

Communities, Equality and Local Government Committee

Meeting Venue:
Committee Room 2 – Senedd

Meeting date:
18 October 2012

Meeting time:
08:30

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



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Agenda

Pre- meeting – 08.30 – 08.50

1. Introductions, apologies and substitutions

2. Scrutiny of Welsh Government 2013/2014 draft budget (08.50 – 09.50) (Pages 1 – 12)

Welsh Government
CELG(4)-23-12 – Paper 1

Huw Lewis AM, Minister for Housing, Regeneration and Heritage
John Howells, Director of Housing Regeneration and Heritage
Kath Palmer, Deputy Director, Homes and Places

3. Scrutiny of Welsh Government 2013/2014 draft budget (09.50 – 10.30) (Pages 13 – 18)

Welsh Government
CELG(4)-23-12 – Paper 2

Leighton Andrews AM, Minister for Education and Skills
Carla Lyne, Deputy Director Finance and Corporate Services

4. Motion under Standing Order 17.42 to resolve to exclude the

public from the meeting for the following business: (10.30)

Items 5 to 8b

5. Inquiry into the Welsh Premier League – Consideration of Draft Report (10.30 – 10.50) (Pages 19 – 63)

6. Consideration of Committee Forward Work Programme (10.50 – 11.00) (Pages 64 – 65)

7. Legislative Consent Memorandum for the Disabled Persons Parking Badges Bill – Consideration of evidence and draft report (11.00 – 11.20) (Pages 66 – 82)

- Evidence from Disability Wales;
- Draft Report.

8. Papers to note (11.20)

CELG(4)-23-12 – Paper 3 – Additional information from Sue Cohen (Pages 83 – 90)

CELG(4)-23-12 – Paper 4 – Additional information from Professor Teresa Rees (Pages 91 – 112)

Agenda Item 2

Communities, Equality and Local Government Committee

Date: 18 October 2012

Time: 8:50 -9:50

Title: Evidence paper on the Draft Budget:
Minister for Housing, Regeneration and Heritage

Introduction

1. This paper provides background financial information to the Committee regarding the spending plans of the Minister for Housing, Regeneration and Heritage, as outlined within the Draft Budget.
2. Annex A gives a breakdown of the Draft Budget, by Action, and by BEL within each Action.

Background and Summary

3. The draft budget figures for the Housing, Regeneration and Heritage MEG may be summarised as follows:

Spending Programme Area	Supplementary Budget 2012-13 £'000	Draft Budget 2013-14 £'000	Indicative Plans 2014-15 £'000
Revenue:			
Housing Policy	150,493	150,736	150,741
Homes & Places	15,038	17,278	17,278
Arts	34,802	35,643	35,643
Museums, archives and libraries	37,436	37,445	37,445
Sports and physical activity	24,923	24,853	24,899
Media and Publishing	3,980	3,926	3,926
The historic environment	11,658	11,541	11,541
TOTAL REVENUE	278,330	281,422	281,473
Capital:			
Housing Policy	1,641	1,641	1,641
Homes & Places	302,566	263,529	257,029
Arts	455	450	450
Museums, archives and libraries	3,973	4,043	4,043
Sports and physical activity	345	345	345
Media and Publishing	25	25	25
The historic environment	5,313	5,031	5,031
TOTAL CAPITAL	314,318	275,064	268,564
TOTAL DEL BUDGET*	592,648	556,486	550,037

* These figures do not include Annually Managed Expenditure budgets. Details are provided below.

4. The above table reflects a restructuring of the budgets to place a stronger emphasis on delivery of Government priorities, including the delivery of additional housing alongside regeneration activities, and to recognise the importance of adopting an integrated approach to our redevelopment activities. Annex B provides a reconciliation of the budget restructuring.

