

Date: 3-Apr-09

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Dear Provider

Re: Early Years Education Funding (EYEF) – Interim Guidance Relating to Future Changes

We have now completed a series of ten briefing sessions around the County, their aim to advise Private, Voluntary and Independent (PVI) sector childcare providers who are able to receive EYEF, of changes that will be happening over the next 18 months in relation to this funding and in particular relating to extending parents entitlement to 15 hours per week and their being able to access those hours more flexibly during a week.

Mindful of the fact that not all providers have been able to attend, but there being very important matters that you all need to be aware of, this letter summarises those changes to brief those who did not attend and as a reminder of the key issues to those that did.

We also, following feedback from the meetings, enclose a copy of a fact sheet/newsletter aimed at advising parents of the changes, which you might wish to copy and circulate to your parent/carers.

Change of Name

Reflecting recent changes including Early Years Foundation Stage and new OFSTED inspection arrangements, what at the moment we refer to as Early Years Education Funding will from the start of summer term be called **Early Years Entitlement**.

Summer Term 2009 – Hourly Claims & Lunch

You will have noted when completing the annual DCSF Census for the last 2 years it being done in hours rather than sessions. In preparation for extended and flexible entitlement, with effect from start of summer term this year your claims will also be in hours. The format will remain the same the only change being that parents will be requesting 12 ½ hours per week for the number of weeks in the term rather than a number of sessions per week. The entitlement remains at 12 ½ hours. Clearly a parent needs to be very careful when choosing where to use their entitlement between two settings and we fully expect to see more conflicts occurring as parents & providers get used to this new arrangement. You have been advised separately that the rate of funding for the financial year starting summer term will be £3.54 per hour.

In addition from the start of summer term, but only if you wish to do so, you may include your lunch break as part of the 12 ½ hour per week entitlement. In deciding whether or not to allow this option to parents you will need to consider the impact on your business, including you having time to consult with parents and implement the changes. Consider the prospect of parents dropping a session in order to have some funded lunches that they will currently be paying for (having said that this might be good for you if you have a waiting list as you might then be able to accommodate more children to fill those gaps). Part time providers who's parents are not currently able to access all of their entitlement and charge usually a very small amount for a lunch period might find significant benefits in those lunch times being part of the free entitlement as they will be receiving £3.54 for that hour rather than the small extra charge paid by parents.

It is worth noting that if you provide food for lunch you are entitled to charge for that food as an extra service even if the lunch period is included in the funded entitlement.

Extended and Flexible Entitlement – Two Stage Roll-Out

Currently parents are entitled to a maximum of 5 @ 2 ½ hour free/funded sessions per week for 38 weeks. That entitlement will be increased to 15 hours per week for 38 weeks and offered more flexibly to meet parent's needs.

The DCSF have tasked local authorities to deliver this in two stages. The first commencing September 2009 will be targeted towards children living in the top 25% disadvantaged areas (as defined by government statistics). We are nearing the end of an exercise identifying the providers that we will invite to start offering the Extended and Flexible Entitlement from then. We will be writing to all providers as early as possible in summer term to tell you whether or not you are on that initial list.

All remaining providers will be included in order to provide universal entitlement with effect from September 2010.

We intend to hold a series of workshops as providers are invited, to support and assist in the roll-out and certain grant funding support may be available to incentivise providers. Full details will be given at a later date.

Extended and Flexible Entitlement – DCSF Framework

A draft DCSF Code of Practice is due in April and we regret that until this is received we cannot confirm the exact detailed framework for the increased/flexible entitlement. It is likely to be:

- minimum of 2 hours per day
- maximum 6 hours per day (although that could be as much as 10)
- full 15 hours entitlement being taken over a minimum of 3 days
- 38 weeks per year
- between 8am to 4pm (although that could be 8am to 6pm)
- between a maximum of 2 providers (although in exceptional circumstances and on an individual basis we will consider a split between 3 providers).

You should start to consider and prepare for these changes by looking at:

- how flexible your provision can be and what barriers you will face
- what childcare hours do parents in your setting and area require and how might you be able to meet those needs
- what local work patterns do local employers operate and can/should your service meet the childcare needs of their employees
- we are recommending that providers start to work to an hourly charge in order that it is clear to parents where they are accessing any additional services what rate they will pay for that service.

It is worth making clear that “flexible” does not mean that every parent can demand the hours they require neither will they be doing so on a day by day or week by week basis. You will have your own business model which if you consider the flexible needs of parents and can meet those needs, is more likely to make that business successful. However at the end of the day you will decide what your business looks like.

Communication and Support

We recognise that communication of developments to all providers is very important and we are looking at a variety of ways that this can be achieved including via our web site, newsletters, briefing sessions, centrally produced publicity materials and one to one support. We also hope to provide guidance on consulting with parents and calculation of hourly costs. The presentation notes used during our briefing sessions will be on the web site by the end of March at www.devon.gov.uk/eyef . Meanwhile we would ask you to share this communication as appropriate, in particular with staff, managers, committee members etc.

We are sorry for writing at such length but hope that you will agree that this was necessary for such an important issue that will, at some time, affect you all.

Yours sincerely

Marie Stone
Finance Officer

Rob Cornock
Business Support Manager