

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CHILDREN AND EDUCATION POLICY AND ACCOUNTABILITY COMMITTEE</p> <p align="center">18 NOVEMBER 2014</p>
<p>CHILDCARE UPDATE</p>	
<p>Report of the Executive Director of Children’s Services</p>	
<p>Open Report</p>	
<p>Classification – For Review & Comment</p>	
<p>Key Decision: No</p>	
<p>Wards Affected: All</p>	
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1. EXECUTIVE SUMMARY

1.1. At the Children and Education Policy and Accountability Committee held on 3 September, the Committee asked for a short update on the following key issues. These are addressed within this report.

- An update on the work of the Childcare Task Group
- A summary of the funding implications when children transfer from the targeted 2-year-old offer to the universal offer of childcare for 3 and 4-year-olds
- Details of how many children in the targeted 2-year-old offer fall within the criteria for a statement or Education, Health and Care Plan
- How many childminders who have a satisfactory / requires improvement judgement from Ofsted have this due to not having a child to mind when inspection took place?
- An outline of what support is offered to childminders and how we are reviewing this.

2. RECOMMENDATIONS

- 2.1. That members of the Policy and Accountability Committee review and comment on this report.

3. CHILDCARE TASK GROUP UPDATE

- 3.1. The Childcare Task Group has met on two occasions since the CEPAC meeting on 3 September. The first meeting of the group took place on 17 October. This meeting was used to scope the focus of the task group and draw up the terms of reference, and activities for the group to undertake before the end of the year were planned.

- 3.2. The agreed aims and objectives of the group are as follows:

- (1) To review the provision of childcare for under-8 year olds in the borough and identify areas of best practice, including looking at the services provided by other organisations and partners in the borough, such as third sector, health, private sector etc;
- (2) To look at the implementation of the two year old offer;
- (3) To understand the views and experiences of parents and carers in relation to childcare and early years services in the borough, and to look at accessibility and affordability of childcare and how families could be supported;
- (4) To identify any gaps in the provision and to understand the extent of the impact on the families in relation to these gaps and identify any solutions;
- (5) to look at how the Council could support childminders, and to look at what the Council could do to raise the profile of childminders;
- (6) To contribute to a Council strategy for childcare.

- 3.3. The group is aiming to provide a final report with recommendations to CEPAC on 20 April 2015, and will keep the Committee updated on progress towards this.

4. FUNDING IMPLICATIONS WHEN CHILDREN TRANSFER FROM THE TARGETED 2-YEAR-OLD OFFER TO THE UNIVERSAL OFFER OF CHILDCARE FOR 3 AND 4-YEAR-OLDS

Difference in funding levels

- 4.1. Providers who deliver places as part of the targeted offer of childcare for 2-year-olds are funded at a rate of £6.07 per hour, which is set by the

Department for Education. The entitlement is for 15 hours per week or a maximum of 570 hours per year. Children who qualify for the 2-year-old offer become eligible in the term after their second birthday and can access this entitlement for up to 3 terms.

- 4.2. In the term after their third birthday, their place is funded as part of the universal entitlement to childcare for all 3 and 4-year olds. The rate for this is £3.57 per hour, which is set locally by Schools Forum and is received by all private, voluntary and independent (PVI) providers, including childminders, for all 3 and 4-year-olds who attend their setting.

Moving into a school based placement at 3-years-old

- 4.3. Three year olds can take up their universal entitlement of 3 and 4-year-old childcare at a maintained school but, as schools funding is based on their roll numbers in the spring census, the majority of places tend to be available in the autumn term with very few places available in the subsequent terms.

- 4.4. Therefore, a targeted child who turns 3 in the summer term is able to take up an available place at a school in the following autumn term. However, targeted children who turn 3 in either the autumn or spring terms are likely to need to spend up to two further terms with their current provider until they can move to an available place at a school. Furthermore, if a targeted parent requires a more flexible offer than a school could offer (for example, a morning or afternoon place) then the parent may wish to keep the child at the PVI provider until they can access a school reception place. The table below demonstrates this.

No. of children remaining with their 2 year old provider	Autumn 13	Spring 14	Summer 14
Children who had turned 3 by August 13	20	12	8
Children who had turned 3 by December 13		31	19
Children who had turned 3 by March 14			23
Total	20	43	50

- 4.5. These children remained with their provider after their third birthday either because they needed to wait for a school place to be available, the child was now settled and the parent did not want to move them or that the parents were working part time and benefitted from using the entitlement in a flexible way.

- 4.6. As entitlement to the 2-year-old offer is extended and places are taken by more families that require a more flexible offer than that offered by

schools, it is envisaged that the numbers outlined in the table above will rise.

