

CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY PANEL

21 MARCH 2024

EARLY EDUCATION AND CHILDCARE NATIONAL EXPANSION PROGRAMME

Summary

1. The Cabinet Member with Responsibility for Education and the Director of Education, Early Years, Inclusion and Place Planning have been invited to update the Panel on developments and Worcestershire's preparation relating to the Early Education and Childcare National Expansion Programme.

Background

2. Local Authorities in England have responsibilities for the sufficiency of early education and childcare places.
3. These duties include those from The Childcare Act 2006 which places a requirement on English local authorities, so far as reasonably practicable, to secure sufficient childcare in their area for working parents. This includes securing early years provision that provides funded places for working parents and children with specific disadvantages.
4. The Childcare Act 2006 also places a duty on English local authorities to provide information, advice and assistance to parents and prospective parents and to provide information, advice and training to childcare providers.
5. The Childcare Act 2016 also places a duty on the Secretary of State to secure the equivalent of 30 hours of funded childcare over 38 weeks of the year for qualifying children of eligible working parents. Children in England will qualify if they are under compulsory school age and meet the criteria. These regulations also set out the conditions to be met by parents in order for their children to qualify. This duty is discharged to local authorities to have the responsibility for passing through the entitlement funding for places, calculated by central government, to early years providers.
6. In 2023 the government announced an expansion of the childcare programme to provide access to supported childcare for younger children and babies for working families and extend 2-year-old funded provision. In addition, and by September 2026, all parents and carers of primary school-aged children who need it should be able to access term time childcare in their local area from 8am-6pm, so that parents can access employment and improve labour market participation.

- This is a significant programme of investment and market development and is of public interest and priority. The Children and Families Overview and Scrutiny Panel requested that an introduction and plans for preparation and implementation of this programme be shared with the Panel.

Issues for the Panel to Consider

How does Worcestershire currently meet the early education and childcare duties?

- Across Worcestershire there are 446 early years and childcare settings on the Ofsted Early Years Register. This includes 209 childminders, 33 home child carers, frequently known as Nannies and 191 private or voluntary run settings (PVI sector), with a further 4 registered independent schools.
- There are 113 state funded schools with early years provision, this includes 27 maintained school nursery classes and 1 maintained nursery school. In total, there are 563 settings offering early years provision.
- Table 1 – Worcestershire early years funding take-up

Of the 563 early years settings:

Type of Provision	Number of settings	Percentage of settings	Take up Rate by families in Worcestershire	National Take up Rate 2023
Nursery Education Funded Places to eligible 3- and 4-year-olds	464	82%	97%	94%
Funded provision for eligible 2-year-olds	390	69%	77-79%	74%

- Our take-up of two-year old funding compares favourably to national figures. During Summer Term 2023 we were 7th out of 13 local authorities within the West Midlands and 7th out of 11 when compared to statistical neighbours, just behind Warwickshire, Staffordshire and Herefordshire who all had a reported 78% take-up rate.
- The remaining non-funded settings are primarily childminders who have chosen to rely on income from parental fees, often focusing their businesses on wraparound and holiday provision, and home child carers who are not allowed to offer funded provision and are paid directly by the families they work for.
- There are on average 9,500 3 and 4-years old children with funded places each year, with a further 1,000 two-year-olds funded each term, which equates to around 20% of two-year-olds in Worcestershire each year
- The quality of Early Years Ofsted registered provision in Worcestershire is consistently judged as Good or Outstanding, with only 3 of the 464 funded settings currently judged as Requires Improvement (2) or Inadequate (1) at the

