

DECISION TITLE: Grant Funding to Early Years Providers
ENTER NAME OF CABINET MEMBER EXERCISING DELEGATED POWERS: Councillor Katy Cole, Cabinet Member for Children’s Services
MONTH IN WHICH DECISION IS BEING TAKEN: July 2024
Deadline date: July 2024

Cabinet portfolio holder: Responsible Director:	Councillor Katy Cole, Cabinet Member for Children’s Services Chris Baird, Interim Director of Education
Is this a Key Decision?	YES If yes, has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/20MAY2024/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO

RECOMMENDATIONS	
The Cabinet Member is recommended to:	
<ol style="list-style-type: none"> 1. Authorise grant funding to eligible Ofsted registered early years providers as set out in Appendix 1 from 1 September 2024 to 31 August 2025 to enable the delivery of funded early years provision, in line with the Early Years Entitlements: local authority operational guide 2024 to 2025. 2. Delegate authority to the Director for Education to authorise funding to new childcare providers for the period 1 September 2024 to 31 August 2025. 	

1. PURPOSE OF THIS REPORT

1.1 This report is for the Cabinet Member for Children’s Services to consider exercising delegated authority under paragraph 3.4.1of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph 3.4.9.

2. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. BACKGROUND

- 3.1 Local authorities in England have a statutory duty to fund early years providers. This obligation is outlined in the **Childcare Act 2006** and the **Childcare Act 2016**. Local authorities are responsible for funding childcare providers to deliver the early years entitlements. There are a range of childcare funded “entitlements” that parents can access. These entitlements are outlined in Table 1. As shown in the table, from April 2024 to September 2025, the childcare offer is extending to include an offer for eligible working parents of children from 9 months to two years old.
- 3.2 Early years providers include providers from the private, voluntary and independent [PVI] sector, as well as childminders.

Table 1 – Childcare entitlements

	9 months – 23 months	2-year-olds	3 & 4-year-olds
Current funded entitlements	-	15 hours for eligible low-income families	15 hours universal for all; 30 hours for eligible working families
From April 2024	-	15 hours for eligible low-income families; 15 hours for eligible working families	15 hours universal for all; 30 hours for eligible working families
From September 2024	15 hours for eligible working families	15 hours for eligible low-income families; 15 hours for eligible working families	15 hours universal for all; 30 hours for eligible working families
From September 2025	30 hours for eligible working families	15 hours for eligible low-income families; 30 hours for eligible working families	15 hours universal for all; 30 hours for eligible working families

Nursery education funding

- 3.3 The local authority receives funds from the Department for Education [DfE] via the Nursery Education Grant to pay for the funded hours delivered by the sector. This grant is part of the early years block of the dedicated school grant. The level of funding is estimated annually through submission of an annual census, which provides the DfE details on the number of children accessing each of the funded entitlements.

3.4 The local authority sets the rates for each element of the funded entitlement and makes arrangements to pay providers for the children accessing the provision. This is reviewed and approved by the Schools' Forum each year.

3.5 The 2024/25 funding rates are detailed in Table 2 below.

Funding entitlement	Funding allocation to setting per hour
3-4 year old funding	
Basic Entitlement Funding	£5.41
Extended Entitlement Funding	£5.41
Flexibility Funding*1	£0.49
Deprivation Funding*2	£0.25
2 Year Old Funding Entitlement	
2 Year old Disadvantaged entitlement	£8.02
2 Year Old Working parents' entitlement	£8.02
Deprivation Funding*2	£0.25
Under 2's Funding Entitlement	
Under 2's Funding Entitlement	£10.96
Deprivation Funding*2	£0.25
*1 – paid to settings who open either 50 weeks per year, for a minimum of 7 hours a day, or open less than 50 weeks and more than 40 weeks, and open for a minimum of 10 hours per day [further conditions apply in relation to access by children]	
*2 – Paid per child if residence postcode is within 30 percent most deprived areas of the country based as designated by IDACI (Income Deprivation Affecting Children Index)	

3.6 Settings may also claim a number of additional supplements for targeted children that attend an early year's setting. These include:

- SEN inclusion funding – settings can apply for additional funding to support children with SEN. This funding is to support the setting to make appropriate arrangements to appropriately support their children with additional needs.
- Early Years Pupil Premium – an enhanced payment to settings linked with child deprivation, or children in care arrangements.
- Disability Access Funding – additional support to early years providers to make reasonable adjustment for children with a disability. This can be accessed for children in receipt of Disability Living Allowance and accessing funded childcare [not all hours need to be accessed].