Impact

- 4.7. The difference in funding levels between the 2 and 3-year-old offer causes a problem for PVI providers when a targeted 2-year-old child stays in the same placement. Some savings in the cost of delivering a 3-year-old placement are achieved as a wider staffing ratio can be used for groups of children, but the drop in funding is still significant.
- 4.8. All PVI providers must sign a service level agreement for participating in the delivery of 2 (if applicable), 3 and 4-year-old funded places. As well as local conditions, the SLA incorporates the statutory guidance issued by the DfE annually. This states that local authorities must have regard to the guidance when seeking to discharge its duties under the Childcare Act (2006) and should not depart from it **unless** they have good reason to do so.
- 4.9. The guidance states that the entitlement **must** be free at the point of delivery and that if providers charge for any goods or services then this **should** not be a condition for children accessing their place. However, this is the one area whereby the SLA does depart from the guidance. To insist on providers delivering these places without recourse to charge for additional hours or services may constitute a business risk and could lead to providers opting out of delivering funded places. This would reduce the affordability of early years provision in the borough. The SLA therefore allows providers to charge for additional hours or services if applicable.
- 4.10. Giving providers the flexibility to charge for additional hours and services has not led to a surge of parental complaints. Many working parents require additional hours and this flexibility also supports parental choice to take up a place at a preferred provider. However, the families of targeted children may not be able to afford to pay for additional hours/services so providers are allowing these families to remain at their setting without additional hours/services being purchased.

5. HOW MANY CHILDREN IN THE 2-YEAR-OLD OFFER FALL WITHIN THE CRITERIA FOR A STATEMENT OR EDUCATION, HEALTH AND CARE PLAN?

- 5.1. As of September 2014, the eligibility for the targeted offer of 15 hours per week of free childcare was expanded from roughly 20% to roughly 40% of all 2-year-olds nationally. One of the new areas of eligibility is:
 - the child has a current statement of special educational needs (SEN) or an education, health and care plan

- 5.2. There are currently no young people with a statement of special educational needs who are aged 2 and under, therefore there are currently no young people who qualify for the 2-year-old offer directly via this area of eligibility.
- 5.3. However, the Children and Families Act, which was enacted on 1 September 2014, has placed more emphasis on the entitlement of children aged 0-5 to an Education, Health and Care Plan. Initial evidence suggests that more young people aged 2 and under are applying to be assessed for a plan, however, the full effect of this will not be known until the new legislation has been in place for more time. We will continue to monitor this area via the Special Educational Needs Service.

6. HOW MANY CHILDMINDERS WHO HAVE A SATISFACTORY / REQUIRES IMPROVEMENT JUDGEMENT FROM OFSTED HAVE THIS DUE TO NOT HAVING A CHILD TO MIND WHEN INSPECTION TOOK PLACE?

- 6.1. At the CEPAC meeting on 3 September 2014 it was reported that 34% of childminders in Hammersmith and Fulham (28 childminders in total) currently have a satisfactory/requires improvement judgement from Ofsted.
- 6.2. Of the 28 childminders with a satisfactory/requires improvement judgement, 14 have 'Met' inspections. A 'Met' inspection is given when a childminder has no children in the early years stage at the time of the inspection but is able to demonstrate that they are able to meet requirements of the Early Years Foundation Stage.
- 6.3. Two of the childminders have 'Not Met' inspections. A 'Not Met' inspection is given when a childminder has no children in the early years stage at the time of inspection and does not demonstrate that they can meet the requirements of the Early Years Foundation Stage. Both of these 'Not Met' inspections were given because the childminders had allowed their first aid certification to expire.
- 6.4. Therefore, **57% of the childminders (16) with a satisfactory/requires improvement judgement received this judgement due to not having a child to mind when an inspection took place** and 43% (12) received this judgement while children were being cared for.

7. WHAT SUPPORT IS OFFERED TO CHILDMINDERS AND HOW ARE WE REVIEWING THIS?

- 7.1. Registration training for new childminders is held on a termly basis and provides an introduction to childminding practice as well as training in first aid, safeguarding children, and health and safety.

- 7.2. In the north and south of the borough, there is also a Quality Childminding Forum (QCF). The QCF allows childminders to network and develop best practice through a range of training workshops and interactive sessions delivered jointly by the early years team and children's centre team.
- 7.3. Childminders also attend the children's centre stay and play sessions where they work alongside parents, this provides an opportunity for parents to see the practice of childminders and understand that childminders can provide a professional, flexible and quality environment to children.
- 7.4. As per paragraph 3.2, support to childminders is an agreed area that the Childcare Task Group will investigate and make recommendations on in their final report in April 2015.

8. LEGAL IMPLICATIONS

- 8.1. As this report is for information only, there are no legal implications to be considered.

9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1. As this report is for information only, there are no financial implications to be considered.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None.		