

Scrutiny November 2023, Early Years Childcare Expansion

Current offer – National and Islington		
The offer	Who is it for?	Where is it offered?
Free Early Learning places (15hrs) for eligible 2 year olds	All eligible children the term after they turn 2 whose parents are receiving benefits or where the annual family income does not exceed £15,400 if in receipt of universal credit or £16,190 before tax if receiving tax credits.	This is a national offer which can be accessed in multiple settings across the borough.
Free Early Learning places (15hrs) for 3 and 4 year olds	All children the term after their 3 rd birthday.	This is a national offer which can be accessed in multiple settings across the borough.
Free 30 hrs for 3 and 4 year olds of eligible working parents	Children where both parents are working and eligible can access an additional 15hrs childcare.	This is a national offer which can be accessed in multiple settings across the borough.
Subsidised childcare	Children living in Islington aged from 6mths where both parents are working or studying. Hourly rates are subsidised on a sliding scale depending on joint family income.	In Islington's 19 Early Years and Children's Centres as well as some grant maintained voluntary sector nurseries.
Priority Early Learning Places	Islington children who are deemed in need and therefore given priority access to one of Islington's Children's Centres and some maintained nursery settings. All requests are assessed and agreed by a multi-agency panel. Families are income assessed as with other subsidised places but both parents need not be working.	In Islington's 19 Early Years and Children's Centres as well as some grant maintained voluntary sector nurseries and childminders.

The new expanded childcare offer from April 2024 for working parents

- Eligible working parents in England will be able to access 30 hours of free childcare per week, for 38 weeks of the year, from when their child is 9 months old to when they start school.
- This will be rolled out in stages over the next two years:
 - From April 2024, eligible working parents of 2-year-olds can access 15 hours per week
 - From Sept 2024, eligible working parents of children aged 9 months to 3 years old can access 15 hours per week
 - From Sept 2025, eligible working parents of children aged 9 months to 3 years old can access 30 hours free childcare per week
- More information can be found here: www.childcarechoices.gov.uk

Childcare sufficiency in Islington to meet the new offer

According to DfE modelling Islington already has sufficient capacity. Islington's Childcare Sufficiency Assessment also indicates that there is sufficient capacity. Because of our subsidised childcare offer we are in a stronger position than many LAs as many of our working families are taking up childcare in our nurseries. This gives us a good indicator of capacity and eligibility.

The new expansion does not require a change of ratios, and change to statutory ratios for 2 year olds announced from September 2023 is not compulsory. This has not affected the funding rates and there is no appetite from providers in Islington to change current ratios. There is no change to the statutory space requirements as set out in the EYFS – i.e. no change to square metre per child requirements.

What will the childcare expansion changes look like for parents and providers?

The DfE have not yet confirmed hourly funding rates for the expanded childcare scheme. Indicative funding rates were published as part of the consultation which closed in August. Actual funding rates are expected by the end of the year.

Until hourly rates are confirmed, we will not have a clear picture of how many providers will be offering free hours/places. The new rates are likely to be attractive to childminders, in particular. We will be working with them and other providers to support them in moving towards understanding the benefits of providing expanded free childcare.

Parents who take up childcare places in our subsidised nurseries are charged on a sliding scale according to income. There is no plan to change this progressive policy of 11 charging bands and a marketed (unsubsidised) rate for the highest earning parents and those living out of borough.

Next steps

There is an ongoing piece of work to review the allocation of Islington's childcare subsidy to ensure future financial viability, to review the way that our places are offered, for example, to increase flexibility for families and to support those more vulnerable children who will not be able to benefit from the new expansion.