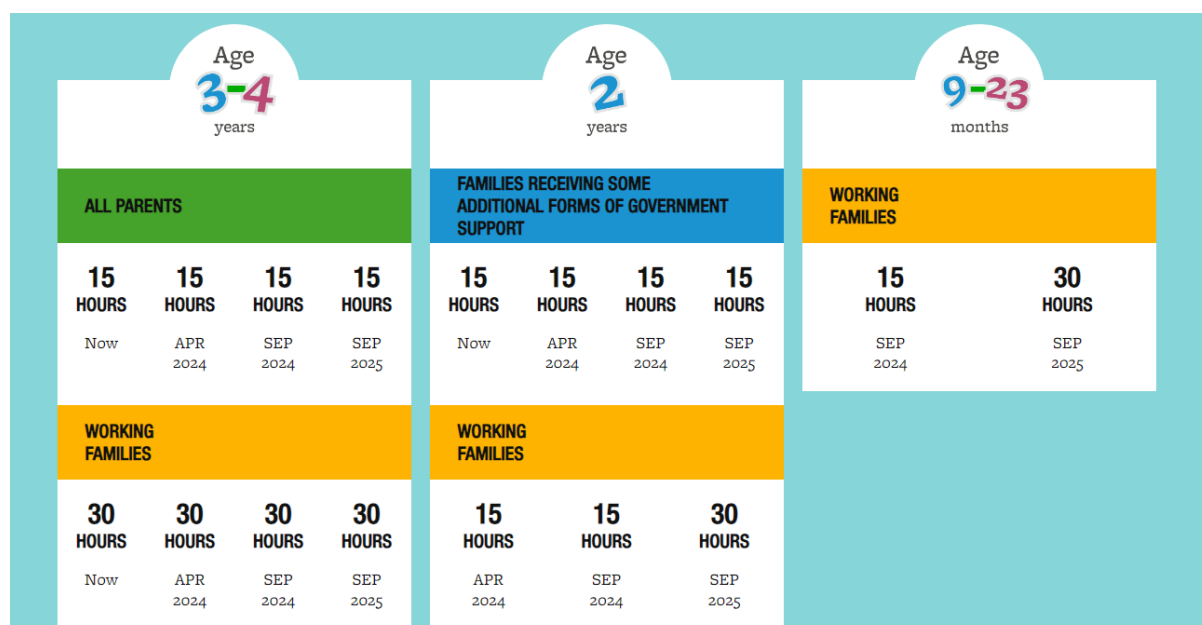
time of this report being published (0.6%). These settings receive direct intervention and support from the WCF Early Years Team.

15. Early indications of wraparound childcare for primary aged children shows that 87% or 174/199 mainstream schools serving children up to the age of 11 years in Worcestershire have some form of before or after school provision, with 80 schools having full wraparound in place. This is higher than the national estimate of 80% of schools providing some sort of wraparound childcare provision. This will include First Schools, Primary Schools and Middle Schools. This may be through school led provision or in collaboration with private childcare providers.

What will change as a result of the national programme?

16. The national expansion programme for childcare is phased across the next 2 years, starting in April 2024 with an increase in funding support for working families with children who are 2 years old by 31st March 2024. In September 2025 this entitlement expands to support an increase in funded hours for these families from 15 hours to 30 hours.
17. In September 2024 for the first-time working families of babies and children from (the term after they turn) 9 months to 23 months will receive funding support to access 15 hours of childcare for 38 weeks a year. This increases in 2025 to 30 hours of funding support.
18. Table 2 below is a visual description of the changes as shown by the national Childcare Choices government information platform.

Figure 1 – funded support for childcare from April 2024



19. The programme launch for additional wraparound childcare for primary school aged children starts from September 2024 with the ambition that by September 2026 provision is developed and sustainable. The term wraparound reflects that this provision is to enable parents to work, and so it should be regular and

dependable. Parents should not be required to pick up or drop off their children between the core school day and when wraparound childcare opens. Wraparound should operate from 8am – 6pm every day. Schools' existing enrichment and extracurricular offers can interact with, complement, and support delivery of wraparound childcare provision.