Budget changes

5. Compared to indicative plans for 2013-14 and 2014-15 published in the Final Budget 2012-13, the total MEG allocation for Housing, Regeneration and Heritage has increased by **£14.3m in 2013-14** and **£7.8m in 2014-15**. The changes comprise:

	Draft Budget 2013-14 £'000	Indicative Plans 2014-15 £'000
Revenue:		
Additional investment for social housing	2,000	2,000
Transfer out of Residential Property Tribunal to the Central Services and Administration MEG	(175)	(170)
Total Revenue	1,825	1,830
Capital:		
Additional capital funding for:		
The Welsh Housing Partnership - to support delivery of the 'Investing in housing' priority	6,000	6,000
West Rhyl Housing Redevelopment Scheme	5,000	
Restoration of the Merthyr Tydfil Old Town Hall	1,500	
Total Capital	12,500	6,000
Total	14,325	7,830

6. There have also been a limited number of amendments between budget lines. In particular, the revenue budgets for regeneration and housing policy have been reduced by £1.8m and £0.2m respectively, with the total of £2m transferred to a new budget line to provide revenue support for the financing costs of an increased investment in social housing. This, in addition to the additional allocation to the MEG of £2m transferred from the Central Services and Administration MEG has created a total budget line of **£4m** which will be used in order to support the financing costs of a new mechanism to increase investment in social housing. This will deliver up front investment of approximately £100m and will deliver over 1,250 properties.

Programme of Government

7. The Department has a wide ranging remit, with responsibility for developing and implementing policies on housing, regeneration, the arts, culture, sport and active recreation, museums, archives and libraries, and the historic environment.
8. The Department has a number of main aims reflected across the Programme for Government and this Draft Budget shows how we will deliver in 2013-14 and beyond. We will ensure that people have high-quality, warm and secure homes to live in, and effective services to ensure that people have the support they need to live independently. The impact of some of our interventions in this area are likely to be felt over the longer-term as we make changes to planning legislation and expand our stock of social housing.
9. We will continue to regenerate key settlements and communities and revive our seaside towns; and we will support the culture and heritage of Wales to provide a better foundation for life through vibrant places, culture, sport and media.

Budget Priorities

10. I have undertaken a review of my budgets in order to ensure that allocations are fully aligned to deliver the priorities set out in the Programme for Government. This has included the reprioritisation of revenue budgets whereby £1.8m from regeneration and £0.2m from the housing policy budgets have been transferred to a new Housing Initiative to secure £100m of additional investment in social housing to be supported by a revenue budget as set out above – reflecting the overriding need to deliver additional housing for Welsh Communities.
11. In addition, Housing and Regeneration Divisions and the associated budgets have been restructured to create new Divisions for Housing Policy, and Homes and Places – with a stronger emphasis on delivery of Government priorities. The Homes and Places Division brings together responsibility for the delivery of additional housing, standards of housing and innovative funding alongside regeneration activities, recognising the importance of adopting an integrated approach to our redevelopment activities.
12. The main activities in the Programme for Government which are being delivered from this portfolio are as follows:

Housing

13. Our Housing White Paper published in May 2012 set out an ambitious programme of legislative and non-legislative action to deliver my strategic priorities for housing: increasing the supply of housing; improving its quality; and improving housing-related services – particularly for those who are vulnerable or homeless.

Increasing the Supply and Choice of Housing

14. We are working to stimulate house-building through action in the planning system to release more land; by developing ways to make it easier to release public land for house-building; and by exploring innovative methods of stimulating private investment. Measures set out in the Housing Bill and the Planning Bill will support this. Proposals for the Housing Bill and more action to increase the supply of homes were published in the Housing White Paper.
15. Increasing housing supply and choice are key elements of our Programme for Government commitment to ensure that people have high-quality, warm and secure homes to live in. On 14 May, I demonstrated my commitment to increasing the supply of affordable housing by announcing new housing targets for the term of this Government. Our aim is that 7,500 affordable new homes will be built and 5,000 empty properties will be brought back into use. A number of initiatives will help deliver these targets, including:
- The creation of **the £4m revenue budget line to support increased investment in social housing** to deliver over 1,250 properties as set out above;
 - Securing additional capital funding of **£6m per annum** in 2013-14 and 2014-15 to expand the **Welsh Housing Partnership** - a partnership with housing associations. This extra investment will lever in £48m additional private sector funding and deliver up to 560 additional affordable homes; and
 - An innovative recyclable loans fund is the basis of the Houses into Homes programme, with a **budget of £10m established in 2012-13**. Repayments of loans will be recycled over the next three years to bring more long-term empty properties back into use.

