



Report of the: Acting Chief Officer Early Years and Integrated Youth Support Service

Executive Board

Date: 16th July 2008

Subject: Early Years Capital Grants 2008 - 2011

Electoral Wards Affected: all

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

1. This report provides Executive Board with information on the Department for Children, Schools and Families (DCSF) capital funding allocations and criteria for the use of the Quality and Access for all Young Children and the Extended Services Capital Grants for 2008 - 11.
2. The Quality and Access for all Young Children capital fund is available to support high quality experiences for children in the Early Years Foundation Stage (EYFS) and to ensure that all young children can access services and benefit fully from them. The DCSF expects that the majority of capital grant will be used to raise the quality of the physical environment in private, voluntary and independent (PVI) early years and childcare settings. However, spending in schools and children's centres is not precluded. The Quality and Access for all Young Children capital grant will be advertised through the Area Childcare Planning Networks which support the planning of all childcare services and the clusters of extended schools. Funding will be allocated through the Sure Start Partnership.
3. The Extended Services capital grant is available to secure the development by all schools of the core offer of services set out in the Extended Schools Prospectus. The DCSF expects that there will be a particular focus on supporting the development of flexible services for children and families that will support the Local Authority in meeting the statutory sufficiency duty. The Extended Services capital

grant will be advertised through the Extended Services team and allocated through the funding panel of the Extended Services Partnership Board.

4. This report seeks:

- Approval to inject £8,229,414 Quality and Access for all Young Children (Capital scheme number 14776) and £3,095,000 Extended Services (Capital scheme number 14777) Capital Grants into the Children's Services Capital Programme.
- Authority to incur this expenditure on payments to early years providers and schools to meet the statutory duties of the Childcare Act 2006 as outlined in the guidance and as monitored by the DCSF and Partnership Boards established under Leeds City Council corporate governance for the purpose
- To provide Executive Board with an annual summary of progress with the programmes each September from 2009 - 11

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to:

- Inform Executive Board on the capital funding allocations for 08 -11 that will support the implementation of the 10 Year Strategy for Childcare and the statutory duties under the subsequent Childcare Act 2006.
- Seek approval to inject £11,324,414 into the Children's Services Capital Programme as two parent schemes
- Give authority to incur this expenditure on payments to Early Years providers and schools to enable the delivery of extended services and the statutory duties of the Childcare Act 2006.
- Offer Executive Board an annual overview of both programmes from September 2009 - 11

2.0 BACKGROUND INFORMATION

2.1 In December 2004 the Chancellor of the Exchequer published a pre budget report 'Choice for parents; the best start for children. A ten year strategy for childcare'. The Ten Year Strategy represents a significant change to welfare state services and is a key plank in the Every Child Matters: Change for Children agenda. The Childcare Act 2006 gave statutory force to the proposals in the ten year strategy and placed four new statutory responsibilities on Local Authorities (LA):

- To secure sufficient childcare for children up to the September after the child turns 14
- To improve the wellbeing of children aged 0 to 5 and establish a proactive, accessible Early Years Service (EYS) focused on the under 5s.
- To secure the development of a children's centre in every locality by 2010
- To provide parents with access to the full range of information they need as parents of children aged 0 to 19

The implications of the pre budget report and the Childcare Act were subjects of Executive Board reports in January 2005 and 2006

2.2 The Comprehensive Spending review for 2008 - 11 identifies ring fenced or hypothecated revenue and capital funding to support Local Authorities in delivering

these statutory functions. A report to Executive Board in May 2008 outlined the delivery plan for the final phase of the children's centre programme which will provide for 58 centres across the city. This report provides details of the capital funding to support quality, inclusion and sufficiency and presents proposals on the allocation of grants in support of these functions

