30 hours of free childcare a week.
2. To seek approval to establish a 1 fte (full-time equivalent) temporary Early Years Technical Specialist post (Grade 5) to support local implementation and evaluation of the new extended free childcare offer.
3. To seek approval to extend the hours of the existing Strategic Parenting and Child Poverty Manager (Grade D) post from 0.8fte to 1fte until 31 March 2017, to lead on parental engagement activities.

Information and Advice

Childcare Act 2016

4. In March 2016, the [Childcare Bill](#) received Royal Assent. The Childcare Act 2016 aims to extend the current entitlement of 15 hours to 30 hours for employed families of 3 and 4 year olds, and to provide an incentive to those parents not currently in work.
5. Early Years places are provided by day nurseries, preschools or playgroups, independent schools, child-minders, children centres, maintained and non-maintained schools.
6. Currently, each child is entitled to receive a maximum of 15 hours per week, over no fewer than 38 weeks per year (a maximum of 570 hours per year). The entitlement can be taken over a minimum of two and a half hours per day up to no more than 10 hours per day, between the hours of 7am and 7pm. This will be increased to allow increased free hours as well as increased flexibility for parents.
7. Childcare, by definition, is the provision of care and supervision of children while parents are working or studying. Good quality childcare can benefit children's development, but the key focus of this new policy is to support parents to work and enable them to increase their working hours, reducing the barrier faced by many parents of the cost of childcare.
8. There are criteria to enable parents to qualify free childcare:

- Each parent (or the sole parent in a single parent family) will need to earn, on average, the equivalent of 16 hours on the national minimum wage per week (currently £107 per week), and no more than £100,000 per year. A family with an annual household income of £199,998 would be eligible if each parent earns just under £100,000. Self-employed parents and parents on zero-hours contracts will be eligible if they meet the average earnings threshold.
 - Families where one parent is not in paid employment (or neither parent works) will usually not be eligible for these additional hours. Parents who are studying or in training will not be eligible unless this is combined with paid work which meets the minimum average earnings threshold. Government intends to make provision to support families where one parent is in receipt of benefits relating to caring responsibilities or has a disability and the other parent is working. It does not appear that single parents who are disabled or have substantial caring responsibilities will be eligible for the full entitlement, although this has not been officially confirmed.
 - Eligibility will be checked by HM Revenue and Customs (HMRC) and will be based on actual income earned. There will be a short grace period so that if parents lose their jobs, they do not automatically lose their childcare entitlement. More details of how this will work have not yet been confirmed.
9. Department for Education (DfE) and HMRC also plan to develop an online application process for parents wishing to identify if they are eligible and, if they are, to apply on line for their extended offer of childcare. Nottinghamshire County Council launched an online application system in September 2015; it is unclear if this will be required once the national tool has been launched.

National Consultation

10. The DfE is currently undertaking consultation to identify views on some of the key elements of the operation and delivery of the 30 hour extended free entitlement. This includes how the entitlement will be delivered, and how it will meet and be responsive to the needs of working parents. The DfE is seeking views on:
- how local authorities should work with childcare providers to provide the entitlement
 - how we meet the needs of working parents
 - provision for children with special education needs and disabilities
 - the role and responsibilities of local authorities in securing places
 - how local authorities tell parents about locally available childcare
 - how local authorities would operate a 'grace period' (what happens if a parent loses their eligibility for the entitlement).
11. Consultation closes on 6th June 2016 and is available at:
<https://consult.education.gov.uk/early-years-funding/childcare-free-entitlement>

Local Authority Capital Bidding process

12. Central Government is offering capital grants to early years settings through a local authority bidding process. The grants will support the delivery of the 30 hours extended entitlement of free childcare coming into effect from September 2017. This may include schools that currently offer, or plan to offer, provision for three and four year olds.
13. Nottinghamshire County Council submitted an expression of interest for a capital grant in April 2016. Decisions on successful bids will be made in autumn 2016. If Nottinghamshire is successful, the Local Authority will receive a grant within the financial year 2016-2017.

