

**LONDON BOROUGH OF HAMMERSMITH AND FULHAM  
SCHOOLS FORUM – 16 MARCH 2015**

**REPORT BY THE HEAD OF RESOURCES**

**FUNDING FOR TWO YEAR OLD GROWTH**

Funding for improving engagement of disadvantaged families with children who qualify for the two year old programme.

**FOR DECISION**

**1. BACKGROUND**

- 1.1 The DfE has made it a priority for local authorities to engage with parents who qualify for free provision of two year old places.
- 1.2 In recent statistics published by DfE London has struggled to achieve the gains in 2 year old engagement required by the DfE strategy with 9 of Englands 10 worse performing councils being in the capital.
- 1.3 The DfE expectation is that 80% of eligible families are likely to take up their entitlement. At present there are 654 eligible families in Hammersmith and Fulham and 352 families have taken up the offer, therefore the take up rate is 54%. There are capital projects pending that, once complete, will ensure the borough is on target to have sufficient places for an 80% take up by September 15.

**2. PROPOSAL**

- 2.1 Over the last two financial years DfE has provided funding through the DSG enable local authorities to grow their provision, while individual councils within the Tri-Borough have made progress we are now looking to implement an action plan, Tri-Borough in order to improve upon the historic gains and meet DfE requirements. Funding relating to this programme contributes a significant amount to Hammersmith and Fulham DSG balances as shown below.

	2013/2014	2014/2015	Cumulative
DSG Income	£2,822,784	£2,515,051	£5,337,835
DSG Expenditure	£583,831	*£791,000	£1,373,931
TOTAL Available	£2,238,952	£1,724,951	£3,963,903

\*projected

- 2.2 The 2 Year Old DSG funds are not ring fenced but there is a clear need to improve take up of these places and we propose using some DSG brought forward to do so.
- 2.3 We propose setting aside £50k of DSG as a capital contribution to fund improvements at providers and a further £125k for revenue activities, 50k of this is for set up costs (web development, marketing, software licensing) for a new parent portal and the advertising to ensure that this is successful and a further £75k for transitional support for providers.

### **Transitional Support**

- 2.4 Currently there is a significant drop in funding for pupils in the term following their third birthday. This is not matched by significantly reduced costs (staff ratios remain high) and therefore creates a problem where parents do not contribute income to nurseries from other sources.
- 2.5 We propose funding the first term after the child's 3rd birthday at the 2 year old rate of £6.07. Currently 3 year olds at £3.57 per hour.
- 2.6 Schools who take on rising 3's will also be eligible for this transitional funding.

## **3. RECOMMENDATIONS**

- 3.1 That schools forum agree to apply £175k of DSG brought forward in 2015/16 to improving engagement of disadvantaged families with children who qualify for the two year old programme.

**Andrew Tagg**  
**Head of Resources**

**Andrew Christie**  
**Tri-Borough Executive Director – Children's Services**

### **Background papers:**

<http://www.standard.co.uk/news/london/london-councils-named-and-shamed-for-failing-parents-on-free-child-care-10053615.html>

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