



ST HELENS
BOROUGH COUNCIL

CABINET

11 November 2020

Report Title:	Improving take up of 'Two Year Old Early Education Entitlement'
Cabinet Portfolio	Education, Skills and Business
Cabinet Member	Councillor Kate Groucutt
Exempt Report	No
Reason for Exemption	N/A
Key Decision	Yes
Public Notice issued	13 October 2020
Wards Affected	All
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<p>Borough priorities</p> <p>Please mark X for any priority supported by this report</p> <p>NB Use Section 4 - Background Information to explain how each selected priority is supported</p>	Ensure children and young people have a positive start in life	X
	Promote good health, independence and care across our communities	
	Create safe and strong communities for our residents	
	Support a strong, diverse and well-connected local economy	
	Create a green, thriving and vibrant place to be proud of	
	Be a modern, efficient and effective Council	

1. Summary

- 1.1 This report intends to detail the existing provision of early education for two-year old children within the borough and propose measures to increase the level of take-up, thus reducing the disadvantage gap and improving outcomes for children and ensuring they have a positive start to life. This will be done by offering all eligible families a free place in a nursery mitigating the need to complete the associated lengthy and complex paperwork which is currently a huge barrier to parents wanting to take up the offer.

2. Recommendations for Decision

Cabinet is recommended to:

- i) Take action to address the fall in take up of 2-year-old Free Early Education Entitlement (FEEE) places and adopt what is nationally referred to a 'Golden Ticket' approach for all eligible families. This would mean all eligible families would receive a letter stating the free place which upon presenting to their preferred provider will enable them to access a place with immediate effect. Thus mitigating the need of complex paperwork. Providing this early education for our two-year olds is a key driver to reducing the disadvantage gap.

3. Purpose of this Report

- 3.1 The purpose of this report is to explain current entitlements to early years education, its importance, and to make recommendations as to how the level of 2-year olds accessing a free funded place could be increased.

4. Background /Reasons for the recommendations

- 4.1 FEEE is a national government scheme which allows parents/carers of children aged 3 and 4, and where eligible 2 year olds, to be able to access up to 570 hours of funded early learning and childcare annually, usually split as 15 hours each week for a maximum of 38 weeks per year.
- 4.2 Currently the picture across St Helens is that take up for this funding is decreasing. One of the primary reasons for this is because of the introduction of Universal Credit and the need to revert to a manual process for checking eligibility. This entails parents having to provide three

statements to ensure that they are under the threshold of earnings to qualify for a place. Research and consultation with parents has concluded that this manual check put parents off applying and therefore abandon the process due to its complexity.

4.3 The DfE statistics which are based on the numbers of two-year-olds taking up places expressed as a percentage of the two-year-old population eligible for a funded early education place show the percentage take up for St Helens as follows:

- a. 2014 38%
- b. 2015 61%
- c. 2016 71%
- d. 2017 81%
- e. 2018 94%
- f. 2019 78%

4.4 There is also a direct correlation between areas with the lowest take up of two-year olds funding and our most deprived areas of the town. One of the Government's key goals in funding this offer is to narrow the gap in attainment between children from the lowest income families and those from middle income families. The Sutton Trust found that there is up to a 19 month gap in the level of development between the least and most advantaged children at age five. A key aim of the funding for high quality early years education for the most disadvantaged two year olds is to reduce this gap.

4.5 A solution to this problem is to use an alternative source of data that is provided to LA's to automatically grant access to the free childcare. This is nationally referred to as the 'Golden Ticket' approach. This list would be used when families don't show up on the eligibility checking service.

4.6 Since the introduction of free early education for eligible 2-year-olds, neighbouring authorities have used the DWP lists to issue 'this free child initiative using the data that has been supplied by DWP to deem all these families eligible.

4.7 If this approach is adopted, parents are issued with a ticket that they take to the provider of their choice to confirm they are eligible for the two-year-old funded place, therefore removing the barrier of excessive paperwork which previously halted applications from progressing.

4.8 Wigan, Warrington, Halton, Bury, Cheshire East and West, Stockport and Stafford all use this approach with Manchester, Oldham and Bolton considering it. Many of the local authorities who offer the tickets have been doing so since receiving the first list from DWP back in 2013.

4.9 If the Local Authority had taken this approach, based on the data received for 2019 Autumn term, it would have enabled 777 qualifying two-year olds in the spring term to access a free place at a nursery. Instead, the Local Authority funded 595, some of whom would have qualified through other criteria e.g. LAC. There are, therefore, a considerable number of two-year-olds are missing out on crucial free early education.

4.10 The main aim of the two year olds offer is to improve children's social and cognitive outcomes by providing free early education to disadvantaged two year olds. In addition, it is intended to have a positive impact on parents' wellbeing and on child-parent relationships.

4.11 As part of this approach the FEEE team would rebrand the 2yr Old funding offer across the Local Authority in a push to engage not only those children in receipt of 2-year-old funding but

all 2year olds. This would be pitched as a 'good news' story for the LA and marketed alongside the fact that 98% of all providers are good or outstanding.

