

# School Business Planning Workshop 30 hour Childcare Programme

January 2017

# 30hr School Business Advice Workshop- Content

## 1. Intro & updates

- 1a. The Context: The case for extended nursery provision in schools
- 1b. Parental Survey-key learning regarding demand and parental views

## 2. Potential sources of Income

- 2a Update regarding Ealing rates and Supplements to schools and providers
  - 2b Clarification regarding permissible additional charges, lunchtime costs and staffing
  - 2c Tax free childcare
  - 2d Childcare Vouchers
  - 2e Working & Childcare Tax Credit
  - 2f Change to Universal Credit
- Supporting parents maximise their childcare income

## 3. Developing your Business Plan

- 3b Five areas to consider in constructing your plan
- 3b Group work & identification of additional information which would support schools
- 3c Templates & Documents to support understanding & delivery

## 4. Next steps

School and Provider Event- making those partnerships- what are your views?

## 5. Q&A

## 6. Evaluation

## 30hr School Business Advice Workshop- Objectives

1. Provide the latest information regarding the Parental Demand Survey and discuss the implications of the Survey
2. Provide the latest information regarding the early years national funding formula and the local rates for Ealing in 2017/18 and other sources of income.
3. Provide and support the construction of the school business plan for the 30hrs extended entitlement
4. Provide the necessary templates and supplementary information to support the construction of the school business plan for the 30hrs extended entitlement
5. Discuss the next steps in supporting the Schools

## 1a. Context: The case for extended nursery provision in schools

There is a new driver for schools to consider extended and more flexible early years provision through the new Government's commitment to extend the number of funded early education hours available to working parents. From September 2017 eligible working parents will be able to access 1,140 hours/year (equivalent to 30 hours/week if delivered in term times only).

### **Benefits to the child**

Flexible extended early learning provision in the school can more specifically benefit children through delivering:

- Continuity and consistency of high quality provision throughout the full day and across flexible patterns of use, creating a stable supportive learning environment and reducing the disruptions of patchwork childcare arrangements
- An age specific and, hence, improved out of core hours environment for younger children rather than being accommodated in pre and after school provision that caters for a wider and older age range.

### **Benefits to parents**

- A flexible extended school offer enables parents to simplify the patchwork of childcare and costs that many face when they are working or seeking to enter employment.
- It also streamlines logistics of drop-off and pick-up of children and, hence, removes additional stress and pressure from everyday routines
- Parents tend to trust a school environment and are reassured by the quality and standards of teaching and staff skills usually present

### **Benefits to the school**

- Schools that offer extended nursery provision have reported measurable differences in the attainment and behaviour of the children who attend the nursery, particularly the more vulnerable
- A financially sustainable delivery model, built on knowledge of local family needs, can inform decisions about the school's role, function and activities within its catchment area.

## 1b. Parental Demand Survey

In December 2016 we completed a Parental Demand Survey to ascertain the likely demand from parents and also how it may impact on their employment status.

Overview of the key findings: Parents said:

<b>Demand</b>	
<b>92.2%</b>	They definitely would or very likely to utilise the additional 15 hours if eligible <b>86.8%</b> of parents would use between 11-15 of the additional hours
<b>71.3%</b>	It would be likely that they would switch to another provider to use the full 30hrs if their current provider could only delivery 15 hours
<b>76.7%</b>	They would use the additional 15hours even if it meant the child had to go to different providers
<b>Paying for Childcare</b>	
<b>59.1%</b>	Currently pay for additional hours: 36.4% pay for 26hours or more. 22.4% pay for 15-20hours
<b>95.2%</b>	Said it would significantly reduce the cost of childcare and 94.3% would use the additional 15 hours towards the childcare they currently pay for.
<b>Impact on Employment</b>	
<b>78.1%</b>	It would be likely to increase their hours of work or look for another job
<b>91.2%</b>	Parents not in employment said it would be likely that they would look for work to become eligible

## 1b. Parental Demand Survey

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Overview of the key findings: Parents said:

### Important benefits of the 15hrs as seen by parents:

- The majority of responses related to the dual impact both the financial impact on the household and the increased developmental opportunities for their child.