3.7 The amount and range of payments made to early years providers is detailed in Table 3. This details the payments made to settings during the full 2022/23 academic year. There are large variations, due to the size of provision/number of children which can be from a childminder with one or two children, to large nursery provision that may offer more than 100 places. Payment is based on the number of hours accessed by eligible children over each term, so the exact payment to each provider is not confirmed until the end of the funding term.

Table 3 – Range of payments made to early years providers

Payment Made	Number of providers in receipt of funding
Over £500,000	2
Between £250,000 to £500,000	13

Between £100,000 to £250,000	57
Between £100,000 to £50,000	30
Less than £50,000	97

- 3.8 Funding is paid in advance based on the number of funded places / hours that are expected to be delivered by the childcare provider. Adjustment is made at the end of each term to account for the actual cost of delivery. The above analysis of last academic year payments provides an indication of the level of funding paid to each provider. Note however that with the annual increase in funding along with the expanded childcare offer, some settings will receive a higher level of funding from September 2024.

Funding early education entitlement provider agreement

- 3.9 Local authorities are required to have grant funding agreements in place with early years settings that are delivering the funded entitlements. The agreement sets out details of the funded entitlements and the conditions under which the local authority will fund the places. The agreement is based on the statutory guidance for early education and childcare. Any provider can offer the funded entitlement in the city, as long as they are registered with Ofsted and enter into an agreement with the local authority. The agreement has been updated to account for the changes to the childcare entitlement and will be reissued to providers delivering the funded entitlement.

4. CORPORATE PRIORITIES

- 4.1 The recommendation links to the following of the Council's Corporate Priorities:

The Economy & Inclusive Growth – the payment of the grant supports growth and prosperity in Peterborough in two ways. The funding provided to the childcare sector, in the main the private, voluntary and independent sectors support the sustainability of local businesses, voluntary and independent organisations. The childcare that is provided through this funding also enable parents to access work, therefore also supporting the growth and prosperity of the city.

Carbon Impact Assessment: The Cabinet Member Decision Notice seeks authority to spend the Nursery Education Grant on funded childcare places provided by the sector, in line with the statutory guidance laid out by the Department of Education.

Funded childcare is provided across the city, providing provision for local people. The project will see an increase in the funded places available, enabling parents to return to work. This is building on existing provision in the city and therefore the environmental impact on the city is deemed to be negligible. However, there could be a slight increase in city transport emissions and water consumption due to more children attending these settings. To meet growing demand, additional staff may be recruited, which could also affect city travel emissions. The Local Authority aims to provide childcare within walking distance to mitigate any potential environmental impact from increased city transport emissions.

Our Places & Communities: Childcare provision offers a healthy and safe environment, which supports children, and provides opportunity for learning and development in a rich environment

Prevention, Independence & Resilience – Early Years and childcare services support the very youngest children, providing early opportunities for children to access quality learning

and development opportunities. For children access to early learning can have positive outcomes for children's social and emotional development and build resilience in our young children.

5. CONSULTATION

- 5.1 This decision does not require any public consultation in line with the grant guidelines. However, as part of the process, representatives of the early years and childcare sector are consulted in determining the funding rates, prior to making recommendations to the Schools Forum. The Schools Forum is a statutory body established by the local authority, whose primary role is to determine matters in relation to the local authority schools budget. This includes responsibility for the Nursery Education Grant, which is part of the Dedicated School Grant.

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 The local authority is looking to enable young children to access early years provision. Attendance at an early years setting can have a positive impact of a child's development. For example, nursery education can enhance children's cognitive and social skills, providing an opportunity for learning, exposure to new experiences and interaction with other children and practitioners.
- 6.2 The Effective Provision of Pre-School Education (EPPE) project, which focused on the effectiveness of early years education, was conducted between 1997 and 2004. This project identified a number of benefits of pre-school education. For example, children who attended pre-school demonstrated better all-round development compared to those who did not. Good quality pre-school experience was found to be particularly beneficial for disadvantaged children.

7. REASON FOR THE RECOMMENDATION

- 7.1 Approval of the funding will ensure that the council can continue to fund the early years settings for the delivery of funded childcare places for our children in Peterborough. This in turn will support the positive outcomes that have been identified in Section 6 of this report.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Whilst an alternative option would be not to fund nursery provision, the local authority would not be fulfilling its statutory functions under the Childcare Acts and therefore this option has been rejected.