3.0 MAIN ISSUES

- 3.1 **The Quality and Access for all Young Children** capital grant is £8.2 million over 3 years and represents a significant investment in early years provision in Leeds. The grant has three aims:
- To improve the quality of the learning environment in early years settings to support delivery of the EYFS, with a particular emphasis on improving play and physical activities; and ICT resources
 - To ensure all children, including disabled children, are able to access provision
 - To enable PVI providers to deliver the extension to the free offer for 3 and 4 year olds and to do so flexibly
- 3.2 The DCSF expectation is that the majority of this capital grant is used to improve the quality of the environment in private, voluntary and independent (PVI) early years and childcare settings both to support higher quality experiences for young children and to ensure that all children can access services and benefit fully from them. However spending on the maintained sector is not precluded.
- 3.3 The capital grant must be used for the three broad purposes set out above but it is for the Local Authority to decide how best to deploy the grant for maximum impact and value for money. The funding allocation received into the LA is based on numbers of under-fives and the number of PVI settings, weighted to take account of regional pricing differentials for construction and levels of deprivation.
- 3.4 **The Extended Services Capital** grant funding is £3.1 million over three years. The grant aims to support the delivery of the Government's Ten Year Strategy for Childcare, *Choice for parents: the best start for children*. This capital funding must support the duties set out in the Childcare Act 2006 and underpin the key role of Local Authorities as strategic leaders for childcare and children's services. The guidance indicates that capital grants should be used to support the authority's strategy for developing access to the core offer of extended services through all schools by 2010. All elements of the core offer for extended schools are eligible but funding priority should ensure that the provision of 8am-6pm year round childcare and flexible services for 3 and 4 year olds can be achieved within each cluster. Further information on extended schools can also be found at: www.teachernet.gov.uk/extendedschools
- 3.5 Authorities are expected to strategically link all Sure Start, Standards Fund and Area Based Grant funding, revenue and capital, to support the development of extended schools. This will include support to schools identified in the Strategy for Change for the primary capital programme recently submitted to the DCSF to ensure they are exemplary in terms of extended services. The newly established Extended Service Partnership Board is well placed to secure that strategic connectivity, promote consistency and quality improvement and ensure the target of all schools delivering the full core offer by 2010 is met.

3.6 Proposals for allocation of both grant to early years and childcare settings, children's centres, schools and clusters of extended schools

3.6.1 The Quality and Access for all Young Children capital grant

The Early Years Service propose that the Quality and Access for all Young Children capital grant is allocated through Sure Start Out Of School Panel. Applications will be welcomed on a rolling programme with set deadline dates throughout each year. Each application be will considered by the panel against the appropriate criteria. Any previous allocations to the provider will be taken into consideration to ensure parity of distribution across the city.

3.6.2 Large capital grants will be limited to a maximum of £100,000 per scheme. A small grant programme will be available to support equipment and small works and limited to £2,500 excluding VAT. Paperwork will be proportionate to the size of the grant. All grants will be awarded using the principles outlined in the developing Leeds City Council framework for the allocation of grants to voluntary organisations.

3.6.3 The Sure Start out of School panel will monitor all schemes supported under this capital scheme and will report outcomes to the steering group of the Sure Start Partnership which will provide programme management to the scheme. In addition to providing quality assurance, all grants will be monitored by Early Years Consultants against outcomes in the Early Years Foundation Stage. They will report annually on progress in settings combined with any Ofsted inspection reports of settings benefiting from grant funding to the steering group of the Sure Start Partnership.

3.6.4 Programme documentation will be available to all settings on the internet and in paper copy. A high profile communication strategy, in the autumn of 2008, will highlight the availability of grant. The Sure Start Out Of School Panel and Extended Services Priorities and Guidance 2008 – 2011 is included as appendix 1. The Sure Start Out Of School and Extended Services Full Proposal Application form is included as appendix 2.

3.6.5 Development Officers and Business Support Officers will work with the private and voluntary sector to ensure they are enabled to access this grant and take the full opportunity to improve the quality and accessibility of their settings.

3.6.6 The Childcare Strategy Implementation Manager will brief Area Committees at a themed meeting during the summer with the criteria and the process for grant allocation so that they may play a part in identifying and publicising the availability of grant to improve quality and access. A briefing booklet will be issued to all elected members regarding the coming opportunities along with the proposed documentation and rolling programme dates on Executive Board approval of this report.

3.6.7 The Extended Services Capital grant

The Early Years Service propose that the Extended Services Capital Grant is allocated through the funding panel of the Extended Services Partnership Board. This funding panel is working towards amalgamating the Sure Start out of school panel in the coming year and already has a common membership. Applications will be welcomed and processed on a rolling programme with set deadline dates throughout each year. Each application will considered by the panel against the appropriate criteria. Any previous allocations to the cluster will be taken into consideration to ensure parity of distribution across the city. Priority will be given to

schools identified in the primary capital programme to ensure they provide exemplary extended services provision. Grant size will be limited to a maximum £100,000 investment per project.