*“Cost savings and the nursery is wonderful social exposure for my son.”*

- A number of responses related to the financial impact on the household and increasing work

*“Work and extra money for our family”*

- As a Work incentive

*“Opportunity for my children to be in a new environment to help their development, enable me to return to work.”*

- A number of responses related to the impact on the child’s development and impact on other siblings

*“Will be able to use it on my second child during school holidays if possible as I’m a working parent.”*

### Comments & Suggestions from Parents

- Make it easy & simple to use for parents
- It should be flexible & accessible
- It would help if schools provided breakfast & afterschool provision for working parents
- Would be great if schools would offer the 30hours with a lunch club that parents pay for.
- What about the holidays? –parents do not get holidays every time a child has a mid term break.
- The 30hrs must be available in one place

## 1b. Parental Demand Survey

In groups, we will consider the following comments from parents	What are the Current Barriers?	What could be the Potential Solutions?
<ul style="list-style-type: none"> <li>• Make it easy &amp; simple to use for parents</li> </ul>		
<ul style="list-style-type: none"> <li>• It should be flexible &amp; accessible</li> </ul>		
<ul style="list-style-type: none"> <li>• It would help if schools provided breakfast &amp; afterschool provision for working parents</li> </ul>		
<ul style="list-style-type: none"> <li>• Would be great if schools would offer the 30hours with a lunch club that parents pay for</li> </ul>		
<ul style="list-style-type: none"> <li>• What about the holidays? –parents do not get holidays every time a child has a mid term break.</li> </ul>		
<ul style="list-style-type: none"> <li>• The 30hrs must be available in one place</li> </ul>		

## 2. Potential sources of Income

### 2a. Update regarding Ealing rates and Supplements to schools and providers

#### Ealing's Current Early Years Single Funding Formula (EYSFF) Current status

Under the current formula, local authorities are required to fund early education places in all sectors using a locally-determined, transparent formula known as the early years single funding formula (EYSFF). A formula was developed for Ealing in consultation with its providers

Breakdown of Funded Places	Maintained Nursery School	Maintained Nursery Class	Private & Voluntary Provision	Nursery Units of Independent Schools	Childminders	Total
Number of Settings	4	67	106	9	21	193
Number of Children	414	3881	2948	218	60	7521
% PTE	5.5%	51.6%	39.2%	2.9%	0.8%	

EYSFF 2016/17 as agreed at January School Forum 2016	Maintained Nursery School	Maintained Nursery Class & Private Nurseries	Voluntary Nurseries, Pre-schools & play groups	Independent nursery classes
Base rate	£5.88	£3.26	£5.50	£2.50
Workforce Development -QTS	£0.70	£0.70	£0.70	£0.70
Workforce Development -EYPS	£0.52	£0.52	£0.52	£0.52
Flexibility	£0.070	£0.070	£0.070	£0.070
Deprivation	£0.21	£0.21	£0.21	£0.21



## 2. Potential sources of Income

### 2a. Update regarding Ealing rates and Supplements to schools and providers

#### Ealing's Proposed Early Years Single Funding Formula (EYSFF) 2017/18

	Maintained Nursery School	Maintained Nursery Class & Private Nurseries	Voluntary Nurseries , Pre-schools & play groups	Independent nursery classes
Base rate • Universal 15 hours & • Additional 15hrs	£4.64	£4.64	£4.64	£4.64
Deprivation	£0.26	£0.26	£0.26	£0.26
Quality QTS	£0.26	£0.26	£0.26	£0.26
Quality EYPS	£0.22	£0.22	£0.22	£0.22

**Base rate + QTS = £ 4.90 (currently £3.96)**

**Base rate + QTS + Deprivation = £ 5.16 (currently £4.17)**

Deprivation is a mandatory supplement. This will be allocated to 25% most deprived postcodes linked to IDACI (Income Deprivation Affecting Children)

## 2. Potential sources of Income

### 2a. Update regarding Ealing rates and Supplements to schools and providers

#### Supporting Children with Special Educational Needs

Disability Access Fund	If a child is in receipt of disability living allowance they will receive a one off payment of £615 pa (this is the rate for 2017/18 and the value may change per annum)
Inclusion Fund	An element of the Inclusion fund (£500k) has been made available to assist providers with additional costs. The details of the fund and application process will be available shortly

#### Incentive to provide 30hr places 2017/18

There will be a one off fund of £450k in 2017/18 used to incentivise and implement the 30hr programme  
The details of the fund and application process will be available shortly

The online place/income calculator is currently being updated to assist with your forecasts calculations and support your plans

## 2. Potential sources of Income

### 2b. Clarification regarding permissible additional charges, lunchtime costs and staffing

#### **The DfE is clear:**

*“You should use government funding for childcare to provide 15 or 30 hours a week of high-quality, flexible early education and childcare.*

