

Extended entitlement (30 hours free childcare)

Providers Frequently Asked Questions

Flexibility / Pattern of take up

Q *Will the extended entitlement have to be taken across a maximum of 2 providers as is currently the case for the 15 hours early education entitlement?*

The government consultation “Childcare free entitlement: delivery model” proposed allowing children to access the extended entitlement across a maximum of 3 providers and as an early implementer, City of York Council (CYC) will be trialling demand for the extended entitlement across 3 providers.

Q *What will the flexible offer look like for a child eligible for the extended entitlement? What different models are available?*

The Extended entitlement equals 380 hours per term (1140 hrs per year). This can be taken term time only or flexibly across the year:

- Up to 30 hrs per week for 38 weeks of the year
- Up to 23.75 hours per week across 48 weeks of the year
- Up to 22.25 hours per week across 51 weeks of the year

Standard / Flexible model (38 week / Term time)

Up to 30 hours per week over 38 wks of the year (12.67 weeks per term)

This model is used for children who are attending a term time only provider or for those attending settings open longer than 38 weeks where the parents pay for additional hours not covered by the free entitlement (i.e. the child attends for more than their 30 hours free entitlement).

For families who pay for additional hours, most providers pro rata the entitlement across the year so that the parents pay an equal amount each month. This model allows parents to claim the full 190/380 hours entitlement per term (570 / 1140 hours per year) at all types of providers.

Stretched Offer Model

The stretched offer model is for families who **ONLY** want to take up their free entitlement and not pay for additional hours at providers who are open for more than 38 wks of the year.

- a) 51 week stretched offer** up to 22.25 hrs per week over 51 weeks of the year (17 wks / term)
- b) 48 week stretched offer** up to 23.75 hrs per week over 48 weeks of the year (16 wks / term)

Our role as an Early Implementer is to explore patterns of take up requested by families alongside the ability of providers to deliver these. The Local Authority (LA) is advising parents to discuss flexibility options with their provider as the range of models and their availability will vary across the city.

Q *For a child already attending a pre-school Mon-Fri for 3 hours a day, can they have the extended entitlement at pre-school, or do they then take up a place at breakfast club or afterschool club?*

If the pre-school can offer the additional 15 hours and this is where the parent chooses to take up the additional hours then yes, they can access the full 30 hours at the pre-school.

Q *If parents are only using 15 hours per week e.g. at a preschool provision or school nursery, can the additional 15 hours be used at an after school club?*

As an Early Implementer, York will be carrying out a feasibility study to look at whether the use of wrap around care (before, after-school and holiday provision) is a viable option that can support LAs to deliver the extended entitlement to meet childcare requirements of working parents/carers. We are working with 5 Out of School clubs to undertake the feasibility study: Funfishers, Kaleidoscope Acomb, St Pauls, Kaleidoscope (KOOSH) Park Grove and Haxby Road Academy and parents/carers can choose to use some of their entitlement at one of these Out of School clubs if they wish to do so.

Q *Can parents choose to only send their child to an after school club and breakfast club and miss out pre-school completely?*

As with the existing 15 hours universal entitlement, it is up to each individual family to choose how much of the entitlement they would like their child/children to access and this will continue for the extended entitlement. Eligible families will be able to choose how much of the extended entitlement, if any, they would like their child to access and at a provision of their choice. Although a family may not be able to take up the exact pattern of flexibility at the provider of choice as this will be dependent on whether their chosen provider can offer that pattern of flexibility.

Q *Are school nurseries still only going to offer 15 hours per week?*

It will be up to each individual school nursery as to whether they offer the extended entitlement. Some school nurseries will be able to offer the full 30 hours extended entitlement, whilst others will only offer the universal 15 hours but will work in partnership with providers in their local area to help parents access any additional hours they require.

Q *If a child accesses some of the entitlement during term time and some during the holidays, is this stretched offer?*

The stretched offer model is for families who only want to take up the free entitlement. If a child is taking up ONLY their free entitlement and is accessing this across more than 38 weeks of the year then they are accessing a stretched offer.

Eligibility

Q *How will providers know if a family is eligible?*

During this early implementation period, CYC will be using the following interim checking system:

Parents/carers wishing to access the additional 15 hours from September 2016 will be required to click onto the yor-ok link <http://www.yor-ok.org.uk/families/Childcare/30-hours-parental-declaration.htm> and submit a self-declaration, confirming they meet the national and local eligibility criteria. They will then receive a letter from the LA either confirming that they are eligible for the extended entitlement or requesting that they submit relevant evidence in order for the LA to check their eligibility. If the checks confirm that they are eligible they will receive a letter containing a voucher code which they will be required to give to you, the provider, as evidence that they are eligible for the extended free entitlement.

