

Open Report on behalf of Peter Duxbury, Executive Director (Children's Group)

Report to:	Schools' Forum
Date:	21 April 2010
Subject:	Charging Policy for Early Year's Places within the Maintained Sector

Summary:

This paper proposed a change of policy to enable the maintained sector to make a charge for places over and above the 15 hours statutory provision for early years places.

The paper also proposes that the Dedicated School Budget no longer supports the costs for full time provision.

Actions Required:

As there is no confirmed DCSF view on this issue, it must be highlighted that this is an element of risk to the Authority in taking forward a charging policy.

There is nothing in the legislation that says we should be providing extra hours for free and there is nothing that specifically states that we cannot charge for this provision, only that we cannot charge for education. The introduction of EYFS and the removal of the distinction between education and care have complicated the situation. However, introducing a charging policy will enable the maintained sector to offer a similar service to private, independent and voluntary sector thus creating more choice and diversity for parents and carers.

It is recommended that the charging policy outlined in Appendix 1 be adopted for all Nursery classes. This will need the approval of all Governing Bodies. It is not considered appropriate for this policy to apply to nursery schools, as nursery schools are funded on places not participation so if introduced this would lead to double funding for places.

It is further recommended that the Authority no longer funds full time places from September 2011.

(EYFS - Early Years Foundation Stage)

1. Background

The Government funds Local Authority's to ensure a free part-time early-education place is available for every 3 and 4 year-old in settings that have been *registered* by Ofsted, and found to be of at least satisfactory in quality by the LA itself, through an accreditation process (unless exempt). Free places can be provided by a variety of providers in the maintained, private, voluntary and independent sectors including registered childminder networks.

From 1 September 2010 3 and 4 year olds are entitled to free Early Year's education, comprising 15 hrs per week for 38 weeks of the year. This is an increase from the previous 12.5 hours already offered to children of this age. Parents do not contribute towards this minimum entitlement but may be charged fees for any services or childcare additional to the free place. Traditionally the maintained sector has limited its services to statutory entitlement although this is not consistent across all the maintained sector.

This paper proposes that any provision over and above the statutory entitlement should not be met from the Dedicated School Budget. It is suggested that provision above the entitlement is considered to be an aspect of an extended school and funding for it should be separated from the school's delegated budget.

Work to prepare for the Early Year's Single Funding Formulae (subsequently postponed for a year) identified that there was no clear or consistently applied policy with regard to the maintained sector charging for early year's places over and above the statutory entitlement. The maintained sector voiced concern that this lack of clarity placed them at a disadvantage compared to the Voluntary, Private and Independent sector as they were unable to complete and meet parental demand.

This paper seeks the agreement to enable Governing Body's to adopt the attached policy which would enable them to charge for early years places in response to parental demand. It must be highlighted that the decision to adopt the policy if agreed would be at the discretion of the Governing Body.

2. Conclusion

The next section of the report confirms the Legal position and the position of DCSF regarding the proposal to implement a charging policy which would increase parental choice and offer clarity to schools on this matter.

DSCF have provided the following advice:

In the interim guidance on the single funding formula, we said that it was possible for schools to charge for provision outside the free entitlement. A number of people have questioned this and our discussions with those local authorities suggest that the legal position is actually far from clear. We have looked again at this issue. Our view is while there are some situations in which schools can charge (e.g. where provision is set up as extended services or delivered by a private or voluntary provider on site), schools cannot charge for provision that has an educational

element. The introduction of EYFS and the removal of the distinction between education and care has complicated the situation and we are clear that we need to clarify the legal position as quickly as possible. We want to talk to some schools and LAs about the exact circumstances in which schools should be able to charge but our current thinking is that we should regulate to allow schools to charge for any provision outside the free entitlement, provided that it is not already funded and that it is only offered to children below compulsory school age.

Given this ambiguity, LCC Legal Services have been contacted and the following advice has been provided:

“we are saying is that LCC cannot afford to provide any additional hours for free to the 12.5 that we have to offer and if parents still want that provision, they would be charged.

If it is, therefore, considered acceptable for a charging policy for early years to be introduced. The proposal is that LCC govern the policy which would need to be approved by Governing Body's. LCC Children's Services suggest strongly that the hourly rate provided to schools for nursery places should be the level of charge passported to the parents would mean that the school budget would not be subsidising the additional provision and that the school would not be making a surplus.

Within the introduction to this paper, the report proposes that provision over the statutory entitlement should NOT be funded through the dedicated school budget. However, historically, the school budget has provided some full time places across a range of schools. There is no clear rationale for funding full time places, with the current position being as follows:

- 1 Primary School has all its nursery class places funded as full time
- 4 Primary Schools have a limited number of nursery class places funded as full time
- 5 Primary Schools allow children to access full time places without LA funding or charging parents

It is proposed that funding for all full time places should cease from April 2011. This will ensure consistency of practice. Additional support and early years provision for children who are additionally vulnerable will be provided through alternative budgets co-ordinated through the Common Assessment framework planning system.

3. Consultation

a) Policy Proofing Actions Required

This policy will be subject to equality impact assessment and will also be presented at Children and Young People Scrutiny.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Charging Policy for Early Years Places within the maintained sector

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Debbie Barnes, who can be contacted on 01522 553204 or debbie.barnes@lincolnshire.gov.uk.