9. IMPLICATIONS

Financial Implications

- 9.1 As outlined within the main body of the report, the Department of Education funds the childcare offer outlined in the report, via the early years block, part of the dedicated school grant.

Legal Implications

- 9.2 The Subsidy Control Act 2022 sets out the rules when a public body provides financial or other forms of assistance to an organisation. A review has been undertaken to establish whether the grant funding to childcare providers constitutes a subsidy within the Act. The view is that the grants to providers would not constitute a subsidy. The local authority is required to administer the funding and provide payments to all providers of early education within the local area. Therefore, an advantage would not be conferred on a few providers as all providers eligible would receive grant funding. Furthermore, the external funding

providing is for service providers within Peterborough and therefore would not or capable of having an effect on competition within the UK.

Equalities Implications

9.3 No equalities implications have been identified.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

10.1 None

11. BACKGROUND DOCUMENTS

11.1 The following documents have been used in the preparation of this report

[Early education and childcare \(applies from 1 April 2024\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/early-education-and-childcare-applies-from-1-april-2024)

[Early years entitlements: local authority funding operational guide 2024 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/early-years-entitlements-local-authority-funding-operational-guide-2024-to-2025)

[untitled \(ioe.ac.uk\)](https://ioe.ac.uk/)

[Effective pre-school, primary and secondary education project \(EPPSE 3-16+\) \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/publications/effective-pre-school-primary-and-secondary-education-project-eppse-3-16-plus)

12. APPENDICES

12.1 **Appendix 1** - Peterborough Early Years Providers offering government funded places

Appendix 1

Peterborough Early Years Providers offering government funded places

Childcare Group Settings

Ofsted Registration	Name of Setting	Address 1	Address 2	Postcode
EY480489	ABC Nursery	16 Aldermans Drive		PE3 6AR
EY546492	Acorn Academy Day Nursery	211 Lincoln Road		PE1 2PL
EY284159	Alpha Kindergarten School (Fletton)	66 Fletton Avenue		PE2 8AU
2695888	Alpha Kindergarten School (Stanground)	273 Coneygree Road	Stanground	PE2 8LR
EY501253	Anna-Ca-Soo Day Nursery	334 Eastfield Road		PE1 4RA
EY495490	Apricot Childcare	24 Wainman Road	Orton Longueville	PE2 7BU
2767636	Ashbourne Day Nurseries at Orton Southgate	Brightfield Business Hub	Bakewell Road	PE2 6XU
260892	Barnack Pre-School	c/o Barnack C of E Primary School	Barnack	PE9 3DZ
EY543013	Bee Bright Day Nursery	11 Gatenby		PE4 6JU
EY267088	Beeches Pre-School	Alama Iqbal Centre	157 Cromwell Road	PE1 2EL
EY340977	Bees at the Hive Playgroup	c/o The Cresset Bretton Centre	Rightwell, Bretton	PE3 8DX
EY484498	Belsize Day Nursery	Belsize Centre	Belsize Avenue	PE2 9JA
EY550154	Birchtree Pre-School	Dogsthorpe Methodist Church Hall	Birchtree Avenue	PE1 4HP
EY451143	Blackberry House Day Nursery	Park Farm Crescent	Stanground	PE2 8XA
256743	Bretton Community Playgroup	Watergall Children and Family Centre	Watergall	PE3 8NX
110722	Brewster Avenue Infant School	Brewster Avenue	Woodston	PE2 9PN
2562962	Bright Bambini Montessori	29 Alexandra Road		PE1 3DE
2778759	Bright Bambini Montessori (Eastfield)	East Community Centre	Padholme Road	PE1 5EN
EY375142	Bright Stars Day Nursery	241 Park Road		PE1 2UT
2543986	Broadway Nursery	134 Broadway		PE1 4DG
256747	Brookside Playgroup	Brookside Methodist Church	Gunthorpe Road	PE4 7TG
EY547452	Busy Bunnies Braybrook	Braybrook Primary School	Braybrook	PE2 5QL
EY449441	Busy Bunnies Nursery	New Inn	627 Lincoln Road	PE1 3HA
2694643	Busy Bunnies Nursery Hampton Water	St John Henry Newman Catholic Primary School	Aqua Drive	PE7 8QL
256756	Castor and Ailsworth Pre-School	Castor Village Hall	Peterborough Road	PE5 7AX
110599 /EY295314	Caverstede Nursery School	Caverstede Road	Walton	PE4 6EX
2775681	Cozee Cubs Nursery and Sensory	6A Skaters Way	Werrington	PE4 6NB
EY430323	Cygnets Pre-School	Family Action Children & Family Centre	Hargate Way	PE7 8BZ
EY458018	Daisy Chain Day Nursery	Palmers Road		PE1 5YF
EY341225	Discovery Pre-School	c/o Discovery Primary School	Mountsteven Avenue	PE4 6HX
110705	Duke of Bedford Pre-School	Wisbech Road	Thorney	PE6 0RY
110825	Eye Pre-School	Eyebury Road	Eye	PE6 7TD

