

# CHESHIRE EAST COUNCIL

## CABINET

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**Date of meeting:** 24 March 2009  
**Report of:** PRINCIPAL MANAGER, CHILDREN AND FAMILIES  
**Title:** SURE START, EARLY YEARS AND CHILDCARE FUNDING  
AND CONTRACTUAL ARRANGEMENTS 2009-10

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### 1.0 Purpose of Report

1.1 the purpose of this report is to seek approval for delegated authority to continue existing grant funding schemes currently operated by Cheshire County Council, including the Nursery Education Grant funded free entitlement for three and four year olds and agree to a number of specified changes. Approval is also sought for the extension on a disaggregated basis of the existing Early Intervention Family Support contract with Action for Children and the arrangements for funding for Extended Services in and around schools.

### 2.0 Decision Required

2.1 approval of the grant funding schemes set out in Table 1 of Appendix 1 for 2009-2010 and the individual delegation of authority to the Head of Children and Families Service to ensure that grants are allocated in accordance with Appendix 1;

2.2 approval of the extension of arrangements for the payment and administration of the Nursery Education Grant free entitlement for three and four year olds until 31 March 2010 on the basis set out in this Report;

2.3 approval of the extension of the contract with Action for Children for the provision of early intervention family support services to families with children aged 0-5 from 1<sup>st</sup> April 2009 for one year.

2.4 approval of the arrangements for the application of funding for Extended Services during 2009/10 set out in this Report.

### 3.0 Background and Options

3.1 The Table below represents the SSEYC Grant allocation against the four funding Blocks for 2009-10.

**Table 1**

Ring-Fenced Funding Blocks	East Cheshire
<b>1.Main Revenue - Children's Centres</b>	3,941,569
Childcare Sufficiency and Access	848,243
Outcomes, Quality and Inclusion	959,502
Graduate Leadership Fund	398,388
Additional GLF	158,294
<b>2. Sure Start Local Programmes</b>	513,471
<b>3. Short Breaks (Aiming High for Disabled Children)</b>	347,820
<b>TOTAL REVENUE BLOCK</b>	<b>7,167,287</b>
<b>4. Main Capital – Children's Centres</b>	1,588,054
Early Years Capital	1,292,906
Short Breaks (AHDC)	167,701
<b>TOTAL CAPITAL BLOCK</b>	<b>3,048,661</b>

3.2 The amounts allocated to the different work streams within Blocks 1 and 4 are indicative and may vary as priorities are identified during 2009-10. It is proposed that any such changes that fall within current approved strategies can be authorised by the Director - People, however any variations in allocations arising from strategic change will require Member approval.

#### GRANT FUNDING SCHEMES

3.3 Cheshire County Council Children and Families service operated a number of grant initiatives to support services required to meet the needs of parents and families in line with the requirements of the Childcare Act 2006. It is proposed that these grant schemes should continue as set out in Appendix 1, with delegated authority given to officers to award grants up to a specified level.

3.4 The funding sources available for these grants come from the Government Sure Start, Early Years and Childcare Grant (SSEYC grant). All funding blocks within the SSEYC Grant are ring-fenced. Provided that the Authority delivers the services and activities which the funding streams target within the Blocks there is the ability to move funding between the work streams in the Blocks but funds cannot be switched between Blocks.

#### FREE EARLY YEARS ENTITLEMENT

3.5 Section 7 of the Childcare Act 2006 places a duty on local authorities to make available free early years provision for all three and four year olds for 12.5 hours per week for 38 weeks per year. The Local Authority (Duty to Secure Early Years Provision Free of Charge) Regulations 2008 which came into force on 1<sup>st</sup> September 2008 require that this free entitlement comprises of Early Years Foundation Stage provision. The DCSF advised local authorities by a letter dated 21<sup>st</sup> August 2008 that the existing Code of

Practice on the Provision of Free Nursery Education Places for Three and Four Year Olds published in February 2006 constitutes statutory guidance under Section 7(2) of the Childcare Act 2006, and the principles and requirements of the Code remain in force.

