

Childcare Expansion Funding Update September 2024

Key Messages

Forum members are asked to:

- Review the update on the allocation of government funding for the childcare expansion programme via two funding streams 1) Childcare Expansion Capital Grant and 2) Wraparound Programme Revenue Funding, for information purposes.

1. Introduction/background

1.1. As part of the Childcare Reforms in 2023, the Government announced in the Spring Budget of the same year, a new Entitlements Expansion (EE) for early years. The expansion is to be introduced in three phases:

Phase 1: April 2024 - 15 hours of childcare over 38 weeks of the year made available to eligible parents of two-year-olds.

Phase 2: September 2024 - 15 hours of childcare over 38 weeks of the year made available to eligible parents of 9-month to 36-month-olds.

Phase 3: September 2025 - 30 hours of childcare over 38 weeks of the year made available to eligible parents of 9-month to 36-month-olds.

1.2. The Government also announced a national wraparound programme for childcare. The plan being that by 2026, all parents and carers of primary school aged children who need it will be able to access before and after school care in their local area between 8am and 6pm. The programme focuses on primary school aged children from reception to year 6. It is hoped this will enable parents to work a full day with travel time.

2. Funding Progress to Date

Wraparound Programme Funding Revenue

2.1. A Wraparound Delivery plan was submitted to DfE in June. This was approved in August and approval triggered payment of wraparound programme funding which will be released in the first week of September.

2.2. The original Wraparound Funding Allocation to Sheffield was £2,678k. However, this included a provisional element of £840k for the 2025/26 financial year. The new Government has not committed to the 2025/26 provisional funding element and ministers will be reviewing this alongside the funding requirement for free breakfast clubs.

2.3. £242k of the budget has been allocated to LA capacity costs leaving £1,595k available to passport to the sector to the end of the 2024/25 financial year. Allocation of this funding is in progress with a total of 27 projects being approved including schools and childcare providers.

However, there is a risk that if the final allocations 2026 is not granted this will have an impact and reduce our ability to deliver all the places outlined in our delivery plan.

- 2.4. Applications to receive grant funding for capital began February 2024 and closed 26th April 2024 and the first tranche of Wraparound Revenue Funding applications closed June 17th 2024.

3. Funding Progress to Date Capital Grants

- 3.1. Applications to receive grant funding for capital began February 2024 and closed 26th April 2024.
- 3.2. A total of £767k has been allocated to 17 projects across the city to date leaving £82k available. This will be targeted at the areas of Sheffield where forecasts are suggesting more places are required.

4. Funding Next Steps

- 4.1. **Wraparound Programme Funding Revenue:** the next stage is to develop plans for more provisions/expansions to open in January or April 2025:
 - 4.1.1. An ongoing funding process has been established. The funding process and application form are available on the Sheffield Directory. Applications will be considered monthly by a panel monthly.
 - 4.1.2. To support schools in ensuring there is sufficient wraparound provision for families at their schools Family Hub Coordinators will work with them and other childcare providers as partners to understand local demand and develop plans to facilitate childcare being set up/expanded where needed.
 - 4.1.3. Funded providers will then be supported by the Sheffield Wraparound Support Hub (SWASH), who will assess readiness, provide in person and on-line training, information and support and develop a Quality and Inclusion Charter. This is a 12- month contract delivered by a national provider (Out of School Alliance) together with a local provider (Manor After School Kids Klub) funded through the LA Capacity element of funding.
- 4.2. **Capital Grants:** the next stage of the programme is to target the remaining available funds where forecasts identify the areas of the city which are likely to be ones of high demand for extended entitlement childcare places.

5. Recommendations

- 5.1. Forum members are asked to note the update on the allocation of funding and the next steps.