

DECISION-MAKER:	CHILDREN AND FAMILIES SCRUTINY PANEL		
SUBJECT:	EARLY YEARS PROVISION		
DATE OF DECISION:	25 JANUARY 2018		
REPORT OF:	SERVICE DIRECTOR - CHILDREN AND FAMILIES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Anne Downie	Tel: 023 8083 4252
	E-mail:	anne.downie@southampton.gov.uk	
Director	Name:	Hilary Brooks	Tel: 023 8083 4899
	E-mail:	hilary.brooks@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY	
None	
BRIEF SUMMARY	
Following national changes to Early Years entitlement in September 2017 the Panel will be considering Early Years provision in Southampton and the potential impact of the 30 hour early education offer in Southampton.	
RECOMMENDATIONS:	
(i)	That the Panel note the overview of Early Years provision and the potential impact of the 30 hour early years' offer in Southampton.
REASONS FOR REPORT RECOMMENDATIONS	
1.	To enable a discussion with the Cabinet Member and officers on Early Years in Southampton.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	None
DETAIL (Including consultation carried out)	
	Background
3.	Southampton City Council has a statutory duty to secure sufficient high quality early education places for eligible 2, 3 and 4 year olds and sufficient childcare places for working parents. Our Sufficiency Assessment, which takes into account housing and business developments, birth data, population forecasts, vacancy information for providers, etc, enables us to ensure that as far as possible new places are being created in areas where there is an identified need.
	Offer for 2 Year Olds
4.	Research shows that attendance at age 2 at high quality early years' provision has a significant short and long term impact on the outcomes for children from disadvantaged backgrounds. Reflecting this the Government, in 2014, expanded the early years offer to support 2 year olds. This offer is

	specifically to support the outcomes of young children from more deprived backgrounds, with eligibility linked to the family's income. All looked after 2 year olds are also eligible for the offer.
5.	In 2013-14 1,700 new early education places were secured in Southampton to support the delivery of the 2 year old offer. Working with partner agencies and raising awareness of the 2 year old offer has led to an 80% take-up in the City.
	Extended Offer – 3 and 4 Year Olds
6.	From September 2017 3 and 4 year olds whose parents earn between the equivalent of 16 hours a week each at minimum wage and £100,000 per year were entitled to an extra 15 hours a week, term time, or 570 hours a year on top of their current universal funded hours. This includes the self-employed and parents on zero-hours contracts. The additional funded hours are also available where one parent is employed but the other has substantial caring responsibilities, is disabled or is on maternity leave.
7.	Our Sufficiency Assessment, linked with data from DWP, suggested that 1,800 3 and 4 year olds would be eligible for the 30 hour offer, and of these around 32% would already be accessing provision paid for directly by their parents. Unlike the 2 year old offer, the 30 hour offer is specifically aimed at supporting parents to remain in, or to commence work.
8.	Working in partnership with the providers, new places were secured to support the delivery of this offer, with additional places and provision planned for the Spring and Summer terms. We estimate that just under 1,000 3 and 4 year olds are currently being funded for more than 15 hours a week, with more accurate figures being available following the early year's census.
9.	Parents are accessing these places with Ofsted-registered nurseries, preschools and childminders, with many using a mix of providers to ensure the flexibility they need. We have had no reports to date of parents being unable to access a 30 hour funded place, however not all parents are able to access the hours they need to fit their work pattern with their provider of choice. There is still under-use of childminders for the funded places; an event is being planned for May 2018 to increase shared-care arrangements between childminders and group providers.
10.	A potential impact of the 30 hour offer is that, especially in the Spring and Summer terms when there are fewer vacancies, providers may choose to accept funded 3 and 4 year olds for the 30 hour offer, rather than accept funded 2 year olds. This may impact on Southampton's Early Years Foundation Stage results, which have been rising year on year.
	Funding
11.	The early education offer is funded from the Dedicated Schools Grant (DSG) Early Years block. Following a national funding review Southampton's hourly rate for all 3 and 4 year olds reduced in 2017 and will further reduce in April 2018.
12.	Southampton has in the past been able to fund maintained nurseries at a

	higher hourly rate, with 2 nurseries receiving a lump sum to ensure their financial viability. The DfE has stated that all early years provision is to be subject to the same funding formula, and has provided extra interim funding for the 1 maintained nursery school, this however equates to only 20% of the previous lump-sum. This reduction in funding will impact on the viability of the maintained nurseries and on the number of funded places they are able to offer.
13.	The DfE has reduced the percentage that local authorities can retain from the DSG Early Year's block to support the early years and childcare sector, which has led to a reduction in resources.
14.	Currently 95% of Southampton's early year's provision is rated as being at least 'good' by Ofsted, which is above the national average of 94%. A recent consultation with early year's providers evidences a real concern about the reduction in resources, and the potential impact on quality, sufficiency and children's outcomes. The consultation also raised a number of suggestions that the service will be considering as efforts are made to maintain high quality, sustainable early years provision in Southampton.
15.	The Panel are requested to discuss the issues identified relating to Early Years provision with the Cabinet Member for Education and Skills and the invited officers.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
16.	None as a result of this report.
<u>Property/Other</u>	
17.	None as a result of this report.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
18.	None as a result of this report.
<u>Other Legal Implications:</u>	
19.	None as a result of this report.
RISK MANAGEMENT IMPLICATIONS	
20.	None as a result of this report.
POLICY FRAMEWORK IMPLICATIONS	
21.	Take-up of funded early education and childcare has a significant impact on the council achieving its priorities. In particular the following priorities: <ul style="list-style-type: none"> • Children and Young People get a good start in life • Southampton has strong and sustainable economic growth.
KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	All

SUPPORTING DOCUMENTATION

Appendices

1.	None
----	------

Documents In Members' Rooms

1.	None
----	------

Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
---	-----------

Privacy Impact Assessment

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.	No
---	-----------

Other Background Documents

Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None