Improving Quality of Housing

16. Ensuring people have a home that meets their needs – warm, affordable, secure, in good condition and with non detrimental impact on the environment – is a key priority for the Welsh Government. A home is a vital part of people's lives. It affects health and well-being, quality of life, and the whole life chances of individuals and families. We are continuing to invest £108m per annum for the Major Repairs Allowance and Dowry Fund. This budget funds major repairs for local authority housing and dowry payments for former local authority housing that has transferred to new stock transfer landlords. Both of these funding streams help to achieve the Welsh Housing Quality Standard (WHQS), the broad objective of which is to ensure that the social housing stock in Wales is fit for the 21st Century. This underpins much of the Welsh Government's strategic objectives - for example on tackling deprivation, poverty, improving health outcomes and creating jobs and training opportunities.

Improving Housing services and support Poverty and material deprivation

17. We are continuing to invest **£136m a year** in delivering housing related support to vulnerable people through the Supporting People Programme. This programme needs to remain a priority if we are going to combat the impact of the welfare reforms and economic downturn. The programme is supporting some 50,000 people per year and provides good value for each pound invested in a variety of programmes.
18. We are also committed to preventing homelessness, one of the extreme examples of deprivation, and are maintaining investment of **over £7m** to support this important agenda in 2013-14. We are seeking to address the supply-side issues to meet demand and increase the numbers of affordable homes which will assist in addressing this issue. Our work includes support in all areas to help people to cope with the impact of changes to Housing Benefit as part of the UK Government's Welfare Reform agenda.
19. Enabling people to live independently in their own homes for as long as possible is also a priority for the Welsh Government and that is why we have protected our capital investment in the Rapid Response Adaptations Programme at **£1.6m** per annum and providing revenue support of **£0.5m** for the programme. This is complimented by providing revenue funding in 2013-14 for the Care and Repair agencies who deliver this work and other core advice related services of **£4.7m**. This programme also helps to reduce the demand on the NHS and social services by enabling people to leave hospital or residential care as soon as they are able to. We are strengthening the links between housing, health and social services.

Regeneration of town centres and seaside towns

20. The regeneration programme comprises an integrated series of actions and targeted investment which aims to reverse the decline of disadvantaged areas in Wales and deliver sustainable renewal. The budget of **£66m** in 2013-14 will continue to support a series of focused area-based interventions in parts of Wales where we work with local agencies to tackle acute needs and multiple forms of deprivation. We work with partners across the public, private and third sectors to develop and deliver co-ordinated and holistic action plans to address local needs and opportunities. To maximise the impact on places and people, investment funding is used to lever in additional sums from across a wide range of sources including the European Structural funds, the wider public sector and private sector investment.
21. The Welsh Government is currently completing its commitments across the seven Regeneration Areas (Heads of the Valleys, Western Valleys, Mon a Menai, North Wales Coast, Aberystwyth, Swansea and Barry) and legacy programmes including Newport. Investment from our Regeneration Areas is used as match funding for European-funded projects; the largest of these projects is part of the Valleys Regional Park, a partnership which we host on behalf of over 40 organisations. We also provide discretionary grants to third sector organisations to promote and facilitate successful regeneration practice, and have a statutory responsibility to fund Cardiff Harbour Authority.

22. As part of the drive to regenerate deprived areas, an additional **£5m** has been allocated in 2013-14 for the West Rhyl Housing Redevelopment Scheme, and **£1.5m** for the restoration of the Merthyr Tydfil Old Town Hall.
23. I am currently undertaking a policy review of our approaches to regeneration and will be consulting on future delivery and investment proposals over the Autumn. The review will provide a new Regeneration framework with strengthened governance, a people and place based approach and a national, regional and local delivery structure. At the core of the review is the commitment of the Welsh Government to encourage a whole Government approach to regeneration and to work in a truly integrated manner, in order to maximise the benefits to communities. The new policy will be announced in February 2013, with plans for a transitional year in 2013-2014 to bridge the gap between Regeneration Areas and the new approach.

