



**CHILDREN AND YOUNG PEOPLE
SCRUTINY REVIEW BOARD**

9 April 2018

ITEM 7

Report of the Director for People Services

**Free Early Education Entitlement (FEEE) –
Extended Entitlement Parental Questionnaire**

SUMMARY

- 1.1 All children the term after they turn 3 years old are entitled to a universal FEEE offer of 15 hours. From September 2017 the Government introduced an additional 15 hours of FEEE for working families to support childcare costs. This will be on top of the universal FEEE offer of 15 hours and referred to throughout this report as extended entitlement
- 1.2 Following an effective promotional campaign by the Childcare Families and Information Team (CFIT) aimed at parents, professionals and childcare providers there has been a significant growth in the number of children accessing extended entitlement as shown in the table below.

Term	No of children accessing a FEEE Extended Entitlement Place	Increase / Decrease in children	Growth %
Autumn 2017	1099	N/A	
Spring 2018	1541	442	40%

- 1.3 Recent DfE ‘take up’ data for the extended entitlement determined Derby City is the best performing Local Authority in the East Midlands when child take up data is compared to the number of eligibility codes issued. Derby City has achieved 97%, whereas the East Midlands average is 90% but nationally this is only 89%.
- 1.4 This report provides an update on the report dated 04 September 2017. It also summarises the outcomes of the online FEEE Extended Entitlement Parental Questionnaire (detailed in Appendix 2 and Appendix 3 of this report) as requested by the CYP Scrutiny Board . **There were 119 responses to the questionnaire.**
- 1.5 The aim of the questionnaire was to seek feedback from parents / carers on how the FEEE extended entitlement had impacted on their childcare costs and to gauge the levels of flexibility in relation to work life balance needs. It is extremely encouraging to report that the FEEE extended entitlement has had a very positive impact on parents and families. Some key findings and future actions to be taken based on the feedback from the questionnaire is summarised in paragraphs 4.8 of this report.
- 1.6 DfE statutory guidance is issued to Local Authorities on how the FEEE must be delivered. This states that Government funding is intended to deliver the universal and extended entitlement which should be free high quality flexible childcare but is not intended to cover the costs of meals, other consumables, additional hours or

additional services which can be charged for by the childcare provider. The survey has evidenced childcare providers have predominantly only been making compliant charges for meals.

- 1.7 CFIT undertake a rolling programme of FEEE compliance audits on all FEEE providers. This makes sure that charges taken by childcare providers as part of the FEEE are compliant with statutory guidance and the Councils Provider Agreement. . Complaints from parents linked to charges are always investigated, instigating a full compliance audit if necessary. To date CFIT have received very few charges related queries since the FEEE extended entitlement was implemented.

RECOMMENDATION

- 2.1 To note this is a follow up report to the report submitted to the CYP Scrutiny Board on 4th September 2017.
- 2.2 To note the excellent take up levels of the new FEEE extended entitlement in Derby which is above East Midlands and National achievements.
- 2.2 To note the positive outcomes the FEEE extended entitlement has had on families and the future actions planned by CFIT to ensure this continues to be delivered flexibly and compliantly by childcare providers to meet the needs of working parents.

REASONS FOR RECOMMENDATION

- 3.1 It is important for the Council to understand not only if parents accessing the extended entitlement are receiving the full benefits expected but, also for the Council to be confident that it is being delivered flexibly and compliantly to meet working families work-life balance needs.
- 3.2 The FEEE extended entitlement should be an incentive for people to return to work or increase their working hours. It is, therefore, crucial that the Council can evidence any additional costs charged by childcare providers to parents accessing a FEEE place are in line with DfE statutory guidance, have been agreed up front and are not a barrier to parents accessing their FEEE.

