

Children and Young People Overview and Scrutiny Committee

BRIEFING NOTE – No. 6/12

Date: June 2012

Briefing paper to: All Members of the Children and Adults Overview & Scrutiny Committee

Purpose: Reference was made in an item on the review of the Children and Young People's Plan (meeting of 31/05/2012) to reported concerns by some parents about a possible scarcity of nursery places for children aged 2 years arising from government plans for funded places for children from disadvantaged households.

BRIEFING NOTE: NURSERY PROVISION FOR TWO YEAR-OLDS

1. Background and Legislative Basis

- 1.1 The Coalition Agreement of 2010 included a policy commitment to provide early education places for the most disadvantaged children aged 2 years old. The government's objective is to intervene early and provide targeted support to reduce inequalities in young children's readiness to start school. The funding for this policy was outlined in the Spending Review of October 2010.
- 1.2 The Education Act 2011 received Royal Assent in November 2011 and Part 1 enables a new entitlement for disadvantaged two-year-olds to 15 hours' free early years education, commencing September 2013. "Disadvantage" is determined as eligibility for free school meals (or equivalent) equating to around 20% of the population.
- 1.3 The Chancellor's Autumn Statement of 29 November 2011 included an unexpected policy announcement to double the number of families eligible for a free place for their two year-old. This equates to around 260,000 children nationally, or 40% of the population, and will commence September 2014. The policy was heralded as a major step to improving life chances for disadvantaged children.

2. Pilot in Medway

- 2.1 During 2011-12, Medway was selected as one of only 15 local authorities to trial the provision of places for disadvantaged 2 year-olds, and in particular to identify what sort of staffing, training, environment and curriculum is

needed to ensure a high quality and age-appropriate experience for younger children. Working with a sample of 10 nursery and pre-school settings, places were provided for 180 children. The findings of the pilot in Medway are being used to assist local authorities across the country in preparing for the new duty.

3. National Budgets

- 3.1 The Chancellor, in announcing the new policy, detailed the additional and total new funding for the programme:
2011-12 £64m; 2012-13 £296m; 2013-14 £534m; 2014-15 £760m
- 3.2 To date this has formed part of the Early Intervention Grant (EIG) funding stream to local authorities. Following consultation, the DfE recently announced that this funding would be moved into the Dedicated Schools Grant (DSG) funding stream from April 2013.

4. Planning for implementation in 2013 and 2014

- 4.1 Latest figures from the HMRC indicate there are up to 900 children aged 2 years in Medway whose households have an eligible income level to be included in the first phase of free places, although local intelligence suggest the number may be slightly lower, at nearer to 700.
- 4.2 Forecasts of the total number of eligible children in Medway when the programme doubles in size in 2014, range from 1200–1400 children per year, representing 35%-40% of Medway's total population of 2 year-olds, which is approximately 3500.

5. Capacity and Delivery

- 5.1 The government's unexpected policy announcement raises a number of significant challenges around where these very young children will receive their early education/care, who will lead and deliver the education/care, how parents will be involved and supported, and the role of the local authority in securing provision, assuring quality that will lead to the desired outcomes, and identifying eligible families.
- 5.2 Early indications are that whilst a significant number of two-year-olds attend pre-schools, nurseries and childminders in Medway, the overwhelming majority of the newly eligible children from lower income households do not currently attend early education/care provision at the age of two.
- 5.3 Consequently, whilst there is a strong infrastructure of provision already in place, it is likely that places for up to 1000 new children will need to be identified within existing settings or created by expanding local provision.

There is no specific capital funding associated with this policy announcement.

- 5.4 The focus of the local authority's early years service is on:
- enabling the identification of providers;
 - the training and support of new staff;
 - the embedding of a planned programme of quality improvement – of curriculum, resources, environment and workforce;
 - and the strategic integration of provision for two year-olds with the targeted support activities of Sure Start Children's Centres and transition into universal early education and school at age 3 years and beyond, to ensure improved outcomes for children.

6. Scarcity of Places

- 6.1 There is no evidence that to date there has been any impact on the actual availability of nursery places for fee-paying parents. The pilot is relatively small and has been closely monitored.
- 6.2 There is a risk that demand might outstrip supply during the rapid expansion of funded provision targeted at lower income families in the period to 2014-15. Officers are working with providers across the private and voluntary sectors, and with schools, to highlight the opportunities for planned expansion over the next two to three years.
- 6.3 Experience from the introduction of universal free nursery education for 3 year-olds in Medway suggests that the market of places expands swiftly in response to new public funding, whilst the local authority needs to take steps to ensure that quality of provision and outcomes remains high.
- 6.4 Free provision for 3 year-olds was introduced in Medway in 2001, resulting in a very significant increase in families seeking places. However, aside from one village where the sole pre-school did not originally seek to participate in providing funded places, sufficient places were made available in every locality. The expansion of the nursery education entitlement from 33 weeks per year to 38 weeks per year in 2006, and the extension from 12.5 hours to 15 hours per week in 2010 (representing a 20% increase), were both introduced without any reported shortage of places for local children.
- 6.5 The minimum statutory adult to child ratio for children aged 2 years is 1:4 – a higher number of adults than for older nursery children. There are further challenges to ensure that the personal care needs of younger children are appropriately met – including adequate toilet and changing facilities, appropriate floor surfaces for children in the early stages of walking, and secure outdoor play areas.

7. Conclusion

- 7.1 The new duties to secure free provision for nearly half of Medway's children aged 2 years, includes all of the most disadvantaged children, and extends across the large majority of lower income working families. It has the potential to redress the gap in learning and development, speaking and listening skills and emotional wellbeing, that already exists at the age of 3 when children commence universal nursery education.
- 7.2 However, this will be a highly challenging programme to deliver successfully, and requires strong safeguards to ensure that new nursery places are fit for very young children, and that sufficient additional places are brought on stream to prevent the development of local shortfalls in provision.

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