Nottinghamshire's Early Innovator Status

14. The DfE has approved early implementer and early innovator guidance for local authorities following successful expressions of interest made in December 2015.
15. The aim of the status and associated funding is to enable local authorities (from September 2016) to test how best to deliver the additional entitlement to all eligible children and increase the level of parental demand for places, overcoming the range of challenges around supply and quality. The collective experiences of the local authorities will be used to support the expansion of the 30 hour a week childcare scheme across England in 2017.
16. Nottinghamshire County Council has been named as an 'early innovator' to help with the future provision of early years childcare in England. Nottinghamshire is one of 25 local authorities across the country chosen by the Government to look at innovative ways to implement the extended free childcare entitlement for working parents of three and four year olds. A list of local authorities identified as early implementers and early innovators is included in **Appendix 1**. Nottinghamshire is included within a 'Midlands Cluster' including Staffordshire, Nottingham City, and Walsall.
17. 'Early implementers', such as Staffordshire, have been tasked to deliver the 30 hours extended entitlement from September 2016, a year before national roll out. They will need to provide intelligence around potential market challenges, test the joint online childcare application system and collaborate to create a strong and consistent approach across the country.
18. The 'early innovators', including Nottinghamshire, Nottingham and Walsall, will work on specific issues such as availability of places, supporting parents to work and how to make it easier for childcare providers to offer places for children with disabilities and special educational needs. Nottinghamshire has been tasked to explore 'flexibility of provision' and 'parental engagement'.
19. Funding has been allocated to successful local authorities to test and explore elements of the offer.
20. The Council will be expected to provide a six monthly update to the DfE in preparation for full roll-out and is also expected to share learning with neighbouring local authorities as part of work with the Midlands Cluster.

Operational Support for Implementation

21. It is proposed that some of the funding is used to develop and recruit to a temporary full time Early Years Technical Specialist post. The postholder would be responsible for data collection and analysis to ensure the Council has a better understanding of the current supply of childcare. Additional duties will include research and evaluation, as well as consultation and engagement activities with parents, carers and early years providers.
22. This post would be an internal opportunity which would be open for secondment and recruited to an existing job description on Grade 5 (£21,530 - £24,472 plus on-costs). The post would be in place until the end of the Early Innovator funding in September 2017.
23. It is proposed that a small amount of the funding is used to temporarily extend the hours of the Strategic Parenting and Child Poverty Manager at Band D from 0.8 FTE to 1 FTE. This will provide additional capacity and the post holder will lead on strategies to engage parents in reviewing and planning the extended childcare offer. This extension will continue until 31st March 2017.

Other Options Considered

24. Existing staff within the Department have little/no capacity to undertake the additional duties for data and project planning required by the DfE; this additional capacity would be available if an Early Years Technical Specialist post was in place.

Reasons for Recommendations

25. The DfE requires identified local authorities to initiate plans as soon as possible. This requires capacity to enable the Local Authority to fulfill all requirements associated with this new status of 'early innovator'.

Statutory and Policy Implications

26. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

27. Nottinghamshire has been awarded £131,877 for the period 1st April 2015 – 31st August 2017. This will be used to fund research, evaluation, parental engagement, work with the early years sector, additional officer capacity and the temporary Early Years Technical Specialist post.
28. If Nottinghamshire is successful in securing an allocation towards subsequent capital costs, this will be used to address priority projects in areas of greatest need. This could be used to expand existing provision or establish new provision. This will be scoped in detail with Property colleagues. If however the Local Authority is unsuccessful in securing

this funding, there will be substantial challenges in the ability to deliver increased provision.

RECOMMENDATIONS

That the Committee:

- 1) notes national and local plans to provide an extended offer of childcare for three and four year olds.
- 2) approves the proposal to establish a 1 fte temporary Early Years Technical Specialist post (Grade 5) to support local implementation and evaluation of the new extended free childcare offer.
- 3) approves the proposal to extend the hours of the existing Strategic Parenting and Child Poverty Manager (Grade D) post from 0.8fte to 1fte until 31 March 2017, to lead on parental engagement activity for the extended childcare offer.

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Constitutional Comments (LM 29/04/16)

29. The recommendations in the report fall within the Terms of Reference of the Children and Young People's Committee.

Financial Comments (SAS 05/05/16)

30. The financial implications of the report are contained within paragraphs 27 and 28 above.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Early Years Technical Specialist Job Description/Person Specification

Nottinghamshire Early Years Improvement Plan 2015-2016

Nottinghamshire County Council Childcare Sufficiency Assessment 2016

Electoral Division(s) and Member(s) Affected

All.

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