

Open Report on behalf of Debbie Barnes OBE, Executive Director of Children's Services

Report to:	Children and Young People Scrutiny Committee
Date:	08 March 2019
Subject:	Delivery of 30 Hours Childcare

Summary:

This report provides an overview of the Government's commitment to 30 hours per week of funded education for working parents of 3 and 4 year olds and to share Lincolnshire's current position regarding the implementation of this offer.

Actions Required:

The Children and Young People Scrutiny Committee is invited to consider and comment on the content of this report.

1. Background

The government committed to doubling the amount of free childcare from 15 to 30 hours a week for eligible working parents of three and four year olds from September 2017. With the intention for the extended entitlement to have a real impact on the lives of families, supporting parents who wish to work, or to work more hours.

Funding for 30 hours is driven through local authorities, as it is for the existing 15 hours. This is managed and delivered in Lincolnshire through the Early Years and Childcare Support service (EYCC). Providers delivering any part of the 30 hour entitlement must follow the requirements of the Early Years Foundation Stage and must be registered with Ofsted.

A child is entitled to free early years provision if the child has attained the age of three, is under compulsory school age and the child's parent(s) meets the eligibility criteria set out below.

- The parent of the child (and their partner where applicable) should be seeking the free childcare to enable them to work;
- The parent of the child (and their partner where applicable) should also be in qualifying paid work. The definition of qualifying paid work is set out at regulation 5. Each parent or the single parent in a lone parent household will need to expect to earn the equivalent of 16 hours at the national living wage or their national minimum wage rate over the forthcoming quarter;

- Where one or both parents are in receipt of benefits in connection with sickness or parenting, they are treated as though they are in paid work;
- Where one parent (in a couple household) is in receipt or could be entitled to be in receipt of specific benefits related to caring, incapacity for work or limited capability for work that they are treated as though they are in paid work;
- Where a parent is in a 'start-up period' (i.e. they are newly self-employed) they do not need to demonstrate that they meet the income criteria for 12 months in order to qualify for the extended entitlement.
- If either or both parents' income exceeds £100,000 they will not be eligible for the extended entitlement.

The relevant dates in relation to the age criterion are the same as for the three-year-olds eligible for 15 hours of free provision.

Since September 2018, the government has extended the eligibility to include children in foster care where the criteria set out below are met:

- Accessing the extended hours is consistent with the child's care plan, placing the child at the centre of the process and decision making, and
- In single foster parent families, the foster parent holds additional paid employment outside of their role as a foster carer.
- In two foster parent families, both partners hold additional paid employment outside of their role as a foster carer.

2. Conclusion

In Lincolnshire, 582 private voluntary and independent (PVI) providers, 22 Academies and 49 schools are now registered to deliver the extended 30 hours. This represents 90% of the funded childcare sector. The sector's response to 30 hours implementation has exceeded our expectations with a high level of providers engaging in delivering the extended offer for working parents (this includes private, voluntary, independent providers, childminders and schools). This evidences an extremely encouraging level of provider engagement with the new extended entitlement.

The quality of provision continues to improve, with 96% of early years providers in Lincolnshire being rated as Good or Outstanding at inspection as at 31st August 2018.

95% of all 3 and 4 years old are accessing Early Education places (January 2018 DfE Statistical First Release). Access to the 30 hours entitlement began in September 2017 and take-up levels by summer term 2018 reached 5,322 children, which is above the DfE estimate of 5,010 eligible families in Lincolnshire.

The local authority completed a sufficiency audit in 2017 to identify the number of places available to support the implementation of 30 hours childcare. The summer term is the highest period of take-up for the Early Years Entitlement funding for 3

and 4 year olds. There was a national feeling that the Government had underestimated the number of children that may be eligible, however the market place in Lincolnshire responded well and concerns over lack of available childcare to support the delivery were unfounded.

Childcare providers have been fully committed to delivering the extended entitlement. In 2018, a parental survey has been completed to follow up on the childcare available to families in Lincolnshire. This has indicated that place availability for 3 and 4 year olds is accessible and flexible to meet their needs. The early years team will continue to monitor the take-up of places to ensure the offer meets the needs of working families.

Using the government eligibility checking service (ECS) audit tool, we know that 4,637 eligible codes were issued for the spring term 2018 with 4,080 validated, this equated to 88%. In January 2019, 5,031 codes were issued to families in Lincolnshire and 4,723 were validated which represents 94%. Nationally and in the East Midlands region, this statistic is currently 93%.

Contributing factors that have supported implementation

Childcare Works continue to deliver the DfE's national support contract for the 30 hours free childcare programme. Lincolnshire is actively engaging in the national and regional progress sharing meetings, which has supported the local authority to implement this agenda successfully.