EY361299	Eyrescroft Early Years and Childcare centre	c/o Eyrescroft Primary School	Eyrescroft	PE3 8EZ
EY423564	First Steps Nursery (Maxey) Ltd	West End Road	Maxey	PE6 9HA
2558217	Friends Play Pre School	Unit 3a The Courtyard	27 Norfolk Street	PE1 2NP
139370	Fulbridge Academy	Keeton Road		PE1 3JQ
143859	Gladstone Primary Academy	Gladstone Academy	Gladstone Street	PE1 2BZ
147074	Hampton Lakes Primary School	Waterhouse Way	Hampton Gardens	PE7 8SJ
256770	Helpston Playhouse and Under Fives	John Clare Primary School	West Street Helpston	PE6 7DX
256771	Herlington Pre-School	Herlington Community Centre	Herlington	PE2 5PW
2677811	Ieduc8 Pre-school	Peterborough Spiritualist Church	Cambridge Avenue	PE1 2JA
2560857	Jungle Tots Day Nursery	17 Coningsby Road		PE3 8SB
EY277757	Kiddi Caru Nursery	The Valley Park Centre	Sugar Way	PE2 9QB
110743	Leighton Pre School	Leighton Primary School	Leighton	PE2 5PL
2770477	Lilliput Day Nursery Peterborough	1200 Lincoln Road		PE4 6LA
144597	Lime Academy Abbotsmede	Kingsley Road		PE1 5JS
EY485712	Little Bees Pre-School	Fulbridge School	Keeton Road	PE1 3JQ
256781	Little Poppets Day Nursery	101 Fulbridge Road		PE1 3LD
EY375145	Little Stars Day Nursery	124-128 Dogsthorpe Road		PE1 3AL
EY392716	Little Tigers LTD	Ravensthorpe Primary School	Brigstock Court	PE3 7NB
EY446426	Longthorpe Pre-School	Longthorpe Primary School	Bradwell Road	PE3 9QW
256784	Longthorpe Pre-School (Village Hall)	The Village Hall	295 Thorpe Road	PE3 6LU
149103	Manor Drive Primary Academy Nursery	Manor Drive Primary Academy	Porter Avenue	PE4 7EP
256785	Manor House Nursery (Peterborough)	47 The Green		PE4 6RT
EY438581	Nene Valley Day Nursery Ltd	40 Park Road		PE1 2TG
256791	Newark Playgroup	New Ark Adventure Playground	Hill Close Reeves Way	PE1 5LZ
256793	Newborough Pre-School Playgroup	Village Hall	Guntons Road	PE6 7RX
256794	Noahs Ark Pre-School	Loxley Community Centre	Lincoln Road	PE4 5BW
110683	Old Fletton Primary School	London Road	Old Fletton	PE2 9DR
256797	Orton Longueville Pre-school	Woodside Lodge	Oundle Road	PE2 7EA
2717099	Park Lane Nursery	Park Lane		PE1 5JW
404999	Paston Fundays	c/o Honeyhill Children's Centre	150 Chadburn	PE4 7DH
EY550514	Playhouse PreSchool	Gunthorpe Family Centre	Gunthorpe Road	PE4 7TS
EY225879	Rise and Shine Day Nursery	108 Ledbury Road	Netherton	PE3 9PN
146753	Seedlings Nursery	Hampton Vale Primary Academy	Westlake Avenue	PE7 8LS
EY419583	Shining Stars Pre-School	101 Garton End Road		PE1 4EZ
EY407727	Shiny Stars Pre-School	30 Cromwell Road		PE1 2EA
EY452131	Shooting Stars Pre-School	Paston & Gunthorpe Community Centre	Hallfields Lane	PE4 7YH
EY234865	Smiley Faces Day Nursery Ltd	Bedford Gate House	Station Road	PE6 0QE