20. The programme should deliver provision that is child centred, easily accessible, and responds to the needs of the families, including those of children with special educational needs and disabilities (SEND).
21. In February 2024 the DfE published guidance for schools and academy trusts in supporting parents to access wraparound childcare. The ambition for wraparound childcare includes:
 - enabling parents to work or study
 - supporting vulnerable children
 - offering enriching activities that children enjoy
 - attracting parents to the school
 - supporting a soft start to the school day and attendance
 - investing fees into the school or community facilities
22. It is expected that the programme should be built on existing assets and understanding of the local community, which incorporates and does not disrupt and displace the existing wraparound childcare market. Local authorities, with support from schools, trusts and others, will need to be confident that sufficient provision is available in their local area to meet parents' needs and, where not the case, take action.
23. This provision is expected to be affordable for parents as they will be expected to pay for places. It is expected that the provision is registered with Ofsted, or subject to inspection as part of a school's overall provision under the education inspection framework. This will enable schools and other providers to promote and provide access for eligible parents to:
 - Tax-Free childcare (covering 20% of costs up to £2k a year, or £4k a year for children with disabilities)
 - The childcare element of Universal Credit (support for up to 85% subsidy of their costs)
24. Whilst the availability of places is the primary objective of the Programme, ensuring that children are safe and engaged in inclusive and high-quality childcare is vital to the ongoing sustainability of provision. It is therefore also necessary to support:
 - Quality, including Ofsted requirements, staffing qualifications and ratios
 - Safeguarding
 - Inclusivity
25. The WCF Early Years Team work closely with the Education Safeguarding Team who provide information, training, advice, support and challenge to both education settings including the early years sector.

Holiday activities and food programme

26. The national wraparound childcare programme only covers term-time provision. It does not extend to holiday childcare. Through the holiday activities and food programme (HAF) WCF commissions the coordination and provision of free holiday activities for children and young people. This includes healthy food and enriching activities for children in receipt of free school meals including eligible children and young people with SEND.
27. It is expected that local authority wraparound leads work closely with holiday activities and food programme coordinators. This will ensure both programmes capitalise on any opportunities for join-up and may help with provider sustainability. The web link below provides information to the Worcestershire HAF Programme, locally known as Ready Steady Worcestershire.

[Ready Steady Worcestershire - Holiday Activities and Food \(HAF\) Programme | Worcestershire County Council](#)

What is Local Authorities' role in the early years and childcare expansion programme?

28. The Department for Education (DfE) have outlined the following expectations for local authorities to achieve to ensure that the childcare expansion and wraparound programmes are delivered:
- Ensure strong local leadership through a robust governance structure
 - Allocate a designated lead and ensure appropriate resourcing
 - Plan for delivery – undertake supply and demand mapping, and identify delivery models for wraparound provision and development for gaps in the market
 - Complete and submit costed delivery plans – local authority capacity and programme delivery plans
 - Allocate funding to providers
 - Work with providers to set up provision
 - Promote the Childcare Expansion and National Wraparound Childcare programme to providers and parents
29. The DfE have commissioned Coram Hemsall's Group (the integration of two experienced national children's organisations) to provide childcare sufficiency support under the brand of Childcare Works. This organisation will provide proactive support in the form of development events for local authorities and providers, materials for evaluation, development and promotion, support and challenge for Local Authorities.
30. The DfE will continue to retain the following functions:
- Maintain named contact relationships with all LAs, holding regular keep-in-touch meetings, and being available for questions, clarifications and queries,
 - Identify risk and challenge via contact activities and refer support needs to Coram Hemsall's as necessary,
 - Continue to deliver key policy and delivery information and updates.

31. The work to assess demand, develop the market, address gaps, provide information support and advice is led by the WCF Early Years Team in collaboration with relevant other departments across WCF and WCC as a system wide programme of work. This includes:

- IT system support team – systems for eligibility checking and data exchange/returns
- Finance team – payments to providers and funding advice and guidance
- Communications – promotion of changes and new opportunities
- Economy and Infrastructure – business development support
- Public Health – Family Hubs
- School Improvement Team – engaging the school sector
- Education Place Planning – mapping and sufficiency assessments

32. Appendix 1 shows the system approach involving all stakeholders and the governance and oversight of this programme. This is a complex system development that is dependent on community engagement and co-production, a market that has capability and capacity, a clear assessment of the market position and targeted support to meet need where gaps are identified.

Inclusion

33. Following the Statutory Guidance for Early Education and Childcare, the Local Authority should promote equality and inclusion, particularly for disadvantaged families, looked after children, children in need and children with special educational needs and disability, by removing barriers to access to funded early years places and working with parents to give each child support to fulfil their potential. Local authorities must ensure they meet their duties under the Equality Act 2010 and take account of the Special Educational Needs and Disability (SEND) Code of Practice 0-25 when securing funded early years places.

34. In Worcestershire Private, Voluntary, and Independent providers have access to information, advice and guidance from the Early Years Inclusion Team, a team of qualified special educational needs teachers and support staff. WCF Complex Communication Team also provides advice and support for settings and young children in the early years.

