

To: **SCHOOLS FORUM**
7 MARCH 2023

REVISIONS TO THE LOCAL FUNDING AGREEMENT FOR FUNDING EARLY YEARS PROVISION AND CHILDCARE
Executive Director of People

1. Purpose of Report

- 1.1. To seek agreement from Schools Forum on proposals for the introduction of monthly early years entitlement payments for childminders in Bracknell Forest
- 1.2. To seek agreement of Schools Forum on changes to the local funding agreement for funding early years provision and childcare.
- 1.3. The local funding agreement, essential for providers to adhere to in order to secure funding for the provision of early years entitlements (referred to locally as the Provider Agreement), has undergone revision to align with amendments in the statutory guidance for Local Authorities, including the expansion of early years entitlements from April 2024 and the introduction of a monthly payment option for childminders.

2. Recommendation(s)

- 2.1. **To AGREE that in accordance with the responses to the consultation with childminders the proposals for the introduction of monthly early years payments to childminders, as set out in points 5.3 to 5.9, are implemented from April 2024**
- 2.2. **To AGREE the revised Provider Agreement for funding early years provision and childcare, as set out in points 5.10 to 5.11**
- 2.3. **To NOTE the need for additional work on data sharing between the Council and early years providers, which will be addressed via an addendum to the Provider Agreement if required.**

3. Reasons for Recommendation(S)

- 3.1. To ensure that eligible children can readily access their entitlements in safe, high quality settings that meet statutory requirements, that the relevant terms and conditions are understood by all parties and maximise efficiency of operation.

4. Alternative Options Considered

- 4.1. No alternative options were considered

5. Supporting Information

- 5.1. The Early Education and Childcare statutory guidance for local authorities sets out the framework that Local Authorities must operate within in the delivery of the early years entitlements. This guidance was updated on 1 January 2024 to

include guidance on the provision of the expanded entitlement for working parents of children aged 9 months to 3 years old.

- 5.2. The Bracknell Forest Provider Agreement sets out detailed local arrangements intended to ensure that, in line with the statutory guidance, eligible children can access their entitlement in safe, high quality settings and providers receive funding in accordance with the approved local Early Years Funding Formula.

Childminder Monthly Payments

- 5.3. The Statutory Guidance includes an the expectation that Local Authorities will *'Pay all providers the full amount owed to them monthly unless they have good reason not to do so, for example, if, after consultation, the clear majority of providers opt for an alternative method of payment'*.
- 5.4. In October 2018, the Council consulted early years providers in Bracknell Forest on their preference for retaining the current termly funding arrangements or moving to a monthly funding arrangement. The Council received 53 responses to the consultation, of which 38 (72%) indicated a preference to retain the termly funding arrangements.
- 5.5. Feedback from providers indicates that termly funding is still the preference amongst group providers, but childminders have expressed an interest in revisiting the options for monthly payments.
- 5.6. In March 2023 the Government announced changes to early years and childcare entitlements to support working parents. These changes include access to 30 hours of childcare per week, for 38 weeks of the year, for working parents from the term after their child is 9 months old to when they start school.
- 5.7. The expansion of the entitlements to children of eligible working parents from the age of 9 months will result in many early years providers receiving most of their income via the entitlements. The Council has considered the impact of this change on early years providers income and on childminders in particular and, taking into account the recent feedback from childminders, believed it was appropriate to consult childminders on the arrangements for monthly payment of the early years entitlements.
- 5.8. In October 2023 a childminder monthly payments working group was established to discuss the options and challenges of monthly payments. Feedback from these discussions informed proposals in a consultation with all childminders in Bracknell Forest in January 2024. The consultation document is attached as Annex B.
- 5.9. The consultation document set out the Council's proposals for the arrangements for monthly payments to childminders. A total of 58 responses were received, with a majority indicating agreement to the proposals. Responses are summarised and attached as Annex C.