Q *What happens if there is a breakdown in the family relationship and the parent becomes a lone parent family or moves out of the postcode – will this fall under the grace period criteria?*

Parents/carers are required to notify the LA of any changes to their circumstances that may result in them no longer being eligible for the extended entitlement. If the change in circumstances does result in a family no longer being eligible, they will receive a letter from the LA to let them know that their child will only be able to continue to access the extended entitlement until the end of the current term. If this results in a notice period of less than half a term i.e. the family circumstances change during the second half of a term then they will be notified that their child will only be able to access the extended entitlement until the following half term. The provider will also be notified by the LA by email, if a family accessing the extended entitlement at their provision is no longer eligible for the extended entitlement.

Q *When does eligibility start? Is it from when the parent/carer(s) start working?*

In order for a family to be eligible for the extended entitlement they will either already be working or be able to provide to the LA an offer letter from an employer to show that they are about to start work in the very near future.

Financial/Sustainability

Q *We are re-locating to enable us to provide up to 28 hours from the current 18 hours. This has an impact on our financial cost to set this up to support the new funding. As a provider can we gain any financial help? Is there any additional funding available for expansion?*

The only funding that has been made available from the Department for Education (DfE) to support providers in extending their free entitlement offer is the Capital Funding however the deadline for applications to this pot has now passed.

Our Childcare Business Adviser is available to provide you with support on many areas including business planning, marketing and access to finance. Contact Craig Waugh on 01904 551006 craig.waugh@york.gov.uk

Q *Does the LA top slice the funding received from the DfE for the early years entitlement?*

The funding allocation that the LA received from the DfE for the free early education entitlement is intended to support both the funding allocated to providers via the Early Years Single Funding Formula and any budgets retained centrally by the LA to fund EY support services, which includes administering the funding and supporting providers and parents in delivery/receipt of the free entitlement. CYC currently retains only 4% of this funding to support these essential support services. The government consultation “An early years national funding formula and changes to the way three- and four-year-old entitlements to childcare are funded “ is proposing 95% of early years funding is passed onto providers.

Q *Does the new increased funding rate include EYPP? Will EYPP apply to the additional 15 hours extended entitlement?*

The enhanced funding rate of £4.00 per hour for all children eligible for the extended entitlement does not include EYPP. The existing rate of £0.53 per hour will continue to be paid for all children eligible for EYPP however it will only be paid for the universal 15 hours entitlement. The Early Years National

Funding Formula is currently under review and is being consulted on by the Department for Education. Whilst the detail of how this will affect Yorks Early years Funding Formula is not yet clear, it is expected that the new formula will be in place from April 2017.

Q *Will there be two different rates for the universal 15 hours entitlement and the additional 15 hours extended entitlement for working families?*

From September 2016 the hourly rate to be paid by the local authority for families who are eligible for the extended entitlement will be £4 per hour. To access this higher rate, providers will need to have committed to take part in the early implementation by signing the declaration form and returning it to the Childcare Strategy Service. Where a child is eligible for 30 hours extended entitlement, the £4.00 per hour rate will be paid for both the universal and additional 15 hours. For children who do not meet the eligibility criteria for the extended entitlement the hourly rate will remain at £3.38 (plus deprivation funding at £0.40 per hour if applicable) pending any new early years formula expected in 2017. A child eligible for the extended entitlement does not have to attend your setting for the full 30 hours for you to receive the higher rate of £4.00 per hour. You will receive £4.00 per hour for the total number of hours that the eligible child attends your setting.

By committing to taking part in early implementation there is an expectation that providers;

- Will deliver 30 hours to eligible parents who wish to take it up from September 2016 – or as soon as they can reasonably offer it.
- Are committed to working with the early implementation of 30 hours free childcare but there are other restrictions such as space/staffing etc that mean they are not able to deliver some or all of the additional 15 hours.
- Are committed to continuing to work with their local Shared Foundation Partnership to assess how local supply matches demand and agree collaborative solutions to meet any unmet demand for the additional hours. This could also include signposting to other local providers where they are aware there may be vacancies or to contact the Families Information Service for brokerage with parents.
- Will continue to work with the local authority to help inform both delivery and evaluation for full roll out and provide feedback on sustainable models of delivery needed by parents.
- Will continue to keep your parents updated regularly with consistent information throughout the early implementation period.

Q *What about providers whose charges are less than the rate that is paid by the LA for the funded hours?*

The funded rate for children eligible for the extended entitlement is for all providers, across all sectors and is not dependent on their own charges for non funded hours.