35. Alongside this, during 2023 there has been a refresh to the Early Years Inclusion Pathway to ensure that children's needs are identified early, and the right support given at the right time. The link below explains the provision and pathways in Worcestershire for children with SEND.

[Childcare or preschool for children with SEND | Worcestershire County Council](#)

36. It is recognised that it can be more challenging for working parents to secure childcare for children with complex difficulties and manage work commitments with accessing appropriate provision and support for their child.

37. Worcestershire has a range of provision for young children with SEND in addition to mainstream early years settings (that are required to follow the Code of Practice 0-25 SEND and the duties of the Equality Act 2010).
38. WCF has been undertaking review and transformation of early years provision. This has been to respond to an increase in the identification and assessment of young children with SEND and under our sufficiency duties to keep provision under review.
39. A commissioning exercise is currently concluding to develop an increase in 'Enhanced Early Years Provision'. This is to provide access to children to meet the requirements of children whose identified complex needs make it difficult to attend a mainstream early year setting.
40. The places for children will be allocated via a termly, multi-agency planning meeting for children with identified complex needs. The needs will have been identified through an Education, Health and Care Needs Assessment (EHCNA) or an Education, Health and Care Plan (EHCP).
41. Whilst this enhanced early years provision is being set up, we continue to deliver provision through the offer of Specialist Outreach support from Vale of Evesham Special School, covering Worcester and South Worcestershire that works with children in their mainstream provision. Children in the Wyre Forest are supported by the nursery at Wyre Forest Special School working alongside mainstream provision. The specialist nursery at Batchley First School in Redditch along with Chadsgrove Special School support children from Bromsgrove and Redditch in conjunction with mainstream settings.
42. Some children with specific speech and language difficulties also access Early Years Language Classes alongside their mainstream provision. There are Language Classes available in each of the Districts of Worcestershire. Each of these different provisions are included as part of the entitlement to early years education and childcare for working parents.
43. Children who are looked after by a Local Authority may be able to access funded childcare; currently all looked after two-year-old children are able to access 15 hours per week, whilst 3- & 4-year-old children are able to access an additional 15 hours (30 hours per week) if their foster carers work outside fostering; this eligibility will include all early years age-groups in line with the early entitlement expansion.
44. The childcare wraparound programme for primary aged children should deliver provision that is child centred, easily accessible, and responds to the needs of the families, including those of children with special educational needs and disabilities (SEND).
45. During 2024 WCF will carry out focused work with the special schools including parent carers and alternative provision to assist them in the further development of wraparound care available for working parents where it is needed. This will include working closely with schools who already will have a range of enrichment and short break activities for children and families.

Programme Milestones

46. Table 2 - key programme milestones

Date	Wraparound Programme	Entitlements expansion
Jan-24		Statutory Guidance (Early Years and Childcare) published Early Years Recruitment campaign launched Childcare Choices opens for applications for two-year-olds
Feb-24	Guidance for schools/trusts published Submit LA Capacity delivery plan	EY's System updates
Mar-24	Supply and Demand mapping to be submitted by LA (Sufficiency Assessment)	EY's Census return (DSG)
Apr-24		Expanded entitlement for two-year-olds starts (15 hours)
May-24	LA receive Capacity funding	School Census updated for new criteria
Jun-24	Submit LA (programme) delivery plan Submit LA Capital Funding grant assurance return	Submit LA Capital Funding grant assurance return
Jul-24	LA receive Programme funding	
Sep-24	Programme launch; additional wraparound childcare places available for parents to access in all areas of the county	Expanded entitlement for under two's starts (15 hours)
Sep-25		Expanded entitlement increases to 30 hours
Jan-25		EY's Census will be used to generate all EY's DSG
Mar-25	LA Programme funding ends	
Jun-25	Submit updated LA Capital Funding grant assurance return	Submit updated LA Capital Funding grant assurance return
Sep-26	All children (Reception - YR6) are able to access affordable, high-quality wraparound provision	