SUPPORTING INFORMATION

- 4.1 The DfE introduced from September 2017, an additional 15 hours of free childcare for working families only. This will be on top of the universal offer of 15 hours which all three and four year olds can continue to access.
- 4.2 An effective promotional campaign by the Council's Childcare and Families Information Team (CFIT) aimed at parents, professionals and childcare providers has significantly increased the number of children accessing a FEEE extended entitlement. In spring 2018 there were 1541 children accessing a FEEE extended entitlement compared to 1099 children in autumn 2017. This is an increase of 442 children, a growth of 40%.
- 4.3 Across the city 33 (70%) of schools now offer elements of the extended entitlement. There are 381 of the 1541 children currently accessing the FEEE extended entitlement using a maintained provision to do this. The FEEE is being delivered more flexibly with 36 childcare providers delivering the offer as a 'stretched' model. This is where the FEEE extended entitlement is taken over the whole of the year; 400 of the 1541 children currently accessing their FEEE extended entitlement in this way.
- 4.4 DfE take up data for the extended entitlement confirms Derby City as the best performing Local Authority in the East Midlands when child take up data is compared as a % of the eligibility codes issued. Derby City has a **97%** achievement here, East Midlands **90%** with a national achievement of **89%**.
- 4.5 Following a report to the Children and Young People Scrutiny Review Board on the 4 September 2017, an online FEEE Extended Entitlement Parental Questionnaire was undertaken between 24 January 2018 and 23 February 2018. **119 responses** were received. CFIT undertook all of the planned actions to promote completion of the questionnaire as reported to DMT on 7 December 2017.
- 4.6 The aim of the questionnaire was to seek feedback from parents accessing the extended entitlement on how it has benefited them, reduced their childcare costs and to get clarify on how flexibly it is being delivered by childcare providers. The questionnaire collected evidence on any additional charges being made for the FEEE by childcare providers and if these charges were compliant with DfE statutory guidance
- 4.7 **Appendix 2** and **Appendix 3** include the questionnaire template and the summary of the feedback from the survey. **There were 119 responses to the questionnaire.** Overall the feedback from parents shows the FEEE extended entitlement has had a very positive impact and confirms childcare providers have been predominantly only making charges for meals which the DfE's statutory guidance states clearly they are able to do.

4.8 Some key findings from the questionnaire linked to flexibility of the offer, costs and charges were:

<p>Flexibility of FEEE Extended Entitlement</p>	<ul style="list-style-type: none"> • 42% of the respondents were accessing the offer more flexibly over the whole of the year instead of being restricted to a term time only offer which better supports working parents • There were a number of adverse comments linked to the HMRC application process , delays in getting the required eligibility code
<p>Impact on Childcare Costs</p>	<ul style="list-style-type: none"> • 64 (54%) of the respondents stated the offer had significantly reduced their childcare costs, 44 (37%) stated it had moderately reduced costs with 11 (9%) saying costs had hardly been reduced. • 85 (72%) were not taking up the tax free entitlement to further reduce their childcare costs which is concerning as this has the same eligibility criteria as the extended entitlement and could provide help with childcare costs up to £2k per year
<p>Additional Charges</p>	<ul style="list-style-type: none"> • 79 (66%) of the respondents were given a breakdown of their charges, 27 (23%) did not reply and 13 (11%) stated they had not been given a breakdown of their charges. • 75 parents confirmed the charges made related to meals costs which DfE statutory guidance states is not a cost the funding covers should the parents access their FEEE over meal times. • 80 (67%) of the respondent were happy to pay the costs for any extras, 12 (10%) were not but 27 (13%) did not respond to this question

4.9 CFIT will proactively work with childcare providers, employers and professionals to make sure parents eligible for the extended entitlement are encouraged to take up the tax free childcare to further reduce their childcare costs.

4.10 DfE statutory guidance is issued to Local Authorities on how the FEEE must be delivered. This states that Government funding is intended to deliver the universal and extended entitlement which should be free high quality flexible childcare but is not intended to cover the costs of meals, other consumables, additional hours or additional services which can be charged for by the childcare provider

- 4.11 The rolling programme of FEEE Compliance audits undertaken by CFIT will continue to make sure that charges taken by childcare providers as part of the FEEE are compliant with statutory guidance and the Councils Provider Agreement. Complaints from parents linked to charges are always investigated, instigating a full compliance audit if necessary. To date CFIT have received very few charges related queries since the extended entitlement was implemented.
- 4.12 All childcare providers commissioned by the Council to deliver the FEEE have signed the Council’s Provider Agreement, a legal contract to make sure they deliver the FEEE compliantly with the DfE guidance. Where non-compliance is evidenced the Council will reclaim funding.

