

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member Children's Services
Date:	20 January 2016
Title:	Two Year old Grant funding 2015/16
Reference:	7196
Report From:	Interim Director of Children's Services

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1. Executive Summary

- 1.1 The purpose of this paper is to seek approval from the Executive Member for the delegation of authority to the Director of Children's Services to make grants of £5,000 and over. These grants would be used to develop places where there is a need to extend 2 year old provision by funding minor building works, the purchasing of resources and supporting the business model of rural settings where their viability is at risk.
- 1.2 Applications will be sought from childcare providers who are approved by the Council to provide early years education that are in areas identified where supply is limited and capacity needs further growth or financial support would sustain quality 2 year old places. Preference would be given to fund one or two larger projects rather than a number of smaller projects should there be a range of applications. Therefore the approval for delegation of authority is being sought.

2. 2 Year Old Trajectory funding contextual information

- 2.1 The free 2 Year old Early Years Education offer is part of a national offer from the Department for Education (DfE) and has been developed to improve outcomes for identified two year olds who would benefit from access to high quality early years and childcare provision.
<http://www3.hants.gov.uk/childrens-services/childcare/parents/cis/eye/2-year-old-offer-2.htm> . Eligible children can access up to 570 hours funded early years education in their eligible birthday year (2-3 years old). Children are eligible for 2 year old funding under three main criteria:

- Economic- parents are in receipt of particular benefits
- Children are in the care of the local authority

- SEN - children who are in receipt of DLA or have an Education Health Care Plan.
- 2.2 In September 2013, the Department for Education (DfE) indicated that 2,153 children in Hampshire should be eligible for this 2 year old funding entitlement and, from September 2014 the DfE extended the criteria so that approximately 4,200 children in Hampshire would be eligible on an annual basis. It was acknowledged that the increase in the number of children would require additional funding and significant development within the childcare market.
- 2.3 In 2013/14 Revenue Trajectory Funding of £2,443,016 was allocated by DfE which was provided to support the development of the places and the quality of the childcare market as well as supporting families to access provision. £800,000 of the trajectory was converted to capital to support the £1.65 million capital funding received from the DfE which was agreed to be ring-fenced for capital grants and strategic investment. In June 2015 it was reported to the Executive Member that this funding supported the creation of 1000 early years education places for 2 year olds.
- 2.4 Hampshire has developed a strong market with over 10,000 places for 2 year olds and these places are also for non-funded 2 year olds and younger children requiring childcare. There is in the region of, 10% of group settings and 6% of childminders who are currently not yet delivering the free 2 year old Early Years Education offer.
- 2.5 There continues to be approximately just under 4,000, 2 year olds likely to be eligible for funding with the latest information from DfE in November providing a list of 3600 for spring 2016. The numbers of children accessing places continues to improve and in the summer 2015 there were 70% of eligible children confirmed to be accessing provision, however not all children accessed their full 15 hours with the average being in the region of 13.5 hours per week.
- 2.6 Despite this growth there are still areas across Hampshire where demand is greater than the supply in hours and places. The Childcare Development team have identified some providers with projects in the following areas where grant funding would support greater access for children:
- Winchester city council: Denmead,
 - New Forest: Pennington, Lymington, New Milton,
 - East Hants: Headley Down,
 - Eastleigh: Eastleigh South.

3. Criteria and purpose of grant

- 3.1 The DfE requires authorities to continue to promote the two year old offer and ensure that the childcare market is well placed to meet the demand and is seeking that the take up moves to be similar to three and four year olds which in Hampshire is close to 98% take up of eligible cohorts. Currently the take up

of 2 year old provision is 73%. This take up is growing but remains less than the Government expectation which reflects in part, parental choice not to take up provision but also the need to develop places.

3.2 Following discussions with the Partnership Advisory Group and the Nursery Advisory Group, it was agreed that it would be helpful to develop a grants programme to extend provision. They considered that it would be more beneficial to prioritise the £55,000 grant fund to deliver one or two larger individual grants should appropriate applications be received. It is therefore proposed to invite the settings in the areas mentioned in Appendix 1 to apply for grant funding.

3.3 The purpose of the grant offered will be to:

- Expand the number of early years education places or hours available for the delivery to 2 year old children through, non capital small equipment/minor works that support development of places or hours of delivery;
- To support sustainability of early years education provision for 2 year olds:
 - where a small grant would help keep the provision open to meet projected demand and to fund resources and/or make changes to the environment that specifically helps to deliver a quality curriculum for younger children; or
 - provide rural providers some financial contribution to maintain places where access to 2 year old early years education places is limited.

