

## ROTHERHAM BOROUGH COUNCIL – REPORT TO SCHOOLS FORUM

1.	<b>Meeting:-</b>	<b>Schools Forum</b>
2.	<b>Date:-</b>	<b>5<sup>th</sup> October 2012</b>
3.	<b>Title:-</b>	<b>Early Years PVI Budget - Progress Report</b>
4.	<b>Directorate:-</b>	<b>CYPS</b>

### 5. Background

Early Education in the Private, Voluntary, Independent sector is provided by a total of 78 providers (including 14 Children's Centres). They provide early education sessions for children from the term after their third birthday until they access school provision at either F1 or F2. A total 25 schools in Rotherham do not offer F1 provision. Nine of those have PVI providers are on school sites who provide F1 provision for the school.

Children are entitled to early education from the term after their third birthday, enabling some children to access 5 terms before they start full time school in September. As this is an entitlement rather than statutory requirement, the budget for this provision is entirely needs led based on parental demand. Availability of early education for 2 year olds will also have an impact on take-up of 3 year old early education as children will move seamlessly into 3 year old early education who otherwise may not have taken the provision up as soon as they were eligible. The increase in provision of early education of 2 year olds will have the positive benefit of ensuring that the most disadvantaged 2 year olds in the borough are better prepared for school.

All local authorities receive funding for 2 year old early education within the early intervention grant in 2012/13. From September 2013 the offer of early education for disadvantaged 2 year olds will be a statutory requirement and funding will be included within the DSG in 2013/14.

### 6. Finance

The early education budget for 2012/13 was set at £2.832m (a 2% increase on 2011/12) with a contingency of £170k to cover any increases in demand for places due to increased awareness of parents as well as 2 year old early education children moving seamlessly to 3 year old early education plus a £28k contingency for increased take-up in the maintained sector.

The current budget position, based on payments made for the summer term (actual take-up) and payments made for the autumn term (estimate figures) is £10,533 under the profiled spend.

The summer term projected part time equivalent take-up of eligible children in the PVI sector was 36%, actual was 35.5%. The autumn term projected take-up was 26%, estimate is 27.8%.

Based on the current position, it is unlikely that we will require the full amount of contingency funding for the PVI sector this year. However, a more accurate projection will not be available until the end of December when headcount information for the autumn term and estimate information for the spring term is available.

Overall, take-up of early education has increased with 90.4% of eligible children taking up a place in the summer term across both schools and PVI providers (2011/12 level was 86.8%).

The take-up levels in schools have risen from 47.8% in 2011/12 to 49.7% in 2012/13 for the summer term. In addition there has been an increase in 82 part-time equivalent children accessing a place in the maintained sector between the spring and summer terms.

It is likely that contingency funding will be needed for the maintained sector.

A total of 242 two year olds have moved seamlessly from a two year old early education place into a three year old early education place in April and September this year. Further two year olds will move into their three year old place in January.

### **Proposed changes to the early education funding process for 2013/14**

The new Statutory Guidance for the delivery of early education for 3 and 4 year olds came into force in September 2012. This includes a number of changes to delivery

- Delivery over minimum of 2 days
- Delivered between 7am and 7pm (maximum of 10 hours per day)
- Delivery all year round
- Only fund providers rated 'satisfactory' if they can also evidence a commitment to improving the quality of their provision

In addition, we are proposing and have consulted with providers, on a number of changes locally to streamline the process and improve management of the budget.

The proposal is to:

- Fund providers based on a 'headcount' on DfE termly census dates, with an adjustment at the end of term, rather than the current process of funding based on an 'estimate' taken the previous term. This will result in more accurate payments, reduce the need for adjustments at the end of the term and provide us with more timely, accurate information on take-up, enabling more effective budget management.
- Require providers to submit headcount details electronically. This will reduce the time taken to process claims as well as significantly reduce the amount of printing

## **Take-up of Early Education**

A parental survey was carried out in April this year to identify reasons for non take-up of early education. 827 of 2011/12 Foundation 2 children had not taken up their full early education entitlement prior to starting full time school.

The findings showed that lack of awareness; lack of knowledge of where to access a place; lack of provision close enough to home and parental choice were all reasons for non take up.

The lowest levels of take-up are for children entitled to 4 terms of early education i.e. eligible to take-up a place from the summer term.

There was a significant difference both in awareness levels and take-up in the most deprived areas of the borough.

Action is being taken to proactively raise parental awareness of the entitlement. In addition, data from childcare providers has been captured and detailed analysis will take place areas to identify potential opportunities for new provision to meet current / future demand for early education for 2, 3 and 4 year olds.

## **8. Risks and Uncertainties**

As this is a needs led budget, it is important to take into account the following factors which could have an impact on take-up of early education and therefore budget required:

- Number of eligible children – the projections are based on birth statistics provided by Health. This information assumes accuracy of this data and does not take into account any movement of children into or out of the area.
- Take-up rates – increases in children taking up their full entitlement whether that be for full number of terms entitled to or number of hours (max 15 hours per week) would impact on the budget
- 2 year old early education – the impact of delivery of 2 year old early education places is not currently fully known
- Awareness raising activity could increase take-up levels
- New provision – any new provision opening in the borough could increase take-up
- Parental choice – awareness raising could increase take-up, however, a number of parents may still chose not to take up their early education entitlement
- Changes to the DfE Code of Practice for the delivery of early education including enabling children to take up their entitlement over a minimum of 2 days rather than the current minimum of 3 days. This could increase take-up

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