OTHER OPTIONS CONSIDERED

- 5.1 If no action had been taken the Council would not be overseeing that Government funding is being delivered as stated in the statutory guidance and would not have data / information available to identify barriers and issues to parents taking up their extended entitlement.

This report has been approved by the following officers:

Legal officer	N/A
Financial officer	N/A
Human Resources officer	N/A
Estates/Property officer	N/A
Service Director(s)	Gurmail Nizzer Director of Commissioning (Acting) 01332 642720
Other(s)	

For more information contact:	Diane Whitehead, Head of Service , School Organisation and Provision (Acting) 01332 642720
Background papers:	E-mail: diane.whitehead@derby.gov.uk
List of appendices:	None Appendix 1 – Implications Appendix 2 – FEEE Extended Entitlement Parental Questionnaire Appendix 3 – FEEE Extended Entitlement Questionnaire SNAP Survey results.

Appendix 1

IMPLICATIONS

Financial and Value for Money

1.1 None arising from this report.

Legal

2.1 None arising from this report

Personnel

3.1 None arising from this report

IT

4.1 None arising from this report

Equalities Impact

5.1 None arising from this report

Health and Safety

6.1 None arising from this report

Environmental Sustainability

7.1 None arising from this report

Property and Asset Management

8.1 None arising from this report

Risk Management and Safeguarding

9.1 None arising from this report

Corporate objectives and priorities for change

10.1 This contributes towards the 'Raising Achievements and Skills' objective with the Council Plan 2016-2019.

Extended Entitlement Survey for Three and Four Year Olds

Since September 2017 eligible families have been able to claim up to 1140 free hours of childcare a year. This survey aims to find out how the new entitlement has benefited families within the city. Please only complete this survey if you have taken up the Extended Entitlement using a code, this survey does not relate to the universal 15 hour free childcare offer.

Overview

1. Do you use the free childcare within term time only or do you access it throughout the whole year including the school holidays? (*drop down – term time/full year*)
2. How has using the extended free childcare benefited your family? (Drop down)
 - Enabled you to work
 - Increased your hours at work
 - Work life balance
 - Free time and leisure
 - Reduced your childcare costs
 - Other
3. How has the extra entitlement reduced your childcare costs? (scoring options for ticking– *Significantly, Moderately or Hardly at all*)
4. How did you find out about the extended free childcare for three and four year olds? (can tick more than one)
 - Early years provider (your nursery or childminder)
 - Poster or Leaflet
 - At an event
 - Online
 - Word of mouth
 - Other

Charges

5. Were you given a break down of any charges upfront? (yes/no)
6. What was the charge for? (Meal, nappies, trips, other) can tick more than one.

7. Were you happy to pay the costs (yes/no)
8. Were you given any option to avoid these costs? (yes/no).
9. Were there any additional charges other than any costs agreed upfront before you took up the childcare? (If yes go to next question)
10. Are you also using tax free childcare? (Yes/no only)

Any other comments? (Free comment box, max 200 characters)

If you agree to be contacted regarding your feedback please provide your contact details below:

Name -

Email/ Number -

FEEE Extended Entitlement SNAP Survey Results; 119 Responses

Question	Responses	
1. When do you use the Childcare Term Time/ All Year	Term time	71
	All Year	48
2. How has it benefitted your Family?	Free time	19
	Reduced Costs	93
	Enabled you to Work	43
	Increased you Hours at Work	40
	Work Life Balance	35
3. How has the Entitlement Reduced Childcare Costs?	Significantly	64
	Moderately	44
	Hardly at all	11
4. Are you also using tax free childcare?	Yes	33
	No	85
5. How did you find out about the Entitlement?	Childcare Provider	81
	Poster/Leaflet	13
	Event	4
	Online social media/website	40
	Word of Mouth	37
6. Were you given a breakdown of charges by your provider?	Yes	79
	No	13
	No Reply	27