3.4 In the absence of any suitable applications for larger grants the remaining funds would be provided through small grants of up to £4,999. These would be allocated by the Director of Childrens Services under existing delegated decision arrangements. This report recommends that the decision to approve any larger grants of £5,000 and over is delegated to the Director of Childrens Services. The grant fund would support the development priorities in Appendix 1.

4. Financial Implications

4.1 At it's meeting on 8 July 2015 Schools Forum approved the use of £65,000 from 2014/15 schools budget underspend to be allocated for capacity building for 2 year old education provision as follows:

- £55,000 to support identified potential project areas in 2.6 above to continue to grow capacity and quality delivery through grants of less than £5,000;
- £10,000 is allocated to Services for Young Children to develop further promotion direct to parents.

4.2 At it's meeting on 19 January 2016, Schools Forum will be advised of the proposal to provide some grants for capacity building for 2 year old education up to and more than £5,000.

5. Consultation and Equalities

- 5.1 Informal consultation also took place with the Partnership Advisory Group and Nursery Advisory Group in September 2015.
- 5.2 The funding of projects will be targeted to support priority groups of vulnerable children and young people across the county and is expected to have a positive impact on improving outcomes for equalities groups. Each applicant must declare that the organisation has an equal opportunities policy in place prior to funding being awarded.

6. Other considerations

- 6.1 The 2 year old trajectory revenue grant fund will be managed through the corporate grants process.
- 6.2 Organisations that apply for the 2 year old trajectory revenue funding and are unsuccessful will receive individual feedback explaining why their application has not been supported.

7. Recommendation(s)

It is recommended that the Executive Lead Member for Childrens Services approves the:

- 7.1 establishment of a grant round to improve the capacity and quality of 2 year old Early Education places.
- 7.2 delegation of authority to the Director of Children's Services, to make grants of £5,000 and over in relation to 2 Year old Grant funding 2015/16.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	No
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
	<u>Reference</u>	<u>Date</u>
Childrens Services Capital Programme 2013/14 – 2015/16	4367	23 January 2013
Childrens Services Capital Programme 2013/14 – 2015/16	4608	25 March 2013
Childrens Services Capital Programme update	4954	24 October 2013
Grants from Childrens Services 2013/14	4926	24 October 2013
Childrens Services Early Education Funding Capital Grant 2015/16	6625	3 June 2015
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>
Childcare Act		2006
Early Education and Childcare Statutory Guidance		2014
Early Years Foundation Stage		2014

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

- The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

- **Equalities Impact Assessment:**

An impact assessment identified that as the funding available for this grant is limited there is a low although positive impact on access to early years education for eligible children from low income families. All Early Years and Childcare Providers are required to provide inclusive provision. The priorities for the grant have been based on need for expansion in areas where places are required to support equality of access to childcare. A full equalities impact assessment is underway as part of the childcare sufficiency assessment.

2. Impact on Crime and Disorder:

No adverse impact is anticipated.

Criteria for 2 year old trajectory revenue funding grants

Who can apply:

Hampshire childcare providers who deliver early years education

Grant purpose:

Expansion of Early Years Education places or hours available for delivery for 2 year old children:

- non capital small equipment/minor works that support development of places or hours of delivery;

To support Sustainability of Early Years Education provision:

- for 2 year olds where a small grant would help keep the provision open to meet projected demand and to fund resources and/or make changes to the environment that specifically helps to deliver a quality curriculum for younger children;

or

- provides rural providers some financial contribution to maintain places where access to 2 year old places is limited.

Priority areas:

District	Priority 1	Priority 2
Basingstoke and Dean	No specific projects identified	All other ward areas
Eastleigh	Eastleigh South Bishopstoke	All other ward areas
East Hants	Headley Down	All other ward areas
Fareham	No specific projects identified	All other ward areas
Gosport	No specific projects identified	All other ward areas
Hart	No specific projects identified	All other ward areas
Havant	No specific projects identified	All other ward areas

New Forest	Lymington Pennington	All other ward areas
Rushmoor	No specific projects identified	All other ward areas
Test Valley	No specific projects identified	All other ward areas
Winchester	No specific projects identified	All other ward areas

Applications from priority 1 areas would be considered in the first instance and only if grant funds remain unallocated would other ward areas be considered.

All applications will be assessed and evaluated on:

- delivery of additional capacity of hours and/or places;
- value for money of the projects offering the greatest increase in capacity of hours/places per pound being supported.