

**WIRRAL COUNCIL  
SCHOOLS FORUM – 17<sup>th</sup> May 2018  
REPORT OF THE DIRECTOR OF CHILDREN’S SERVICES  
EARLY YEARS SUFFICIENCY AND FUNDING UPDATE**

**1.0 EXECUTIVE SUMMARY**

**1.1** The purpose of this report is to inform the School Forum on the sufficiency and take up of 2, 3+4 year free entitlement funding, with a specific focus on the progress of the implementation and roll out of the additional 15 hours free early education entitlement for working families that are eligible.

**2.0 CHILDCARE SUFFICIENCY**

**2.1** There are 440 childcare providers on Wirral. This is an increase of 7 providers since the sufficiency report of 2016.

Table 1.

	Child-minder	Day Nursery	Pre-school	Extended Care	School with F1 provision	School with F1 and 2 year provision
Birkenhead	33	21	4	12	26	8
Wallasey	40	20	7	4	17	8
South and West	123	35	32	25	17	8
Total	196	76	43	41	60	24

**2.2 Childcare demand**

**Two year olds**

The national average for number of two year old children eligible for Early Years Funding Entitlement (EYFE) is 40%, Wirral ranges from between 37% to 43% each term. However, in February 2018 the Department for Education (DfE) identified 1223 (33%) of two year olds eligible for EYFE. Subsequently 91% took up the offer. This list was not exhaustive, with the initiation of the Universal Credit process some eligible children were omitted from the DfE list as the family migrated onto a Department for Work and Pensions (DWP) list, which was not notified to the LA. This was a national issue and raised directly with both DfE and DWP at Conference in March 2018.

**Three and Four year olds**

According to the Local Authority’s funded early education headcount figures from January 2017 to March 2017, Wirral funded 4924 three and four year olds living within the borough, this equates to 97% take up of the offer which is in line with statistical neighbours and above England as an average.

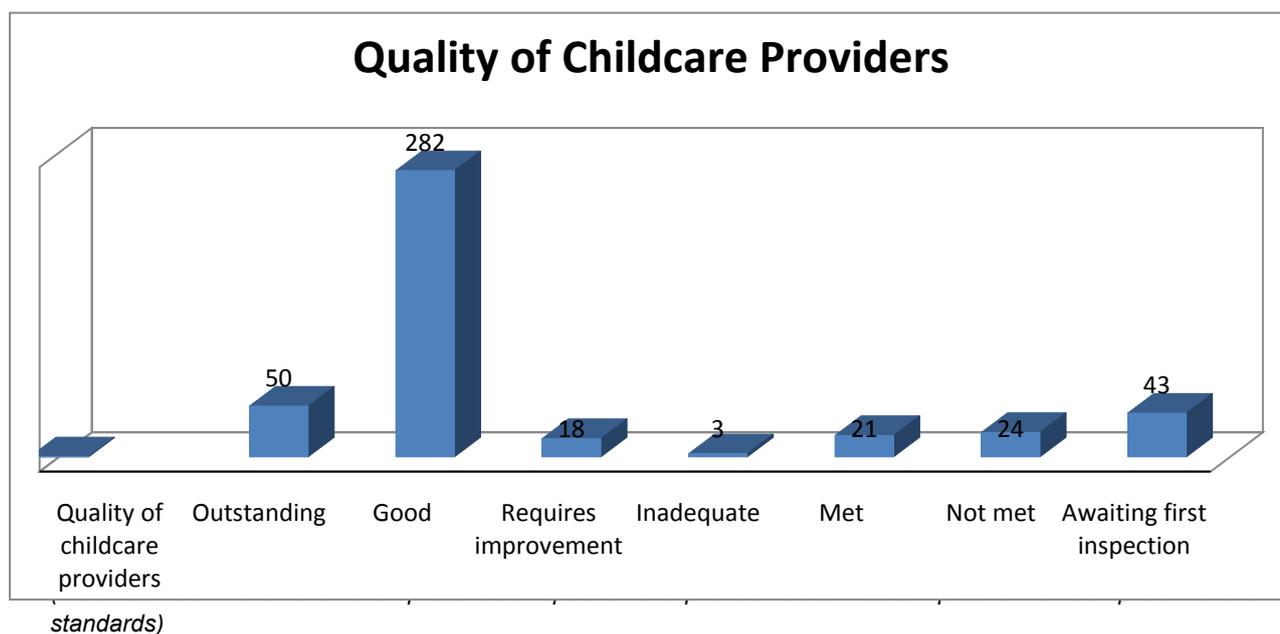
### 3 & 4 Year old children claiming funded hours by Locality (January 2017)

Locality	No. of Children
Birkenhead	1,544
Wallasey	1,406
Wirral South	1,008
Wirral West	966
<b>Total</b>	<b>4,924</b>

### 2.3 Childcare Supply

A very large majority (**94%**) of providers are judged to either being “Good”, “Outstanding” or having “Met” the Standards (where no children were on site at time of inspection). This is a significant increase from the 2016 sufficiency report which stated a majority (**64%**) of providers were judged to be good, outstanding or have met standards.