- 3.6.8 The programme documentation will be the same as noted above and will be available to all clusters of extended schools and their advisers on the internet and in paper copy. The documentation is attached as appendix 1 and 2 of this report.
- 3.6.9 The Extended Services Partnership Board will monitor the outcomes of the programme and report to the DCSF through the Training Development Agency and provide an annual review of progress in Leeds towards meeting the full core offer of extended schools in all schools by 2010.
- 3.6.10 Extended Schools Advisors will work with Cluster co-coordinators and Leadership teams to identify those capital programmes that are required within the cluster to ensure that flexible services can be provided for all children aged 3 and 4, that out of school activities including childcare can be delivered and that community spaces within clusters can be used for family support and other wider community purposes.
- 3.6.11 The Childcare Strategy Implementation Manager and Extended Service Manager will brief Area Management Committees with the criteria and process for grant spend in a themed meeting during the summer so that they may influence the development of wider community based services from school sites. A briefing booklet will be issued to all elected members regarding the coming opportunities along with the proposed documentation and rolling programme dates on Executive Board approval of this report.
- 3.6.12 The Acting Chief Officer for Early Years and Integrated Youth Support Service will provide an overview of projects and outcomes for both capital funding streams to Executive Board each September from 2009 - 2011 if required

4.0 Legal and Resource Implications

- 4.1 The Local Authority has the statutory responsibility to improve the well being of children under the age of five. Research clearly shows that children will only benefit from early education and care if it is of high quality. Alongside adopting the best of professional practice for working with young children, a high quality setting also needs the right built environment and adequate and appropriate resources. This means providing enough space for larger group sizes which can also be used flexibly and up-to-date facilities and equipment to support children's learning and development. These capital allocations will support the development of high quality early years services across all sectors.
- 4.2 In meeting the Sufficiency Duty from April 2008 Local Authorities will need to ensure that - so far as is reasonably practicable - *all* children of working parents are able to access the childcare provision they need. All funding allocated to this duty should be used in accordance with the findings of the childcare sufficiency assessments completed successfully in April 2008. The statutory guidance: *Securing Sufficient Childcare* indicates that Local Authority's may wish to support providers through one-off capital payments, particularly in relation to groups or areas where there is unmet demand. These capital funding streams will support Leeds in meeting the sufficiency duty
- 4.3 It is a priority of the Children and Young People's Plan and the Council Plan that all children are able to access good quality early years services, and that every child

can benefit fully from early education and care. Every setting must have an inclusion policy setting out how it will meet the needs of all children, in line with delivery of the Early Years Foundation Stage. This grant will allow Leeds to invest to provide key facilities wherever they are required, and work with as many settings as possible to ensure that their built environment and facilities are welcoming and fully inclusive.

- 4.4 This Comprehensive Spending Review period 2008- 11 sees significant investment to extend the free nursery education entitlement by offering all 3 and 4 year-olds 15 hours a week for 38 weeks of the year from September 2010, delivered more flexibly. A longer and more flexible offer will give parents greater opportunity to access employment and greater choice in balancing work and family life. Extended high quality services will give children the best start to school. There is an identified need in Leeds to invest in the necessary facilities in PVI and school settings to enable them to deliver that extended free offer. This capital funding allocation will enable the city as a pathfinder to deliver that offer by September 2009 and will complement the revenue funding already available to providers to support the additional 2.5 hours and more flexible access.

5.0 Capital Funding and Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	11324.4		3930.1	4001.1	3393.2		
TOTALS	11324.4	0.0	3930.1	4001.1	3393.2	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
Government Grant	11324.4		3930.1	4001.1	3393.2		
Total Funding	11324.4	0.0	3930.1	4001.1	3393.2	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

There are no revenue implications associated with this scheme.

6.0 Conclusions

- 6.1 Leeds has been allocated £11, 324, 414 to ensure that by 2011 all early years settings offer a high quality learning environment that is accessible for all children and all schools are able to deliver the full core offer of the extended schools programme. This represents a significant investment in the quality of early years settings and will support Leeds in meeting the statutory responsibilities of the Childcare Act 2006

6.2 The Early Years Service has worked in partnership with Education Leeds to agree a joint approach to these capital allocations that will maximize impact and effect across the city. Details of the allocations, criteria for use and proposals for implementation are presented in this report for approval by Executive Board. Executive Board is therefore asked to inject £11,324,414 into the Children's Services Capital Programme and give authority to allocate capital funding against the criteria noted in this report and through the processes identified. The Acting Chief Officer for Early Years and Youth Service will report annually on programme outcomes and expenditure

7.0 Recommendations

7.1 Executive Board is asked to:

- Approve the injection of £8,229,414 Quality and Access for all Young Children (Capital scheme number 14776) and £3,095,000 Extended Services (Capital scheme number 14777) Capital Grants into the Children's Services Capital Programme.
- Give authority to incur this expenditure on payments to Early Years providers to meet the statutory duties of the Childcare Act 2006 as outlined in the guidance and in this report
- Approve the proposals for allocation of grant and monitoring of outcomes for the DCSF by Partnership Boards established under Leeds City Council corporate governance for the purpose
- Request an annual report on programme outcomes and expenditure