3.6 On 23<sup>rd</sup> July 2008 Cheshire County Council Children's Services Executive approved the continuation of existing arrangements for the payment and administration of the free early years entitlement for three and four year olds until 31 March 2009. It is recommended that these arrangements should be further extended until 31 March 2010 in accordance with statutory requirements and DCSF guidelines, subject to the following variations:

(i) the budget of the Nursery Education Grant payments is funded from the Dedicated Schools Grant and the Schools Forum have approved the additional funding allocation as detailed to meet an increased payment rate for 2009/10. The current rate of payment is £3.364 per hour per child (£8.41 per 2.5 hour session) and will be increased to £3.50 per hour (£8.75 per 2.5 hour session). This represents an increase of 4.04%. The Nursery Education Grant payment rate to private, voluntary and independent ("PVI") childcare providers has been frozen at £3.364 per hour since 1<sup>st</sup> April 2006. This rate has now fallen behind those paid by several comparable authorities and freezing the rate has led to inequities between the PVI and the maintained sectors, as payments supporting maintained nurseries have been inflated on an annual basis. Also, the draft Childcare Sufficiency Review for the Authority's area suggests a significant loss of childcare providers during the last 12 months, and financial checks carried out on providers showed a high risk of business failure in the sector, in part due to increasing costs. The potential costs of continuing business failures to the Authority could be significant, as local authorities have responsibilities as the provider of last resort.

(ii) Childcare providers will be required to enter into new Contracts to obtain payment of Nursery Education Grant funding. These Contracts will be substantially in the same form as existing Contracts, however will require providers to deliver high quality Early Years Foundation Stage in order to receive funding.

(iii) From 1<sup>st</sup> September 2009, the Authority will receive additional ring-fenced Standards Fund funding from the DCSF to enable an extended 15 hour flexible free entitlement to be provided to the most disadvantaged 25% of children in its area. Eligible childcare providers have been approached during early 2009 and Council officers will assist these providers to adapt their provision to meet the requirements of flexibility from 1<sup>st</sup> September 2009. A detailed Report on the introduction of the 15 hour flexible free entitlement will be submitted to Members prior to this date.

3.7 From 1st April 2010, the Authority will be required to implement a single funding mechanism for both PVI and maintained childcare settings. The Government will publish new Regulations which will take effect from this

date to replace the existing Code of Practice. Officers are working with representatives from the PVI and maintained sectors to develop a effective funding formula for the Authority, and recommendations will be made to Members in due course.

## EARLY INTERVENTION FAMILY SUPPORT

3.8 Government Guidance requires that all Children's Centres must provide family support and parental outreach services for families with children aged 0-5 as part of their core offer of services. As the Children's Centre programme has evolved increasing emphasis has been placed on reaching out to the most vulnerable children and families and reducing the inequalities in outcomes between the most disadvantaged children and the rest. Cheshire County Council developed an Early Intervention Family Support Strategy in 2006, which recognised that there was a gap between universal family services available to all families and those that are more specialist e.g. Social Care interventions. The intention of the Early Intervention Family Support Strategy was to bridge this gap for children aged 0-19 years. This Strategy helped to shape thinking about the provision required in Children's Centres for 0-5 year olds and their families. The thinking was also informed by Cheshire's Prevention and Early Intervention Strategy (February 2007) in particular to:

- (i) help shift the focus and resources within the Authority towards preventative services through addressing needs in communities with the highest risk of social exclusion; and
- (ii) make sure that an appropriate response can be given to a child or family at the time a difficulty first becomes visible.

3.9 Cheshire County Council's thinking is supported by national evidence and evaluation which suggests that while the first Children's Centres across the country have done much good work in reaching some disadvantaged and minority groups, they have not yet made enough progress in engaging consistently the most hard to reach groups. The Government's funding allocations for 2008-2011 therefore include additional resources to support this engagement, improve outcomes for children and prevent families' needs escalating to more intensive and costly interventions. There is a clear expectation that Children's Centres will deliver a comprehensive early intervention and prevention service underpinned by the resources to achieve this.

3.10 Cheshire County Council has for the period 1 April 2005 to 31 March 2009 commissioned Action for Children (formerly known as NCH), a leading national voluntary sector provider, to deliver Early Intervention Family Support services in the Chester and Macclesfield areas. The services provided by Action for Children under these arrangements for families with children aged 0-5 have been effective at meeting the needs of the local communities and demonstrate current best practice within Cheshire. It is recommended that the Authority should seek to continue and extend this service delivery

arrangement. In all other parts of Cheshire, Early Intervention Family Support services are currently provided directly by Council staff and resources. Continuing to provide these services in this manner in the short to medium term will avoid unnecessary disruption and be an efficient use of available resources.