953368	South Bretton Pre-School	c/o Nova Primary School	Middleton	PE3 9XJ
EY539487	Spring Wittering	St Michael's Road	Wittering	PE8 6DW
256798	St Johns (Orton) Pre-School	c/o St John's C of E Primary School	Riseholme	PE2 5SP
EY457411	St Michaels Ark Pre-school	c/o St Michael's C of E Primary School	Constantine Drive	PE2 8SZ
256826	St Michaels PreSchool	Mace Road	Stanground	PE2 8RQ
256825	Stanground St Johns PreSchool	31A Chapel Street	Stanground	PE2 8JG
2626279	Stars and Sparkles Day Nursery	Ormiston Meadows Academy	Matley	PE2 5YQ
EY487607	Stars Day Nursery Bushfield	Ormiston Bushfield Academy	Bushfield	PE2 5RQ
EY455313	Stars Day Nursery Dogsthorpe	100b Central Avenue	Dogsthorpe	PE1 4LJ
2565169	Stars Day Nursery Oakdale	Oakdale Primary School	Oakdale Avenue	PE2 8TD
EY455314	Stars Day Nursery Parnwell	Parnwell Community Centre	Parnwell Centre Saltersgate	PE1 4YH
2693586	Stars Pre-School Paston Ridings	Paston Ridings Primary School	Paston Ridings	PE4 7XG
EY455306	Stars Pre-school Ravensthorpe	c/o Westwood & Ravensthorpe Children's Centre	Brigstock Court	PE3 7NB
EY455308	Stars Pre-school Welland	The Acorn Centre	20 Scalford Drive	PE1 4TR
EY541821	Stars Pre-school Woodston	Celta Road		PE2 9ER
256827	Stepping Stones Day Nursery Central	10 Welland Road	Dogsthorpe	PE1 3SF
2504496	Sunflower Seed Pre-school	Northborough Primary School	Church Street	PE6 9BN
256808	The College Nursery	Peterborough Regional College	Park Crescent	PE1 4DZ
EY307771	The Day Nursery Peterborough Ltd	32 - 34 Priestgate		PE1 1JL
EY221690	The Hampton Day Nursery	Hargate Way	Hampton Hargate	PE7 8BZ
256834	The Learning Tree Kindergarten	115 Thorpe Road		PE3 6JQ
110851	The Owls Nest PreSchool	Peakirk-cum-Glinton C of E Primary School	Rectory Lane	PE6 7LR
SC015287	The Peterborough School	110 Thorpe Road		PE3 6AP
EY285914	The Peterborough School Nursery	110 Thorpe Road		PE3 6AP
EY539289	The Teddy Bears Inn Day Nursery	6 Guntons Road	Newborough	PE6 7QW
260895	The Village Playgroup	The Community Village Centre	Church Street	PE4 6QE
256853	The Young Generation Playgroup	c/o Highlees Primary School	Ashton Road	PE3 7ER
144981	Thorpe Primary Academy	Atherstone Avenue		PE3 9UJ
256838	Toddlers Inn Day Nursery	24 High Street	Eye	PE6 7UU
2591957	Welbourne Primary Academy Nursery	Welbourne Primary Academy	Goodwin Walk	PE4 6RE
EY543368	West Town Pre-School	West Town Academy	Midland Road	PE3 6DD
EY474203	Whiz Kids Day Nursery	60 Innovation Way	Peterborough Business Park	PE2 6FL
EY490866	Woodfield Park Pre-School	Charteris Playcentre	Normanton Road	PE1 4XE
EY440810	Zig Zag Day Nursery	St. Paul's Church Hall	Bourges Boulevard	PE1 2AU

Childminders

Ofsted Registration Numbers			
EY555668	EY466104	EY544887	EY320450
2563328	EY482951	2591696	EY100941
257111	EY295766	EY356978	2520870
EY490239	2704516	257067	2571612
251956	EY449783	EY357249	EY431843
EY558276	2591853	EY262375	EY350287
EY386824	2757536	EY501186	EY444299
2583524	2556754	EY498305	EY442027
EY487968	EY296403	256939	TY1023030/CA000038
EY344053	257021	EY560224	SCA170282/CA000026
EY498248	2553567	2756525	TY0523002/CA000038
EY494186	EY365232	EY560520	SCA170187/CA000026
EY357323	EY402687	257074	
2731772	EY442500	EY544384	
2673922	EY552875	EY312787	
EY344349	257020	EY427258	
EY386278	EY541541	EY265920	
EY555156	505289	EY340311	
EY468294	257025	EY399380	
2753147	135832	EY362255	
2591972	404216	2523771	
EY561857	EY467672	958998	
EY500590	257005	EY354425	
EY458491	EY289548	EY496464	
EY469297	257010	EY547479	