

Agenda Item No 7 (n)

DERBYSHIRE COUNTY COUNCIL

CABINET

26 May 2015

**Report of the Strategic Director for Children &
Younger Adults**

**CAPITAL FUNDING TO SUPPORT THE PROVISION OF FREE
ENTITLEMENT EARLY YEARS PLACES FOR ELIGIBLE TWO YEAR
OLDS IN SCHOOLS**

1. Purpose of the Report

To seek approval to allocate a budget for the provision of additional classroom space to accommodate up to 40 eligible two year olds in three schools that are located in the areas of greatest under-supply of places for two year olds.

2. Information and Analysis

In September 2013, the Government introduced a programme to offer up to 15 hours a week for 38 weeks of funded early years education to two year olds whose families were on those benefits which would make them eligible for free school meals. This equates to approximately 20% of all two year olds. In September 2014, this percentage rose to 40% when the two year olds of low income working families were added to the eligibility criteria. In Derbyshire this 40% equates to around 3,200 children. The Authority is likely to have an under-supply of approximately 1000 places.

The Local Authority has two key duties in relation to this programme. One is to ensure that there are sufficient places to meet the needs of all eligible children, the second is to encourage the take up of this provision. Clearly, there is a link between the two as it is not possible to increase the take up of places in areas where there is insufficient provision to meet demand.

The areas where there is insufficient provision are those where there is the highest level of deprivation. In order to attract providers from the private and voluntary sector, an advertisement was placed in Nursery

World, a publication taken by most of the early years and childcare sector. In addition, the local authority offered an incentive payment for each place created in areas of under-supply. Unfortunately, these areas were not attractive from a business perspective and the Local Authority received no expressions of interest from the private and voluntary sectors.

The Government is very keen to encourage schools to expand the age range to include two year olds and in areas of great disadvantage the expansion of schools is the solution to providing high quality early years provision.

A conference was held for interested headteachers on 10 October 2014 and a number of schools, in the areas of greatest under-supply expressed an interest in this expansion. However, a major obstacle to taking this forward was the need for additional accommodation.

On 4 March 2015, Cabinet approved capital funding for six projects thereby creating 240 places. This report seeks approval for funding a further three projects to create an additional 120 places. Details of the locations are provided under Financial Considerations. In total therefore, nine of the eleven areas of under-supply will have been addressed. Further work is required on the remaining two areas to address the shortage of space on the identified school sites and another report will be submitted in due course.

3. Financial Considerations

Derbyshire's capital allocation for the creation of places for two year olds is £1,036,886. In addition, following support from Schools Forum, the Secretary of State for Education has approved that revenue funding of £2,563,134 from 2014-15 Dedicated Schools Grant can be used to support capital projects, giving a total capital budget of £3,600,020.

On 4 March 2015, Cabinet approved the allocation of £1,625,000 leaving a balance of £1,975,020. The budget allocations for the proposed developments are detailed below to a total of £795,000. It is proposed that these will be financed from the revenue funding allocated from the Dedicated Schools Grant DSG. This will leave £1,180,020 remaining from the DSG allocation to further explore the two remaining projects and any new areas identified.

School	Cost	No of Additional Places
Aldecar Infant School	£290,000	40
Mary Swanwick Primary	£260,000	40
Larklands Infant and Nursery School	£245,000	40
TOTAL	£795,000	120

4. Legal Considerations

The Childcare Act 2006 and subsequent strategic guidance, requires local authorities to ensure there are sufficient funded Early Years Places to meet the requirement of working parents of three and four year olds in their area. In addition this duty has been amended to include funding places for disadvantaged two year olds.

5. Other Considerations

In preparing this report the relevance of the following factors has been considered: - prevention of crime & disorder, equality of opportunity, and environmental, health, human rights, human resources, property and transport considerations.

6. Background Papers

File in Schools and Learning Childcare Improvement Service

7. Key Decision

Yes

8. Call-in

Is it required that the call-in period be waived in respect of the decisions being proposed within this report? No.

9. Officer's Recommendation

That Cabinet approves:

the proposal to allocate budgets to three schemes in order to meet the Local Authority's statutory duty to ensure there are sufficient high quality places for meet the needs of eligible two year olds and that these schemes are added to the 2015-16 Capital Programme.

Ian Johnson
Strategic Director for Children & Younger Adults