3.11 On 19th December 2007 Cheshire County Council's Executive approved in principle a proposal to develop a partnership arrangement with a leading voluntary sector provider (to be selected through a competitive process) for the delivery of Early Intervention Family Support services to families with children aged 0-5 across the whole of Cheshire. This proposal was put on hold as it was not considered appropriate to put in place such an arrangement prior to the disaggregation of Cheshire. A number of significant potential benefits arising out of a partnership arrangement were however identified, and this will be considered as an option for future service delivery across the Authority's area.

3.12 It is recommended that existing commissioning arrangements for early intervention family support services for families with children aged 0-5 from Action for Children for Macclesfield should be continued for the period 1st April 2009 to 31st March 2010. Such an extension is permitted by Cheshire County Council's current contract with Action for Children, which was drafted and negotiated by Cheshire County Council Legal Services. The cost of commissioning these services for the Authority is estimated to be approximately £31,250 per month, based on Action for Children's standard staffing costs, totalling approximately £375,000 for 2009/10. This will be funded from the Authority's SSEYC Grant allocation.

#### EXTENDED SERVICES IN AND AROUND SCHOOLS

3.13 Cheshire is making good progress towards the vision that by 2010 all schools will be offering access to the full core offer of extended services including childcare, study support activities, parenting support, community access and swift and easy access to a wide range of specialist support services. By September 2008, 57% of primary, 79% of secondary and 36% of special schools in Cheshire were meeting the full core offer.

3.14 The Government is continuing to make significant investment in extended schools up to 2011. The revenue funding available for 2009-10 is set out in the table below.

**Table 3**

<b>Funding</b>	<b>Cheshire East</b>
Start-up (earmarked for Extended Services) (Area Based Grant)	£768,350
Sustainability Grant (Standards Fund)	£844,970
Disadvantaged subsidy (Standards Fund)	£158,248
<b>TOTAL</b>	<b>£1,771,568</b>

Start up funding

3.15 National guidance suggests that this funding should support the local authority's Extended Schools Strategy, ie to support schools to overcome barriers to developing sustainable extended services. This includes local authority support in helping plan, develop, manage and maintain extended services accessed through schools; in developing partnerships with key agencies and consulting the main stakeholders (children, parents, community, agencies) about what services are needed.

3.16 Since 2005, the majority of start-up funding for extended services has been commissioned out via the Children's Local Strategic Partnerships, based on the commissioning principles and priorities already established, i.e. linked to the children's and young people's plan, with a focus on parenting support and swift and easy access. From 2009 onwards, the proposal is that some of this funding is used to address cross-cutting priorities, but that the remainder is devolved to Education Improvement Partnerships (EIPs) to maximise service development at a local level.

3.17 Over time extended services should become sustainable either through charging, for childcare for example, or through reconfiguring funding strands at local level through children's trusts or by pooling budgets to support extended services in schools. This funding reduces in 2010-11 to reflect the commitment of every school an extended school by 2010, so reduced start up activity and central coordination will be needed.

Sustainability funding

3.18 The sustainability funding is intended to fund local cluster coordination and support parent/family support work. This will help schools to create and embed the infrastructure necessary to deliver in a sustainable way the extended schools offer.

3.19 In 2008-09, the sustainability grant was devolved to Education Improvement Partnership (EIP) clusters. This funding was used to progress schools towards the full core offer for extended services and contribute towards the outcomes within Cheshire's Children and Young People's Plan.

3.20 The proposal for 2009-10 is that the majority of the sustainability funding continues to be devolved to clusters of schools to support the appointment of co-ordinators to address the wider 'Every Child Matters' agenda and to ensure that parent/family support is in place, in line with the Parenting Support Strategy and implementation plan.

#### Disadvantaged Subsidy

3.21 To ensure that extended services are available to children and young people in care and those who are economically disadvantaged, the government has introduced the Disadvantaged Subsidy. A number of local authorities have been pathfinders for this funding in 2008. Limited funding will be made available to the Authority on a pilot basis from April 2009 to work with one or two school clusters, before the full roll out in 2010.

