

# WIRRAL COUNCIL

CABINET - 22 JULY 2010

## REPORT OF DIRECTOR OF CHILDREN'S SERVICES

### FLEXIBILITY SUPPLEMENT FOR PROVIDERS OF EARLY YEARS EDUCATION

#### EXECUTIVE SUMMARY

This report requests Cabinet's approval for the payment of an hourly flexibility supplement to providers of Early Years Education. These are payments to Early Years providers, including schools who are prepared to offer different patterns of provision outside the standard free five x three hour sessions per week. The additional payments will be funded from a ring fenced Standards Fund grant.

#### 1.0 Background

Local Authorities are required to introduce a new Early Years Single Funding Formula, based on attended hours across all Early Years settings. The initial date for introduction of 1 April 2010 has been put back by 12 months. Work on this formula has been ongoing with the Schools Forum for the past 18 months and has been the subject of previous reports to Cabinet.

From September 2010 parental entitlement to 15 hours free nursery education for 3 and 4 year olds will be extended across the borough. At this time it is also planned to introduce a flexibility supplement, which is described below. The additional costs arising from these changes will be met from a specific Standards Fund grant. The commitment to extended entitlement of Early Years Education was recently confirmed by the Secretary of State for Education.

#### 2.0 Flexibility

From September parents will be entitled to 15 hours of free early learning each week for each child aged 3 or 4. A flexible offer will enable parents to take up provision outside five x three hour blocks.

Earlier DFE guidance has encouraged "all Local Authorities to use the Early Years Single Funding Formula as part of a package of measure to support, promote and incentivise flexible patterns of delivery by:

- Recognising and supporting the costs associated with delivering different patterns of provision e.g. delivering over the lunch period or opening longer hours and
- Incentivising settings to move away from sessional provision and deliver entitlement in patterns that are more responsive to parental demand."

It is proposed to introduce 2 flexibility rates:

1. Within the school teaching day (with a weighting of 0.5) 18p per hour
2. Outside the school day (with a weighting of 1) 36p per hour.

The supplement would give a typical 25 place setting additional funding as follows:

- For flexibility within the school day £4,275 pa. This is the equivalent of additional 7 TA Level 3 hours per week (providing additional staff hours to manage requests for alternative provision)
- For flexibility outside the school day £8,550 pa. The equivalent of an additional 14 TA Level 3 hours per week.

The advantages of the proposal are that the formula is simple, it encourages providers to offer parents access to more hours in a day and is cost reflective i.e. longer periods of flexibility receive a higher uplift.

The disadvantages are that it may not be possible for some providers to claim the higher supplement and the length of the school day would need to be verified.

### **3.0 Financial Implications**

The costs of the flexibility supplement are estimated to be up to £320,000 in 2010-11 and £480,000 in a full year, although this will depend on take up. The calculation is based on 80% of providers taking up this offer. The costs will be funded from a specific Standards Fund Grant.

### **4.0 Risk Assessment**

If more providers claim the higher rate then the supplement may become unaffordable. At this time this is thought unlikely since a number of providers will only be able to offer the standard 3 hours. Costs however will be kept under review during the year.

### **5.0 Staffing Implications**

There are none directly arising from this report.

### **6.0 Equal Opportunities Implications/Health Impact Assessment**

There are none directly arising from this report.

### **7.0 Community Safety Implications**

There are none directly arising from this report.

### **8.0 Local Agenda 21 Implications**

There are none directly arising from this report.

### **9.0 Planning Implications**

There are none directly arising from this report.

### **10.0 Anti-poverty Implications**

There are none directly arising from this report.

## **11.0 Social Inclusion Implications**

There are none directly arising from this report.

## **10.0 Local Member Support Implications**

There are none directly arising from this report.

## **12.0 Background Papers**

DFE Implementing the Early Years Single Funding Formula Practice Guidance July 2009.

## **RECOMMENDATION**

That Cabinet agree to the introduction of the flexibility supplements described to providers of Early Years Education from September 2010.

**Howard Cooper**  
**Director of Children's Services**