

Item 5

TITLE OF REPORT: Use of Early Years Block Revenue Underspend for Capital

Purpose of the Report

To provide Schools Forum with further information to assist in a decision being reached in respect of the use of some of the Early Years Block underspend to create additional two year old funded places through proposed schemes in the Crookhill and Ryton areas.

Background

Officers from Early Years Childcare Service presented a report to Schools Forum held on 17th March 2016 to request the use of some of the Early Years Block underspend to create additional two year old funded places in the Crawcrook and Ryton areas of Gateshead.

Analysis of take-up of 2 year old free places at that time (in March) indicated that there was a need for additional funding for projects to create an additional 19 places in Crawcrook and 14 places in Ryton.

A demountable was advised as the best option to proceed at Emmaville School costing an approximately £175,000. The cost of the demountable was queried as the Forum felt there could be better value for money options thereby enabling an additional scheme at Crookhill School to also progress. The Forum acknowledged that council services must be used.

In addition approval was also requested to support a new business established by Care with Cuddles in Ryton Church Hall through funding of £11,000 to purchase resources. This will enhance the learning environment for 2 year olds that they are already accepting and support this setting to be judged Good when inspected by Ofsted.

It was resolved at the meeting that no decision could be made on the proposals until a cost breakdown and supply and demand analysis be brought back to a future meeting.

Analysis of Demand

The Local Authority receives lists of eligible families each term from the Department of Works and Pensions (DWP). This data has been used to analyse the demand for places.

Ryton, Crookhill and Stella ward

There were 24 eligible two year old children in the Ryton, Crookhill and Stella ward on the February 2016 DWP list. Of these, 9 have taken up a place (2 at Willows Montessori, 4 at Care with Cuddles, 1 at Bright Sparks and 2 at Blaydon Pre-School) and 15 have not.

The most recent DWP list, from April 2016, shows that there will be 19 eligible children from September in this ward, with 3 of these already having a secured place. Therefore, 16 places are needed.

Using the post codes of the children who need a place in September, officers have established that of the number of children living within the Ryton, Crookhill and Stella ward, 3 children live in Stella, 5 in Crookhill and 8 in Ryton.

Crawcrook and Greenside ward

There were 19 eligible two year old children in the Crawcrook and Greenside ward on the February 2016 DWP list. Of these, 9 have taken up a place (2 at Willows Montessori, 2 at Care with Cuddles, 5 at Bright Sparks) and 10 have not.

Whilst Bright Sparks are currently offering places for eligible two year olds, children do not have the opportunity to access their full entitlement due to the lack of places.

The most recent DWP list, from April 2016, shows that there will be 24 eligible children from September in the Crawcrook and Greenside ward, with 8 of these already having a secured place. Therefore, 16 places are needed.

Using the post codes of the children who need a place in September, officers have established that of the number of children living within the Crawcrook and Greenside ward, 8 children live in Greenside and 8 live in Crawcrook.

Analysis of Supply

All place planning is based on the assumption that a child will take up a place near to where they live, which we know is not always the case. Evidence currently shows there

are 4 children attending provision in Ryton who live in Crawcrook. This may be for a variety of reasons, however, the lack of places within Crawcrook could be a contributing factor and this in turn limits the number of places for the children in Ryton to access their place near to home.

Officers have spoken to each provider within these wards and established the following place availability.

Places	Current position	September forecast
Places needed in Ryton, Crookhill, Stella ward	15	16
Places needed in Crawcrook, Greenside ward	10	16
Total places needed	25	32
Available places in Crookhill Early Years(RCS ward)*	0	4
Available places in Care with Cuddles (RCS ward)	10	10
Available places in Willows Montessori (RCS ward)	3	0
Total available places in Ryton, Crookhill, Stella ward	13	14
Available places in Bright Sparks (CG ward)	0	0
Total available places in Crawcrook, Greenside ward	0	0
Total available places	13	14
Shortage of places in Ryton, Crookhill, Stella ward	2	2
Shortage of places in Crawcrook, Greenside ward	10	16
Total shortage of places	12	18

*RCS ward = Ryton, Crookhill and Stella ward.

*CG ward = Crawcrook and Greenside ward.

In Stella it would seem reasonable that the 3 children could access provision in Blaydon as there is already a precedent for this.

Places are available for the 8 children living in the Ryton area at Care with Cuddles.

The three areas that therefore have insufficient places without currently a reasonable solution are Crawcrook, Crookhill and Greenside.

Capital funding of £9,190 for the creation of 26 two year old places was given to Crookhill Early Years in 2013/14. Owing to the demand within the area and as the 2 year olds became 3 year olds the setting have now filled these places with 3 and 4 year olds and currently have only 1 two year old now attending.

Officers have already been in contact with Greenside Primary School. The governing body explored the option of taking two year olds but decided against this. Greenside parents will have to travel to access a place.

Options

1. Create places in Emmaville Primary School and Crookhill Early Years.
2. Create places at Emmaville Primary School only.
3. Create places at Crookhill Early Years only.
4. Enhance the learning resources at Care with Cuddles

Costs of Options

Officers from Council Housing, Design and Technical Services have carried out a feasibility survey of siting a demountable building at Emmaville School. Due to the cost of this initial work being £3,000, we were advised that it would be reasonable to assume costs would be similar at Crookhill.

The cost of the project is £205,000, excluding adverse ground conditions, removal of asbestos, loose furniture fittings and ICT and VAT. This is higher than the £175,000 quoted in the March report.

Recommended Options

In order to create sufficient places to meet the identified demand in the Crawcrook and Greenside ward, £205,000 be approved for option 2, to create places at Emmaville Primary School.

£11,000 is approved for option 4, to enhance the learning resources at Care with Cuddles.

For the following reasons:-

- There is insufficient funding available for two capital schemes.
- There are currently no places available in the Crawcrook and Greenside ward.
- Children are travelling from Crawcrook to Ryton thus taking places away from Ryton children.
- Funding to create places for eligible two year olds has already been given to Crookhill Early Years. (£9,190 in 2013/14 financial year).
- To support Care with Cuddles to be judged Good when inspected by Ofsted and therefore retain these 2 year old places.
- To ensure the Council meets its statutory duty to provide sufficient places for funded two year olds.
- To enable approval to be sought from the Secretary of State to approve an application for the use of Early Years Block revenue underspend for capital purposes.