3.22 The funding will enable schools to offer eligible children two hours per week of group activities in term time, plus 30 hours of additional activities over the holidays. This initiative will be developed with the full engagement of disadvantaged children and young people and their parents to drive their increased and sustained participation in extended service activities.

3.23 Delegated authority is sought for officers to determine one or two clusters for the Authority based on the cluster selection guidance provided nationally.

#### **4.0 Reasons for Recommendation**

4.1 The proposal will give the Council the capacity to meet the requirements of the Childcare Act 2006 and related legislation, and to meet the requirements of the Early Years Foundation Stage

#### ***For further information:***

*Portfolio Holder: Councillor P Findlow  
Officer: Judith Thompson  
Tel No: 01244 973304  
Email: Judith.thompson@cheshire.gov.uk*

#### ***Background Documents:***

*Documents are available for inspection at:  
Westfields, Sandbach Road, Congleton CW11 1 HZ*

## APPENDIX 1

### GRANT FUNDING SCHEMES

#### INTRODUCTION

1. The Childcare Act gives local authorities a key role in shaping the childcare market in their area, working with providers from the private, voluntary, independent and maintained sectors to create a strong, sustainable and diverse childcare market that meets the needs of parents. This role, as strategic market facilitator and influencer, involves an initial assessment of childcare sufficiency across the Authority's area to help target resources. Relevant funding schemes need to be in place to support the outcomes of the assessment and to enable the Authority to secure a good supply of quality, affordable and accessible childcare that is adequate to meet the reasonable expectations and needs of parents. A key element of this will be meeting the needs of lower income families, families from minority ethnic groups and families with disabled children. In addition to the statutory responsibility of market shaping the Authority is also responsible for early years workforce development through the Graduate Leader Fund.
2. The Grant Funding Schemes set out in this Appendix are predominantly continuations of schemes which were operated by Cheshire County Council during the period 2006-2009. In order to have the flexibility to meet Childcare Act duties and implement new Government initiatives, some new funding schemes have been introduced and delegated authority limits on certain schemes have been altered. All funding will be allocated in a clear and transparent way that is equally accessible and available to all. The proposed levels of start up funding do not support projects in their entirety, but are based on a percentage of the associated costs.
3. All funding schemes are subject to an application process and, where appropriate, a business plan and financial forecasts. Applicants are required to enter into grant agreements prior to receiving funding and to abide by the terms and conditions set out in those agreements. If a grant recipient fails to comply with the terms and conditions of funding, the Authority will have a right to clawback all or part of the grant funding if appropriate. Grant monitoring procedures are being put in place and support is available through the Childcare Development Officers, Early Years Pedagogues and through contracted Business Advisors. The form of Grant Agreement for each funding scheme will be drafted in accordance with advice given by the Borough Solicitor and Finance Manager.
4. Proposed individual grant funding schemes and the levels of delegated authority requested for officers for each funding scheme are set out in this Appendix. Delegated authority will be actioned by officers in accordance with the following scheme of delegation.



- (i) Grants up to £10,000 to be approved by the Lead Officer for that specific grant funding scheme, such Lead Officer to be nominated by the Head of Children and Families Service.
- (ii) Grants of over £10,000 and up to £20,000 to be approved by a Fourth Tier Manager in the Children and Families Service.
- (iii) Grants of over £20,000 and up to £75,000 to be approved by the Head of Children and Families Service.

### **CHILDCARE MARKET GRANTS**

5. Although individual funding schemes will vary slightly, the following criteria are proposed for all grants:

- The provision is located in East Cheshire
- The proposed project meets the local need of children, families and communities
- There is an identified need for high quality childcare provision in the area as determined by the Childcare Sufficiency Assessment and other Childcare Market Analysis tools.
- Start Up grant and Playgroup Expansion grant funding is greater for projects in disadvantaged areas, or where the Childcare Sufficiency Assessment identifies a need for additional childcare provision
- The setting can demonstrate sustainability
- The childcare setting is Ofsted registered, if required
- The project demonstrates a commitment to quality, affordability and inclusive practices
- The project will achieve outcomes that are compatible/complement other initiatives and strategies, for example, the Children's Centres and Extended Services initiatives

### **Group Childcare Start Up Grant**

6. It is proposed to offer potential group based childcare providers financial assistance towards the start up costs of setting up new childcare places to secure sufficient quality, accessible and affordable childcare to meet the needs of parents. These can be private, voluntary or statutory providers of daycare, pre-school, out of school and holiday care. This grant will be applied to support the Authority's duty under section 6 of the Childcare Act 2006 to secure sufficient childcare for working parents or parents seeking or training for employment. The Authority's Childcare Sufficiency Assessment will be used to identify where there is insufficient childcare to meet the needs of parents, and this grant will be used to support the start up of group based childcare providers in such areas.