Changes to the Provider Agreement from April 2024

- 5.10. Revisions to the Provider Agreement, attached as Annex A, includes revisions as required by changes in the statutory guidance and numerous minor changes to improve clarity and understanding. Significant updates to the Provider Agreement include:
- The addition of the terms and conditions required for the expansion of the early years entitlements for working parents for children aged 9 months to 3 years, starting in April 2024. Sections 7 & 8.

- The arrangements for the introduction of monthly payments to childminders from April 2024. Section 17
- Expansion of the guidance setting out the requirement for providers to promote fundamental British Values, and to not promote as evidence-based, views or theories which are contrary to established scientific or historical evidence. Section 6 and 14
- Providing greater clarity on the consequences of poor OFSTED inspections. Section 14
- Providing greater clarity on the eligibility of Foster Carers to the early years entitlements and the arrangements for claiming funding. Section 9
- Update to the guidance on the charging of fees for children accessing the early years entitlements. Section 16
- Update to the terms and conditions on the withdrawal of funding from providers, including when withdrawal will be considered and the process for providers to appeal a decision. Section 21

5.11. A draft Provider Agreement was sent to the Early Years Forum to gather their views on the proposed changes. The group includes representatives from maintained schools, academies, group PVI providers and childminders.

5.12. Legal advice has identified a need for additional work on data sharing arrangements between the Council and early years providers. A new Provider Agreement that incorporates the expansion to the early years entitlements is required to be in place by mid-March 2024. As the work on improving data sharing arrangements will not be completed ahead of this deadline, an addendum to the agreement incorporating these improvements may be required.

6. **Advice received from statutory and other officers**

Legal Advice

6.1. To improve consistency the Department of Education has developed a model agreement for local authorities, which should be tailored to local processes as appropriate. The draft Provider Agreement does follow the framework of the model agreement and comments have been provided separately in respect of the draft document.

It is noted that personal data will be shared pursuant to the Provider Agreement. Where personal data is being shared, it is important to ensure data protection requirements are in place, such as a Data Protection Impact Assessment, information sharing agreement and the Register of Processing Activity (ROPA) is updated. Further advice on data protection matters can be obtained from the Data Protection Officer and / or the Information Governance Lawyer.

Financial Advice

6.2. The Executive Director: Resources is satisfied that no significant financial implications arise from this report

Equalities Impact Assessment

6.3. Not required

Strategic Risk Management Issues

- 6.4. Bracknell Forest Council will be at risk of not meeting its statutory duty if providers are not aware of and have not signed the local funding agreement for funding early years provision and childcare.

Climate Change Implications

- 6.5. Have no impact on emissions of CO₂

7. Consultation

Principal Groups Consulted

- 7.1. Early Years Forum, Childminder working group and all childminders in Bracknell Forest.

Method of consultation

- 7.2. The views of the early years forum were sought prior to the commencement of work to investigate the options for childminder monthly payments and following the consultation outcome.

- 7.3. The Childminder working group provided feedback on:
- Initial proposals on arrangements for monthly payments
 - The options available for resolving issues identified in the initial feedback
 - The proposals included in the consultation with all childminders

- 7.4. All childminders were consulted on the final proposals

Representation received

- 7.5. A total of 58 responses were received from childminders, which represents 44% of all childminders in Bracknell Forest.

Background Papers

<https://www.gov.uk/government/publications/early-education-and-childcare--2/early-education-and-childcare-applies-from-1-april-2024>

Early education and childcare: Statutory guidance for local authorities (applies from April 2024)

https://assets.publishing.service.gov.uk/media/6571db8d33b7f20012b72067/Model_agreement_template_-_free_early_years_provision_and_childcare.docx

Model agreement template: free early years provision and childcare

Contact for further information

Cherry Hall, Head of Early Years & Childcare
01344 352811
cherry.hall@bracknell-forest.gov.uk

David Allais, Early Years Business & Family Information Manager
01344 354027
EHBS@bracknell-forest.gov.uk