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Question	Responses	
7. What were the Charges for?	Meals/Snacks	75
	Nappies	5
	Trips	12
	No reply	43
8. Were you happy to pay the costs of those extras?	Yes	80
	No	12
	No reply	27
9. Were you given any option to avoid these costs?	Yes	28
	No	64
	No reply	27
10. Were there any additional charges other than the costs agreed upfront before you took up the childcare?	Yes	11
	No	89
	No reply	19

Any other Comments:

- This shouldn't be advertised as free, I'm using the minimum 22.4 over the year but still have to pay £200 a month.
- Disappointed that the 30 hours are not free at all. Term time inly isn't relevant to us with pre school children. Our 30 hours are costing us £255 per month which includes food and non term time weeks so not free at all. It is saving approx £350 which is great but still having to pay.
- The 30 hours application was clunky to use
- It has enabled me to work longer hours and reduce childcare fees

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- Nurseries are not getting enough money to support. The extras they charge are solely because they don't have enough funding. Many articles and media show this so if this was corrected more children would actually receive 'free' hours and not just funded hours.
- Breakfast and afterschool club, plus the cost of nursery lunches are expensive, even though I get free hours, I still pay £20 a day.
- I am very happy with 30 hours; it is great help for working parents. Thanks to this my child spends more time with children, learning more and develops their abilities.
- Not very happy that we are forced to keep our child within the childcare setting until the very end of the day, there is no option to pick up early or drop off later (e.g. if stuck in traffic).
- Additional cost for food is a bit excessive
- Now childcare hours costs have increased, this has a negative effect on the parents who access after/before school clubs and additional hours not funded by the scheme. Providers have to increase their costs.
- Brilliant service! Enabled me to go from working part time and having huge debts to going to work and being able to repay some debt.
- Difficulty renewing entitlement online. I would help if the number to team that deal with this was advertised.
- When will problems regarding reconfirmation be fixed? My provider has been very accommodating by the problems with the online account continue I am not looking forward to the process in March as this has taken a lot of time and inconvenience.
- The system is ridiculous. The online portal for renewing the hours never works, even when it does its hard to work. Also annoying that you have to renew so often.
- HMRC's ability to process the codes is an utter shambles. From summer 2017 and continued to now with reconfirmation. There appears to be significant IT inabilities and confusion that generates a lack of transparency.
- The process is shockingly complicated and very stressful. System always down and advisors on phone are not very knowledgeable.
- It would be wonderful if the offer was extended. My son is only 2 but it would really help.
- Confusing process
- My setting wasn't offering all 30 hours due to dinner sessions and wrap around charges increased which meant I was only saving about £20 a month.
- My three year old is only getting 15 hours a week so don't see a difference, only difference is £26.
- I hope this continues in the future as it is great for families

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- Fantastic that as a full time working mum I also claim back from the input of my NI and tax's. Finally working parents can work harder and are able to be supported by government. The money saved in childcare is £600 per month!
- I couldn't continue work when I had my youngest. The scheme allows me to return to work this time and helped me financially and emotionally as I have part of my identity back. My son loves going each day!
- Would like to change days/hours but unable to due to over crowded nursery.
- Fabulous scheme!
- Confusing website for rechecks. Private nursery costs are still expensive as we have to make up the hourly rate of pay once they take your childcare vouchers amounts per hours into consideration.
- I am extremely grateful for this scheme as it has enabled me to work almost full time. Could not have managed financially without this.
- It's great, really helped our family. It gets our son used to school hours and it saves us a lot of money and hassle arranging childcare whilst at work.
- My first choice provider could only do 24 hours a week, therefore he is utilising the remaining 6 hours elsewhere. First choice provider charges £5 for lunch if child is there all day and there is no option out of this which I don't agree with.
- Brilliant! Able to have more time for myself and more money to enjoy weekends as family.
- I know it has had an impact on funding for maintained nurseries which adds strain. Surely this is counterproductive to what we are hoping a nursery school provides. Nursery schools are different to PDN's and as such are becoming more vulnerable.
- My preferred choice of nursery does not offer the extended hours.
- Absolutely brilliant. It gives me flexibility for work and makes it worthwhile going to work.
- The fees for the next financial year seem to have risen significantly. We are hoping this is a mistake and not the result of having the funding element of the 30 hours provision.
- Really thankful for the extra money!