7. Although each sector will have expenses unique to their circumstances and location, it is expected that most grants will be less than £20,000.

However, in exceptional cases, (usually in more disadvantaged areas) where local need is significant, there may be a need to fund in excess of £20,000.

8. Delegated officer authority to award individual grants up to £50,000 is requested.

### **Childminder Start Up Grant**

9. Ofsted registered childminders provide a flexible childcare service in a domestic environment (usually their own homes). In order to support the development of this service where it is needed, in accordance with the Authority's duty under section 6 of the Childcare Act 2006, it is proposed to give a start up grant to help with the initial costs of setting up a new childminding business. This can include the Ofsted registration fee, the purchase of safety items, e.g. cupboard locks, stair gates etc., plus toys and equipment.

10. Based on funding a proportion of the benchmark costs for setting up a new childminding business, it is proposed to give childminders setting up in disadvantaged areas a grant of £300 and, in other areas, £200.

11. Delegated officer authority to award individual grants of up to £300 is requested.

### **Playgroup Expansion/Flexible Entitlement Grant**

12. As part of the Government's Ten Year Childcare Strategy, the free early education entitlement for three and four year olds will be increased from 12½ hours to 15 hours per week for the 25% most disadvantaged children in its area from September 2009, and universally from September 2010. Parents should be able to access this entitlement in a flexible way.

13. Early years providers (both PVI settings and maintained nurseries) can respond to this need by increasing their hours of operation to provide extended care. It is proposed to give an expansion grant to enable providers to manage the costs associated with the transition and to meet the Authority's duty to ensure that there is sufficient choice and flexibility of childcare for parents.

14. It is expected that most providers will receive grants well below £20,000. However, there may be cases when accommodation needs to be upgraded to meet quality standards, or the setting needs to be re-located in order for extended delivery to take place. Where it is identified, through the Childcare Sufficiency Assessment, that a setting should be retained, there may be a need to provide funding in excess of £20,000.

15. Delegated officer authority is requested to award individual grants up to £50,000.

### **Group Childcare Sustainability Grant**

16. Some group based childcare providers can experience problems that threaten their sustainability, particularly those based in disadvantaged areas. Where there is a continued local need for provision as identified in the Authority's Childcare Sufficiency Assessment, it is proposed to allocate grants to help providers through difficult periods and to support them with their plans to become viable. It is expected that most providers will receive grants of under £20,000, (the amount allocated will be based on the outcomes of a full business health check carried out by a qualified business advisor). However, in exceptional cases, where local need is significant and there is a need to secure childcare in the area, it may be necessary to fund in excess of £20,000.

17. Generally allocations of individual sustainability grants will be limited to a maximum of one per provider during 2009/10. However, where a single provider operates more than one early years setting within Cheshire, it is proposed that a maximum of two individual grants to that provider during the 2009/10 will be permitted.

18. All providers experiencing sustainability issues will be required to undergo a full business health check by an experienced business consultant in order to determine whether a sustainability grant is appropriate, the level of funding needed and whether future viability can be achieved.

19. Delegated officer authority to award individual grants up to £50,000 is requested.

### **Inclusion and Access Grant**

20. In order to assist early years and later years childcare providers to develop inclusive and accessible services that take account of the physical, social and environmental barriers to inclusion, it is proposed to offer an Inclusion and Access grant to settings in both the PVI and maintained sectors. This revenue funding will compliment the Early Years Capital Funding which has been allocated to local authorities to ensure that all children aged 0-5, including disabled children, are able to access Early Years Foundation Stage provision. It will also support settings in receipt of Include Me In funding should they need to purchase specific resources or make adaptations to include a child with impairments. Maintained nurseries, pre-schools, full day care nurseries, out of school providers and childminders can benefit from this funding. All applications are required to be supported by an Access Audit or School Accessibility Plan which clearly links to the funding request. Providers can apply for a grant of up to £10,000 which can be used to:-

- Make environmental adjustments or adaptations to meet the needs of a specific child or children on roll, or for whom admission is planned;
- Provide additional equipment, resources or training to enable a child to have full access, particularly those children identified as having complex medical needs;

- Fund reasonable anticipatory adjustments or adaptations that would benefit children, staff, parents and visitors to the setting as set out in the Disability Discrimination Act 1995 (as amended); and/or
- Provide transitional support, i.e. an additional member of staff for a time limited period to work with a specific child or children (out of school settings only).