Widening our access to our culture, heritage and sport and encouraging greater participation

Arts

24. Total funding to the Arts Council for Wales for 2013-14 will be **£34.0m**. The percentage of people attending arts events who are from under-represented groups has been rising since 2006, and the Arts Council for Wales (ACW) is putting more emphasis on supporting organisations to promote active participation in the arts. 'Young Creators', the new ACW strategy for children, young people and the arts was issued in November 2011.
25. Together with the Minister for Education and Skills, I have initiated a Review of Arts in Education; this will examine the understanding of and involvement in the arts in schools in Wales, and current arts education practice. It will examine what schools are doing to encourage young people to participate in the arts, and to develop their creative skills. It will identify good practice, and make recommendations on how schools, local authorities, arts organisations and the Welsh Government can improve the education outcomes derived from participation in the arts. The Review is due to be concluded by 31 March 2013.

Museums and Libraries

26. Funding totalling **£12m** has been secured from the Heritage Lottery Fund for the redevelopment of St. Fagan's National History Museum. The project aims to build on St Fagan's popularity as the UK's favourite visitor attraction and combine the strengths of an open-air museum with those of a conventional museum. The Welsh Government supports this vitally important strategic project for Wales, and has earmarked a total of **£7m** over the lifetime of the project.
27. The Programme for Government sets out our commitment to continue to offer free entry to the seven sites operated by Amgueddfa Cymru –

National Museum Wales. This is supported by the grant-in-aid provided to the Museum of **£24.6m** in 2013/14.

28. Total funding to the National Library for Wales for 2013-14 will be **£11.0m**. The *Libraries Inspire* strategic development framework for Welsh libraries, launched in November 2011, is aligned to the priorities of Programme for Government and supports greater collaboration in procuring and delivering improved public services. *Libraries Inspire* priorities include modernising public library buildings, developing a library management system for Wales and promoting reading and digital literacy.
29. Developing the potential of digital media to promote culture through *Casgliad y Werin Cymru / People's Collection Wales* and other online initiatives is a Programme for Government commitment. Core Welsh Government funding is provided to the People's Collection Wales lead partners who deliver this innovative programme. The website and supporting programme of activities explore new and exciting ways of collecting, exploring, discovering and sharing the stories of Wales and its people.

Cadw

30. We will provide funding of **£14.2m** in 2013-14 to support Cadw, the Welsh Government's historic environment service. Cadw is charged with protecting our heritage, which includes World Heritage Sites, listed buildings and scheduled monuments. Cadw also works to sustain the distinctive character of our towns and landscape and helps people understand and care about their place and history. We recognise the importance in economic and social terms of this contribution and are committed to its ongoing programmes of work. In addition, we are committed to the delivery of the **£19m** Heritage Tourism Project which will improve access and visitor experience at many of our monuments.

Sport

31. We are continuing to support a broad range of measures through Sport Wales aimed at promoting greater levels of physical activity and of involvement in sport. As part of the Creating an Active Wales Action Plan, we are investing in community sport and building stronger links between school and club sport. Our free swimming programmes now emphasise structured activities to help more young people to swim and encourage them to participate more regularly in sport and physical recreation throughout their lives. Total funding for Sport Wales in 2013-14 will be **£24.1m**.

Annually Managed Expenditure

32. Annually Managed Expenditure budgets comprise:

- Provision for any pension charges which may be necessary in respect of the pension schemes of the National Museums of Wales and the National Library of Wales. The total for 2013-14 is £2.740m. This is a non cash budget; and

- A credit amount - of £71m in 2013-14 – representing the amount, calculated on a formula basis, which Welsh Local Authorities have to repay to the Treasury in respect of the Housing Revenue Account Subsidy (HRAS) system. In England, Local Authorities have bought themselves out of the system, and we are currently exploring the option of doing so in Wales.

