
Meeting: School Forum
Date: 24 June 2013
Subject: Two Year Old funding
Report of: Deputy Chief Executive and Director of Childrens Services
Summary: The report proposes the transfer of the DSG funds allocated by Government for the extension of Two Year Olds to be allocated and managed by the Early Years Childcare Panel and a proportion to be allocated as capital to support the required extension

Advising Officer: Edwina Grant, Director of Children Services
Contact Officer: Sue Tyler, Acting Assistant Director Children Services
Public/Exempt: Public
Wards Affected: All
Function of: Council

RECOMMENDATION(S):

The School Forum is asked to:

- 1. Approve the transfer of authority of £505,547 identified in the DSG notification as Trajectory Funding for the extension of Two Year old places to the Early Years Childcare Panel. The funding will be subsequently allocated for the purpose of developing / extending early years provision for funded two year olds.**

Background and recommendation

1. Funding for free provision for 2 year olds was introduced in Central Bedfordshire in September 2009. The offer at this time was for 10 hours a week, term time only, for 57 children from amongst the 15% disadvantaged 2 year olds.
2. In November 2011 the Government announced their intention to extend the funding to support 20% of disadvantaged 2 year olds from September 2013 increasing this figure to 40% from September 2014.
3. The criteria for receipt of these places is the same as the free school meal criteria, namely parents/carers in receipt of:
 - Income Support
 - Income based Job Seeker's Allowance

- Child Tax Credit, provided they are not entitled to Working Tax Credit and have an annual income (as assessed by HMRC) that does not exceed £16,190.
- Working Tax Credit (Disability element)
- Support under Part VI of the Immigration and Asylum Act 1999
- Guarantee element of the State Pension Credit

Or child is:

- Looked After Child
- Child subject to a Child Protection Plan

The Dept. for Education has consulted on the criteria for the 40% of places; however no announcement has yet been made regarding the situation for September 2014. The proposals are to build on the eligibility criteria for the first phase – so children who meet the free school meals criteria or who are looked after would continue to be eligible - and to extend free places to more low-income families, two-year-olds with special educational needs or disabilities, and those who have left care but are unable to return home.

4. This provision is to be for 15 hours a week, term-time only.
5. The Department subsequently gave Local Authorities numbers of two year olds which are anticipated to fit within the government criteria. From September 2013 this is 500 two year olds, increasing to 1000 in September 2014.
6. The number of hours of provision is therefore increasing from an original 22,230 hours of provision per year to 292,500 hours a year in September 2013 to 585,000 hours a year in September 2014.
7. To support the delivery of these additional places the Government has allocated additional funding to Local Authorities. Central Bedfordshire has been allocated £348,738 capital funding and £505,547 trajectory funding within the DSG, although this has been with a greater reduction in the equivalent funding for the Early Intervention Grant which had previously funded these places.
8. The trajectory funding will be used in conjunction with the capital funding to achieve the capacity (places), quality and parental demand for two year olds' early education.
9. Some potential uses of this funding have been identified as:
 - Creating additional places
 - Grant for refurbishments and resources
 - Developing infrastructure
 - Short term suitability funding
 - Workforce development
 - Consultation events
 - Marketing
 - Quality assurance

10. In order to create additional places in the areas of highest need i.e. where there will be a majority of two year olds fitting the criteria, some capital investment will be needed and an element of this will be in the areas of most deprivation. This is likely to be in a higher sum than the dedicated capital funding identified in the DSG (£348,738). There is also likely to be a need to increase places at existing provision for example by bringing additional rooms into use, and increasing the number of WCs.
11. The schools forum is requested to allow the £505,547 trajectory funding to be allocated on capital projects as needed to enable the provision of extra places.
12. Allocation of funding of this nature has historically been in the remit of the Childcare Funding Panel, which is a sub-group of the schools forum, and the request is made that this should continue.