Table 3.



### 3.0 TAKE UP OF 2 YEAR FREE ENTITLEMENT

**3.1** 2 year old funded hours dropped by 10.% from January 2017 to January 2018. Providers with significant variances from 2017 to 2018 were contacted but as with 3 and 4 year olds no errors or omissions were identified. The main reasons given were a reduction in requests from parents for 2 year olds, and some providers having fewer spaces available for 2s as they are taken up by 3 and 4 year olds doing the extended hours. There are also a small number of providers who have had funding withdrawn since September 2017 due to an

'inadequate' OFSTED inspection. NB: The drop in funded 2s also correlates with a drop in the DfES estimates for eligible 2 year olds:

Table 4.

	DfES estimate of eligible 2 year old	Change in eligible 2 year olds	Actual claimed (headcount)	Take up
Spring 17	1412		1244	88.10%
Summer 17	1375	-2.62%	1271	92.44%
Autumn 17	1261	-8.29%	1204	95.48%
Spring 18	1223	-3.01%	1122	91.74%

There was a 13% drop in eligible 2 year olds from January 2017 to January 2018 (as above). This reflects the introduction on Universal Credit and related income thresholds. Families in receipt of Universal Credit were migrated across to a DWP list which was not notified to the LA via the DfE list.

NB; From March onwards the income thresholds have changed and so families in receipt of UC *will* be eligible and so *will* be on the DfE list.

#### 4.0 TAKE UP OF 3 & 4 YEAR OLD UNIVERSAL

4.1 3 and 4 year olds dropped 1.1% from January 2017. This follows on from a 5% drop in 3 and 4 year olds between January 2016 and January 2017 censuses, and corresponds with a drop in Wirral birth rates from 2013 to 2014:

Table 5.

Year	Number of Live Births	Change
2012	3,816	0.37%
2013	3,560	-6.71%
2014	3,536	-0.67%
2015	3,563	0.76%

Source: Wirral Compendium of Statistics 2017

A sample of settings who had a large increase/decrease between years were contacted but no errors or omissions were identified. The majority of providers contacted said they had free spaces or had difficulty filling places and were simply not getting numbers through the door.

#### 5.0 3 & 4 YEAR OLDS EXTENDED (30 HOURS)

5.1 Extended hours for 3 and 4 year olds were introduced from September 2017, and so there is no comparison with the 2017 census. With this being a new initiative it was expected that take up would increase over time and the actual figures in the Autumn 2017 term and Spring 2018 term support this:

Table 6.

	Extended Hours (PTE)	Change
Autumn 17	1,408	
Spring 18	2,012	42.84%

175 PVI providers had an increase or had extended hours for the first time in spring, 33 had no change and only 13 had a decrease.

## **6.0 FUTURE PROOFING 3 & 4 YEAR OLD EXTENDED (30 HOURS) OFFER**

**6.1** Following the successful funding bid award from DfE, to further develop Wirral's extended offer Hemsall's and Action for Children delivered 2 workshops in March. The first was to existing providers of the offer to review how to deliver a flexible business model approach. The second was to those providers interested but have not as yet set up the offer, specifically childminders. Feedback from the workshops was positive, some providers changing their mind and deciding to deliver the 30 hour offer for others they have requested one to one business support to ensure the decision to deliver is right for them. There will be a follow on workshop specifically for schools to focus on delivery models being flexible for parents and developing provider partners to deliver 30 hours. In addition, workshops planned for childminders and pre-schools to address their particular needs.

## **7.0 SUMMARY**

As a result of this report the Early Years working group will meet on Monday 4<sup>th</sup> June to summarise the findings of this report and to consider some key elements for future reporting to the Schools Forum in July 2018. These discussions will focus specifically on the central costs particularly on early year's team functions, allocation of both Inclusive Practice and Disability Access funding and the review of the base rate for universal offer.

## **8.0 RECOMMENDATIONS**

**8.1** That the Forum notes the report.

**8.2** The Forum agrees on the elements for discussion, in point **7.0**, at the Early Years working group and for a report to be presented in July 2018.

**Paul Boyce**  
**Director of Children's Service**