



Schools Forum

Date: 15th June 2023

Time: 8.30am

Venue: Microsoft TEAMS Meeting

Paper

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Public

EARLY YEARS FREE ENTITLEMENTS

BUDGET ANNOUNCEMENT MARCH 2023 INCREASING THE FREE CHILDCARE OFFER

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Decision Required

None – Information only

Summary

1.1 This paper is to inform forum of the proposed extension of free childcare places for working parents announced in the spring budget 2023

Background

2.1 The current free early education and childcare offers are as follows:

- the 15 hours entitlement for disadvantaged two-year olds
- the universal 15 hours entitlement for all three- and four-year olds
- the additional 15 hours entitlement for eligible working parents of three- and four-year olds

In this context 15/30 hours refers to 15/30 hours free provision each week over 38 weeks of the year. Parents can stretch these entitlements using fewer hours for more weeks of the year if they so choose.

2.2 In the spring budget 2023 the government announced its plans to extend the free offer to further support working families with meeting the costs of childcare provision. Primarily this was delivered as policy to support more people to return to work.

In addition, the Early Years Block includes funding for the Early Years Pupil Premium (EYPP) and the Disability Access Fund.

Report

3.1 The plans set out in the budget are as follows:

- From **April 2024**, working parents of two-year-olds will be able to access 15 hours of free childcare.
- From **September 2024**, 15 hours of free childcare will be extended to working parents of all children from the age of nine months.
- From **September 2025**, working parents of children under the age of five will be entitled to 30 hours free childcare per week.

This staggered approach will give childcare providers time to prepare for the changes, ensuring there are enough providers ready to meet demand.

3.2 Who is eligible for 30 hours free childcare?

Currently, parents who work more than 16 hours a week and earn less than £100,000 are entitled to 30 hours free childcare a week for children aged three to four.

This scheme is now expanding so that working parents of all children over the age of nine months are also entitled to free 30 hours of childcare. This is seen as a transformational change that will make a difference to families across the country.

3.3 What support is there for childcare before and after school?

Local authorities and schools will be given more funding for what's known as "wraparound care", so that parents of school-age children can access childcare in their local area from 8am – 6pm.

This could include provision of activities that fall outside of school hours, via things like breakfast clubs and after-school clubs. Government expect that by September 2026, most primary schools will be able to provide their own before and after school care.

3.4 What childcare support is available for people on Universal Credit?

Parents on Universal Credit are set to get further support too. Currently, up to 85% of childcare costs can be claimed back. However, by Summer 2023 parents will be able to access the funds upfront to make it easier for them to get a job or increase their hours. This removes any gap in funds and eases parents into the childcare costs payment cycle.

3.5 How are the government supporting nurseries, childminders and childcare providers?

There will be an increase in the hourly rate paid to childcare providers by the government, to help them to deliver their existing 30 hours entitlement.

Details of this are not clear at the moment but increased funding is planned to be in place as soon as September 2023.

There are also increases to the number of 2 year old children a member of staff can look after at the same time. This is known as the staff-to-child ratio. It means that from September 2023, one member of staff will be allowed to look after five children, up from four children which is the current rule. This is already the case in Scotland and follows a thorough consultation on the safety of this change.

Conclusion

4.1 The increases in childcare entitlements will help reduce the costs of childcare for working families

4.2 The local authority has begun talking to providers in terms of the opportunities and challenges which this new policy presents. We need to do further work to understand the likely additional demand for childcare places and whether we can ensure sufficiency of childcare places to meet the needs of all parents in all parts of the local authority

4.3 Staff recruitment and retention remains an issue which is affecting provision of places and we await the promised national campaign to encourage more people to consider childcare as a career

4.4 The new funding rates will be key in helping ensure the successful roll out of the new offers and to ensure quality provision is maintained across the county