21. Applications will only be accepted if supported and endorsed by the relevant Pedagogue or Development Officer allocated to the setting.

22. Delegated officer authority to award individual grants up to £10,000 is requested.

### **Include Me In Grant**

23. The Include Me In Grant supports the Bridging Worker Programme which facilitates the inclusion of school aged children with disabilities in out of school and holiday provision. This is a priority area for local authorities under the childcare sufficiency duty contained in section 6 of the Childcare Act. It is proposed to offer this grant to support group based out of school providers with a contribution towards the costs of employing a one to one inclusion worker. It is also proposed to support a limited number of Childminders identified through the Bridging Workers. This will take the form of a “top-up” contribution towards a Childminder’s income in recognition of the fact that the inclusion of a disabled child with complex needs is likely to limit the number of children they can reasonably care for under Ofsted regulations. Grants are reviewed termly to determine how effective they have been and whether they need to continue.

24. Delegated officer authority to award individual grants up to £10,000 is requested.

### **Quality Improvement Grant**

25. This grant will be made available to PVI early years, later years providers and maintained nursery settings to help them deliver quality Early Years Foundation Stage and childcare to meet Ofsted requirements, where appropriate. Providers are currently supported by a team of Pedagogues and Childcare Development Officers to continually evaluate the quality of their service and identify areas for improvement. However, due to financial constraints, some providers are unable to action the recommendations identified. It is proposed therefore to offer a grant to remove some of the barriers to improvement. This funding compliments the Authority’s Early Years Capital Funding that is available to ensure delivery of high quality learning and development for all children in suitable environments and with quality resources. Providers must be working through a quality self assessment model or quality kitemark.

26. Applications will only be accepted if supported and endorsed by the relevant Pedagogue or Development Officer allocated to the setting, and

should be linked to identified needs within the Authority's Childcare Sufficiency Assessment.

27. Most early years childcare settings will be entitled to apply for individual Quality Improvement grants of up to £25,000. On 12<sup>th</sup> June 2008 Cheshire County Council's Children's Service Executive approved an increased maximum limit of £75,000 for individual Quality Improvement grants allocated to early years childcare settings that have entered into partnering arrangements with Children's Centres run by the Council. These partnering arrangements enable these childcare settings to be integrated with their local Children's Centre, with the objective of offering a high quality, affordable Early Years Foundation Stage as part of the Children's Centre services available to children and families in the local community. The link created by these partnering arrangements means that the performance of the childcare provider reflects on the Authority, so it is important that the highest quality provision is delivered at these settings. The additional pedagogical support that partners will receive creates the opportunity for these settings to become exemplars of good practice, which may in turn allow them to pass this practice on to other childcare providers. However, it has been identified at some partner (and potential partner) settings that there are significant environmental and/or resource barriers which are preventing potential quality improvements from taking place. It is therefore recommended that the Authority retains the higher maximum limit of £75,000 for Quality Improvement grants made to partner childcare providers.

28. Delegated officer authority to award individual grants of up to £25,000 to non-partner early years childcare settings, and up to £75,000 to partner early years childcare settings is requested.

### **WORKFORCE DEVELOPMENT - GRADUATE LEADER FUND**

29. The Graduate Leader Fund aims to raise the quality of early years provision by supporting workforce development without compromising the affordability and availability of childcare. The Fund will support the transformation of quality in early years settings by encouraging Early Years Practitioners to follow training routes towards a new graduate level status of "Early Years Professional" (EYP).