Key Risks

47. Table 3 - key risks

Key Risk	Mitigation
<p>Sufficiency of provision Worcestershire must have sufficient provision in place to ensure the requirements of the Childcare Expansion agenda can be met</p>	<p>By the end of the Summer Term 2024, Worcestershire will have a robust Sufficiency Assessment in place which will be used to support market development and management. In combination with the funding available for both programmes, Worcestershire LA will support settings to expand and open in areas with insufficient provision.</p>
<p>Sector recruitment and retention The Early Years and Childcare sector are experiencing significant recruitment and retention issues, which impacts on the number of spaces that providers can offer.</p>	<p>The Department for Education are conducting a national recruitment campaign to try and increase the number of people entering the early years sector. Worcestershire Comms Team are using the campaign materials via social media to support recruitment. The Worcestershire Early Years Team work in partnership with the Skills Team to support the sector with advice and guidance on both recruitment and retention of staff.</p>
<p>Sector sustainability Providing sustainable childcare that is both high quality and affordable to parents/carers can be very difficult. With a sector that is still recovering from the impact of Covid-19, when many settings either closed or spent their financial reserves, in combination with recruitment and retention difficulties that often result in schools and settings having to use high-cost agency staff to operate within the legal requirements, there are many settings that are currently operating on a term-by-term basis.</p>	<p>Working with the Economy Directorate, the Early Years Team are currently putting together a Business Support offer, which aims to increase providers' financial and business skills. The recent review of the Worcestershire funding model (for early years entitlements funding) has prioritised maximising the hourly rates paid to providers (whilst ensuring they are affordable for the LA). The introduction of funded hours for younger children will encourage increased attendance patterns, as childcare becomes more affordable for families. Programme funding for the wraparound expansion can be used to support settings to increase the supply of places in advance of any increase to demand levels, without schools and settings risking their ongoing sustainability.</p>

Financial Support

48. Worcestershire consulted with the early years sector in Autumn 2023 on the early years funding mechanism for Worcestershire. The results of the consultation informed the development of the funding model for the under 3's funding streams, as well as minor changes to the 3 and 4-year-old rates to maximise the funding rates for the early years entitlements. Appendix 2 is a copy of the letter sent out

to all early years providers outlining the funding rates from April 2024, including the supplements that are in place to support vulnerable children.

49. The Department for Education have provided funding during 2023/24 to support local authorities to meet the increased capacity demands of implementing the increased entitlements; Worcestershire received £114,286 via a non-ringfenced grant.
50. The Department for Education are providing funding to support the wraparound programme to support both Local Authority capacity and to support schools and settings to develop and expand childcare provision. For Worcestershire this equates to £2.7million over the next two years, of which a maximum of £323,000 can be used to support capacity within the Local Authority. Paid via a non-ringfenced grant, the Local Authority are expected to report regularly on how the funding has been spent. Local authorities should use the programme funding to fund new and expanded wraparound provision, either to meet current demand or to guarantee supply whilst future demand grows. It can only be spent on childcare provision that meets the definition of wraparound but is not limited to state-funded schools and can support any settings that provide wraparound for primary school-age children.
51. Provided via a non-ringfenced grant, the Childcare Expansion Capital Grant is expected to support the sufficiency of both early years entitlement places and wraparound places and can be used to fund capital projects for private, voluntary and independent (PVI) providers, state-funded schools and childminders. Worcestershire have been allocated £1,080,475, of which approximately 80% is expected to support the sufficiency of the early years entitlements, with the remaining 20% targeted towards the sufficiency of wraparound provision.

Purpose of the Meeting

52. The Panel is asked to:
- consider and comment on the information provided; and
 - determine whether any further information or scrutiny on a particular topic is required.

Supporting Information

Appendix 1 – Childcare Expansion Governance structure chart

Appendix 2 – Letter to Early Years Providers on Nursery Education Funding Rates

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Assistant Director for Legal and Governance) the following are the background papers relating to the subject matter of this report:

Childcare Sufficiency Assessment 2020

[Education sufficiency, school organisation and provision planning | Worcestershire County Council](#)

Childcare Choices website:

www.childcarechoices.gov.uk

Guidance documents for expansion and wraparound:

[Early education and childcare](#)

[National Wraparound Childcare Programme Handbook](#)

[Wraparound childcare: guidance for schools and trusts in England](#)

[All agendas and minutes are available on the Council's website here.](#)