*You shouldn’t use this funding to cover the cost of consumable items, such as drinks, meals or nappies, or additional services, such as baby yoga, music lessons and school trips.*

*You can charge parents for additional items or services, but you mustn’t make this compulsory for any parents taking up a publicly funded place for their child.”*

#### **Permissible additional charges**

- Any additional hours above the 30hrs (if eligible) or 15hrs if not eligible
- Consumable items (e.g. drinks, meals, nappies)
- Additional services, but these should not be compulsory or conditional in getting a place

#### **Lunchtime costs**

- The 30hrs can include the lunch hour. (E.g. 9am-3pm) Ensure staffing ratios within the teacher led session.
- Lunch cost (food) can be charged, but there must be an opt out option (packed lunch)

## 2. Potential sources of Income: Supporting Parents

### 2c. Tax Free Childcare

#### Overview

Tax-Free Childcare is a new government scheme to help working parents with the cost of childcare. Parents will be able to open an online account, which they can use to pay for childcare from a registered provider.

For every £8 a parent pays in, the government will pay in an extra £2. Parents can receive up to £2,000 per child, per year, towards their childcare costs, or £4,000 for disabled children.

The scheme will be available for children up to the age of 12, or 17 for children with disabilities.

To qualify, parents will have to be in work, and each expecting to earn at least £115 a week. Each parent must not have income over £100,000 per year.

#### Tax-Free Childcare scheme launch to parents

Tax-Free Childcare will be launched from early 2017. The scheme will be rolled out gradually to families, with parents of the youngest children able to apply first.

Parents will be able to apply for all their children at the same time, when their youngest child becomes eligible. All eligible parents will be able to join the scheme by the end of 2017.

#### Childcare Providers

You must be a regulated or approved childcare provider to receive Tax-Free Childcare

Only childcare providers registered with a regulator can receive Tax-Free Childcare payments.

To register with a regulator can take up to 12 weeks. If you aren't, do so now, so that your customers can pay you using Tax-Free Childcare.

<https://www.gov.uk/government/news/tax-free-childcare-top-things-childcare-providers-should-know>

## 2. Potential sources of Income: Supporting Parents

### 2d-2e . Working & Childcare Tax Credit/ Childcare Vouchers

#### **Childcare element of Working Tax Credit:**

Working Tax Credit is paid to people in work to top up low wages. Working Tax Credit can include a childcare element, which gives help to parents with registered childcare costs. The childcare element of Working Tax Credit can pay up to 70% of eligible childcare costs up to set weekly amounts. Eligible childcare costs are set at £175 per week for one child and £300 per week for two children. This means you could receive up to £122.50 per week with one child in childcare, or £210 for two or more children. The amount you are awarded will depend on your family circumstances.

Both parents must be working at least 16 hours per week. If part of a couple, you must both be working at least 16 hours per week. If one of you is in hospital, prison, incapacitated or on Carers Allowance, the other parent must work at least 16 hours per week.

#### **Universal Credit**

Universal Credit is a new benefit for people on low incomes both in and out of work.

Parents will be able to claim back up to 85% of childcare costs up to a monthly limit of £646 for one child or £1,108 for two or more children. Universal Credit will be phased in across in Ealing in October 2017.

#### **Childcare vouchers:**

These are provided to parents by their employer (often through a childcare voucher company), and can be used to pay for some of the childcare. The childcare provider claims the value of these back from the employer or the voucher company. Parents can receive up to £55 a week from childcare vouchers, depending on how much they earn and when they joined the scheme.

Childcare vouchers will be phased out from 2018.

## 2b. Potential sources of Income

	Are there any questions or do you require further information?
• Base Rates & Supplements	
• Disability Access Fund & Inclusion Fund	
• 30hr Implementation Fund	
• Permissible Charges	
• Tax Free Childcare	
• Working Tax Credit/ Universal Credit/ Childcare Vouchers	
<b>Are there other Sources of funding you have identified?</b>	

## 3. Developing your Business Plan

### **3b Five areas to consider in constructing your plan**

- 3b Group work & identification of additional information which would support schools
- 3c Templates & Documents to support understanding & delivery

## 4-6 . Next Steps

### 4. Next steps

School Conference 31<sup>st</sup> January

School and Provider Events- making those partnerships- what are your views?

### 5. Q&A

### 6. Evaluation

If you have any queries regarding the 30hr Childcare Programme, please contact:

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