30. The Government has set a target of at least one EYP leading the Early Years Foundation Stage ("EYFS") in every PVI Early Years setting by 2015 (with an EYP in every Children's Centre by 2010), and the Graduate Leader Fund is being provided to local authorities to enable them to assist settings to achieve this. Government Guidance requires that the Graduate Leader Fund is paid by local authorities to settings who commit that they will employ a graduate to lead learning and development within the setting, and that any such graduate is committed to achieving EYP status. It is proposed that the Authority will make such payments to settings primarily through a Leadership Incentive Grant.

31. As part of the Authority's Early Years Funding Reforms and the development of a single funding formula for all Early Years Childcare, officers are considering how settings can be supported to employ EYPs to lead practice on a longer term basis. Proposals are currently being developed to provide additional funding through the formula mechanism from September 2010 to settings who employ an EYP to lead practice.

### **Leadership Incentive Grant**

32. The Leadership Incentive will be available to settings who meet one or more of the following criteria: -

- They are seeking to recruit a graduate into a leadership role;
- They have an existing staff member undertaking or seeking to undertake professional qualifications in order to become a graduate EYP leading the EYFS within the setting;
- They already employ a graduate EYP in a leadership role.

33. Settings will be required to submit a Workforce Development Plan prior to receiving payment of any Leadership Incentive Grant funding. This Plan will identify how the setting intends to recruit and/or retain its graduate(s), or assist staff members to obtain relevant professional qualifications. It will also set out how the graduate will lead the EYFS in the setting in order to improve outcomes for children attending the setting. Each Workforce Development Plan will be reviewed and approved by the setting's Pedagogue and the Children and Families Workforce Development Team.

34. Settings will be encouraged to use their Leadership Incentive Grant allocations for the following purposes:

- To contribute to salary costs for newly-employed or existing staff members;
- To provide further continuing professional development for graduates to support retention;
- To support an existing staff member in the setting to train towards becoming a graduate EYP and enhancing their salary both while they are training and once they have achieved EYP status.

35. The Government has placed expectations on local authorities to prioritise Graduate Leader Fund expenditure to meet local demand and needs, and in particular to improve provision in disadvantaged areas, with the objective of narrowing the achievement gap between the lowest achievers and the rest. In order to determine where Leadership Incentive Grant funding will be targeted, the following factors will be considered:

- The need for some settings in the most disadvantaged areas to employ two graduates to raise the quality of their practice.
- The specific local needs of parents and children in different parts of the Authority's area, as identified in the Authority's Childcare Sufficiency Assessment.
- Whether the settings is offering full daycare and/or the amount of flexibility in hours of childcare that the setting offers to parents.

36. Although each setting will have workforce development needs unique to their circumstances, it is expected that most grants will be less than £10,000. However, in exceptional cases, (usually in more disadvantaged areas), there may be a need to fund in excess of £10,000. The level of grant payable will be dependent on the number of practitioners working towards EYP status within the setting and whether they have attained, or are working towards this status.

37. Delegated officer authority to award individual grants up to £20,000 is requested.

38. The Graduate Leader Fund will also be used to pay the course fees of childcare practitioners working at settings within the Authority's area to train towards achieving childcare qualifications which will allow them to progress to EYP status. The Authority will pay the course fees directly to the course providers on behalf of these practitioners under existing contractual arrangements entered into by Cheshire County Council.

## **FAMILY SUPPORT GRANTS**

### **Home Start**

39. This is a continuation of funding paid to Home Start Central Cheshire during 2008-09. Home Start Central Cheshire has requested grant funding for 2009/10 to assist with funding a preventative and early intervention family support service to families with children under the age of five in the Crewe area. This aims to improve the quality of their lives, to enable children and parents to reach their full potential. Home Start Central Cheshire is working alongside Children's Centres in Crewe to offer a home visiting service by volunteers offering a range of practical and emotional support. This often prevents the escalation of issues to crisis point when more costly interventions may be necessary.

40. Approval to award a grant to Home Start Central Cheshire of up to £23,000 is requested.

## Summary

Table 1

Name of Scheme	Delegated Authority limit £
Group Childcare Start-up Grant	50,000
Childminder Start-up Grant	300
Playgroup Expansion/Flexible Entitlement Grant	50,000
Group Childcare Sustainability Grant	50,000
Inclusion and Access Grant	10,000
Include Me In Grant	10,000
Quality Improvement Grant	75,000
Leadership Incentive Grant	20,000
Home Start Central Cheshire	23,000