In order for Lincolnshire to review our position across the childcare market and plan for gaps in the market place, Hemsall's Consultancy was commissioned to complete Lincolnshire's Childcare Sufficiency Assessment (CSA). There was some suggestion from the sector that the delivery of 30 hours may impact on the other existing Early Years Entitlements. EYCC has been monitoring the impact of 30 hours on the universal 15 hours and 2 year old entitlement to ensure there is no displacement on these places available to families. In instances where this has been the case, EYCC has worked with the providers in the area to meet the needs of parents in the area.

The local authority was successful in securing DfE funding to provide this digital solution for childcare providers in Lincolnshire and this was developed and implemented in preparation for September 2017. This is now fully implemented and has supported EYCC to move to a monthly payments process for EY providers in receipt of funding.

In addition, capital funding was available via the DfE to support localised pressure on places for 30 hours. The local authority secured £1,594,138 of capital funding from the DfE to develop 6 capital projects to create 259 new 30 hour places in Lincolnshire. All have been completed and are actively delivering places.

EYCC has been working with the early years sector during the last 2 years to ensure that there are sufficient childcare places to fulfil the offer made by government. EYCC has continued to deliver key messages on sufficiency, quality,

business viability and the importance of retaining the universal 15 hour delivery, as well as places for the funded two year olds so that these were not displaced.

Training is still available through the training directory to give providers an opportunity to access business support advice & guidance as part of the 30 hours developments. In addition, EYCC provided a comprehensive 30 Hours Guidance Toolkit for childcare providers.

We have been working closely with the Family Information Service (FIS) to ensure the Family Services Directory is updated and information is available for providers offering funded places for children with SEND.

EYCC continue to work with out of school providers to deliver part of the 30 hour offer by wrapping around other early year's providers that are unable to meet parental demands outside of 9am to 3pm arrangements.

Following implementation of the 30 hours free childcare, a parental consultation was undertaken to establish if the market place in Lincolnshire was meeting the needs of working parents.

The survey was available on-line between 4th June and 31st July 2018 and was completed by 1,033 respondents.

The survey showed that those parents using childcare are happy with the quality and 93% reported being satisfied with the quality of childcare used.

The vast majority of parents and carers using childcare with 95% reporting they were satisfied with the childcare arrangements they had in place.

Feedback from some parents was that the government gateway is a frustrating system to use and find it problematic to reconfirm eligibility every 3 months.

Example comment from the parental survey:

"30 free hours is very confusing and frustrating. I can see why some people would not use it or not be able to access it. It is annoying to keep having to reapply and all the different options with similar names 30 free hours, 15 free hours, tax free child care leads to further confusion. The system to apply is also out of date and not user friendly. My childcare providers are great but I am forced to pay for times I don't need (school holidays) and I have to split my free childcare over the full year. I feel this is unfair on me. I pay for lots of days I don't need. Also, when the 30 hours was introduced the nursery changed all of its payments so I had to pay for additional hours, snack and meals meaning 30 hours isn't 30 hours at all. It has been a big help but the title is misleading for working parents"

Where parents are experiencing any difficulties using the government gateway system, the Early Years and Childcare Support team is referring parents to the HMRC customer interaction service through a Freephone telephone service for support.

The single biggest barrier to using additional childcare was identified as cost. The Government introduced new ways to help parents with childcare costs and they can access this information online through [Childcare Choices](#). This website was put in place nationally and it sets out childcare offers and support available to parents, including the Tax-Free Childcare scheme, 30 hours, universal 15 free hours, 2 Year Old childcare offer, Tax Credits, Universal Credit and Childcare Vouchers. The local authority has widely distributed new marketing and communication toolkits for parents to understand the different Government offers available to support them.

The feedback from parents has been reported back to HMRC and the DfE at regional meetings and the Early Years and Childcare Support team will be completing additional auditing with providers to determine what their chosen delivery models are when offering the funded entitlements to parents to ensure this meets with statutory guidance and support will be offered to ensure information is clear to parents prior to accessing their funded education entitlement.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

Yes

b) Risks and Impact Analysis

Please refer to Lincolnshire's Sufficiency Report 2017
<https://www.lincolnshire.gov.uk/eycc/sector-support/sufficiency/128900.article>

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Childcare Overview

5. Background Papers

Document title	Where the document can be viewed
Management information on the number of 30 hours codes issued and validated for spring 2019 (DfE January 2019)	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774856/30-hours_childcare_management_information_stats-January_2019.pdf
Early years entitlements: operational guidance for local authorities and providers (DfE June 2018)	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/718181/Early_years_entitlements-operational_guidance.pdf

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