5. Community Impact Assessment

Attached.

6. Consideration of Alternatives

N/A

7. Conclusions

7.1 There are obvious benefits of extending 2FEEE for children and parents with a condition that children attend high quality settings. 98% of providers in St Helens have received a judgment from Ofsted that is good or outstanding. Therefore, parents who wish to access the high-quality childcare should not have difficulties finding a provider close to home.

7.2 Benefits to the child:

- Narrow the gap in learning and development between disadvantaged children and their peers.
- To identify needs early so they could be addressed in a timely manner in order to prevent future escalation of needs (prevention).
- To support cognitive, social skills and speech and language development (Early Learning Goal scores for the Speaking and Listening for St Helens is consistently low).
- To support transition to three/four year old funding (consistency of care).

7.3 Benefits to the parents:

- To provide them with ideas to try at home (enhance home learning environment)
- To support parents with parenting.
- To educating parents about child development.
- To access training and/or education (free childcare).
- To support parents' wellbeing.

8. Implications

8.1 Legal Implications

There are no legal implications.

8.2 Community Impact Assessment (CIA) Implications

Please find attached a copy of a Community Impact Assessment in appendix.

8.2.1 Social Value - How does the proposal support employing local people, spending in the local economy, and local procurement? Improved workforce through more children being able to more easily access free childcare which would enable parents to work more hours in their employment and possibly reduce unemployment rates due to more people being available for work.

8.2.2 Sustainability and Environment

N/A

8.2.3 Health and Wellbeing

Well being of parents will be improved as they will be confident that their child is in a quality childcare provision which will have a significant positive impact on the development of their child. This will also allow parents to have more time to consider employment opportunities, community activities or initiatives to improve wellbeing. Through going to nursery, the child's network will widen thus having a direct impact on the network of the parent which is another desirable outcome to improve wellbeing.

8.2.4 Equality and Human Rights

8.2.4.1 All information will be available upon request in other languages and braille where appropriate.

8.2.4.2 When marketing this initiative we will be using inclusive images that represent the diversity of our community.

8.2.4.3 Through our partnership with the Children's Centres we can gain feedback from a cross section of religions and races ensuring that everybody is fairly represented.

8.2.4.4 Take up of the GT offer will very carefully be monitored via the FEEE Portal and a regular analysis will be done of gender, race and disability

8.3 Customers and Resident

8.3.1 Improved workforce through more children being able to more easily access free childcare which would enable parents to work more hours in their employment and possibly reduce unemployment rates due to more people being available for work.

8.4 Asset and Property

N/A

8.5 Staffing and Human Resources

8.5.1 The work involved in the project would be undertaken by the FEEE team led by Alison Naylor in conjunction with the EYQI team. There are no additional staff/hours required. HR are happy there are no further HR implications.

8.6 Risks

8.6.1 The approach may result in some families receiving the free entitlement even though they aren't actually eligible, because the list that the Council receives from the DfE which includes data from both DWP/HMRC has a lag on it we believe, of approximately 6 – 8 weeks. Families in this time may have a change of circumstance which would make them ineligible to receive the funding. The risk to the Council is that we would automatically fund these families if using the 'Golden Ticket' approach. Using this approach would rule out having the check individual eligibility, all families on the list would be deemed eligible, however this is considered to be minimal.

8.7 Financial Implications

- 8.7.1 Funding in respect of the Free Early Education Entitlement (FEEE) is provided to local authorities through the ring-fenced Dedicated Schools Grant (DSG). Local authorities then pay this funding across to early years settings according to the number of children who are registered at each setting.
- 8.7.2 The amount of DSG that each local authority receives is calculated using headcount data that all schools and early years settings are required to submit to the Department for Education on an annual basis. The number of hours that each eligible child attends a setting is multiplied by a fixed hourly rate to determine the overall allocation due to a local authority. In turn, providers are paid a fixed hourly rate for the number of hours that children attend.
- 8.7.3 In the spring 2020 term, the Council funded a total of 614 early years places for 2-year-olds. These places were allocated under the current eligibility checking process. Had the number of places been funded using the data provided by the DWP and HMRC (ie the 'Golden Ticket' approach recommended in this report), a total of 761 places would have been funded.
- 8.7.4 The cost of the extra 2-year-old places that will be funded under the proposed approach will be met from additional DSG funding. Based on the number of places in respect of the spring 2020 term referred to above, the total amount of DSG that would be received in respect of 614 early years places is £1.855m. This would increase to £2.299m if 761 places were to be funded. The total amount payable by the Council to early years settings for the provision of 761 places would be £2.182m.

8.8 Policy Framework Implications

Are the recommendations within this report in line with existing council policies? Yes.

9. **Background papers**

There are many research papers which looked into the benefits for 2 year olds of being in childcare settings, for examples:

The Graham Allen Report '*Early Intervention to promote social and emotional development can significantly improve mental and physical health, educational attainment and employment opportunities*'

Community Impact Assessment

10. **Appendices**

None