Q *How will providers claim the funding for the additional 15 hours?*

The process for claiming the funding is the same as for the universal hours except that you will have to add the voucher code that confirms a child's eligibility for the extended entitlement onto the funding portal. There will be 3 headcounts and you will need to submit estimates and "actuals" for each of the different headcounts:-

- **2 yr old funding** - for eligible 2 year olds
- **3 & 4 yr old funding** - for children NOT eligible for the extended entitlement (max 15 hours/ wk)
- **30 hrs – Autumn 16 - 3&4yr olds funding** - for children eligible for the extended entitlement (max 30 hours per week) *(this term is listed as 2 year old funding as the voucher code was specifically developed for 2 year olds but we have adapted it for the 3&4 year old extended entitlement).*

Children should only be entered onto one of the above headcounts. Further guidance can be found in the Provider Portal Guidance which was emailed out to all providers and is also available on our webpage on the yor-ok website.

Q How do I work out the impact of the new funded rate?

The funded rate provided by the LA for the delivery of the free entitlement is only one component of a provider's business model. It is essential that providers consider all aspects of their business management to ensure that they fully understand how each individual component impacts on their business. For example, capacity, occupancy levels, staffing levels and sales mix (i.e. proportion of children of different age groups, fee paying, free entitlement only etc) will have a significant effect on future sustainability as compared with just the rate per hour. It is important that providers understand the current and future childcare needs of their families so that they can match staffing levels to meet this demand as not controlling staffing leaves providers financially vulnerable.

A range of support is available to providers to help with the areas mentioned above. If you would like some additional support, please contact Craig Waugh, Childcare Business Adviser on 01904 551006 craig.waugh@york.gov.uk

Q As a childminder I am worried that by using Out Of School clubs to help deliver the additional 15 hours childcare, childminders could be removed from the market.

As a school based nursery, a lot of our parents are also childminders therefore there is the issue of potentially negative impact on relationships between the two. Please could we look at conveying message to childminders about the positive collaboration opportunities between the two sectors?

The LA believe that the roll out of the 30 hours extended entitlement will provide expansion to the childcare market and hence there will be enough demand from parents across the city to match the supply on offer. We are very fortunate in York to be able to offer our families a wide range of choice of provision across a range of sectors and where providers cannot offer the extended entitlement are encouraging signposting to other providers or to FIS for brokerage services. We also encourage a regular dialogue via Shared Foundation Partnerships so that partners are aware of any potential impact on business viability and can also provider collaborative solutions to meeting unmet demand.

Other

Q Recruiting a high quality workforce is a concern – can we raise this with York College and other local colleges to raise profile of this career, give publicity to as a significant career etc?

The LA is aware that at both a local and national level the recruitment of a high quality workforce is a concern. York has a 30 hours Strategic Board to oversee the roll out of the extended entitlement and this has already been highlighted as a potential issue with this group with the recommendation that this is taken further with our local colleges. We understand that the government are currently working on a new Workforce Strategy to be announced later this year. We also understand they will be revising the GCSE requirement as it is a barrier to recruiting Level 3 staff.

Q Will there be a difference in how long we need to keep records for if a parent is claiming 30 hours e.g. currently keep 4 terms worth, does it need to be longer due to their eligibility and HMRC involvement?

No, you will still need to keep records such as declaration forms for 4 terms. This is for LA/Veritau auditing purposes.

Q For providers who are already nearly full – if they give additional hours to existing families this will limit places for new families. Will they be expected to expand their hours/places?

We don't have the capacity to offer the additional 15 hours, so what should we do?

The LA is recommending that providers, ideally working within their local Shared Foundation Partnership, and consult with their families to determine what their childcare needs are and how existing supply meets this demand.

If your families require additional free entitlement and/or childcare, you are able to expand your provision and would like to do so, and then the LA can provide a range of services to support you through this process.

If your families require additional free entitlement and/or childcare and you are not able to meet this demand we ask that, as part of signing up to be part of the Early Implementation, you signpost families to other provision within your local area.

Q Will the impact and outcomes be evaluated at the end of the pilot?

Yes, an evaluation will be undertaken on behalf of the Department for Education by a joint team of Frontier Economics, qualitative researchers from the University of East London, and NatCen Social Research. The aim of this work is both to inform the national rollout of the programme and to provide feedback to each Early Implementer on the findings for their area. Individual reports focused on local findings will be prepared for each Early Implementer in late spring 2017 and we will share these with you as soon as they are made public.

Q Do we know:

- **how many hours are currently available in York (across all sectors?)**
- **how many hours will we need once the 30 hours scheme is rolled out?**

As mentioned earlier, The LA is recommending that providers, ideally working within their local Shared Foundation Partnership, consult with their families to determine what their childcare needs are and how existing supply meets this demand.

In addition, the LA undertook a parental survey via Survey Monkey, in June 2016, in order to try and help assess the potential demand for take up of the extended entitlement. The responses from the survey have now been analysed, broken down by Children's Centre reach area. This analysis is being shared with all providers across the city, and can be used in conjunction with each providers own survey responses to help inform the sufficiency assessment within each local area.