HOUSING, REGENERATION AND HERITAGE MAIN EXPENDITURE GROUP (MEG)

£'000s

REVENUE BUDGET - Departmental Expenditure Limit

SPA	Actions	BEL	BEL Number	2012-13 Supplementary Budget June 2012	2013-14 Indicative Plans Final Budget November 2011	2013-14 Changes	2013-14 New Plans Draft Budget	2014-15 Indicative Plans Final Budget November 2011	2014-15 Changes	2014-15 Indicative Plans Draft Budget
Housing Policy	Supporting People		1011	136,978	136,558	0	136,558	136,558	0	136,558
	Homelessness		1120	7,150	7,181	0	7,181	7,181	0	7,181
			1100	4,671	4,691	0	4,691	4,691	0	4,691
	Independent Living		1285	430	432	0	432	432	0	432
				5,101	5,123	0	5,123	5,123	0	5,123
			1161	172	173	0	173	173	0	173
			1181	232	232	-175	57	232	-170	62
			1220	1,860	1,824	-180	1,644	1,824	-180	1,644
				2,264	2,229	-355	1,874	2,229	-350	1,879
				150,493	151,091	-355	150,736	151,091	-350	150,741
	Achieve quality Housing		1162	274	274	0	274	274	0	274
			1286	95	95	0	95	95	0	95
	Increase the Supply and Choice of Housing		984	0	0	4,000	4,000	0	4,000	4,000
				95	95	4,000	4,095	95	4,000	4,095
			1014	115	115	0	115	115	0	115
			1181	14	14	0	14	14	0	14
			1220	156	203	-20	183	203	-20	183
				285	332	-20	312	332	-20	312
	Regeneration		4151	6,184	6,397	-1,800	4,597	6,397	-1,800	4,597
			4162	8,200	8,000	0	8,000	8,000	0	8,000
				14,384	14,397	-1,800	12,597	14,397	-1,800	12,597
				15,038	15,098	2,180	17,278	15,098	2,180	17,278
			5800	2,284	2,181		2,181	2,181		2,181
			5800	31,218	31,490		31,490	31,490		31,490
			5800	119	119		119	119		119
			5812	1,181	1,853		1,853	1,853		1,853
				34,802	35,643	0	35,643	35,643	0	35,643

Support and sustain a strong arts sector via the Arts Council and others

Total Support and sustain a strong arts sector via the Arts Council and others

SPA	Actions	BEL	BEL Number	2012-13 Supplementary Budget June 2012	2013-14 Indicative Plans Final Budget November 2011	2013-14 Changes	2013-14 New Plans Draft Budget	2014-15 Indicative Plans Final Budget November 2011	2014-15 Changes	2014-15 Indicative Plans Draft Budget
		Angueddfa Cymru - National Museum of Wales - Running Costs	5540	24,051	24,040	80	24,120	24,040	164	24,204
	Foster Usage and Lifelong Learning through Museum Services	Angueddfa Cymru - National Museum of Wales - Current Receipt	5540	-1,604	-1,604	-80	-1,684	-1,604	-164	-1,768
		Angueddfa Cymru - National Museum of Wales - Depreciation	5540	1,120	1,120		1,120	1,120		1,120
		Foster Usage and Lifelong Learning through Museum Services		23,567	23,556	0	23,556	23,556	0	23,556
		National Library of Wales - Running Costs/ Current Expenditure	5560	10,525	10,821	-280	10,541	10,821	-259	10,562
	Foster Usage and Lifelong Learning through Library Services	National Library of Wales - Current Receipts	5560	-400	-400	-20	-420	-400	-41	-441
		National Library of Wales - Depreciation	5560	1,250	1,250		1,250	1,250		1,250
		Foster Usage and Lifelong Learning through Library Services		11,375	11,671	-300	11,371	11,671	-300	11,371
		CyMAL - Current Expenditure	6170	216	206		206	206		206
		CyMAL - Grants	6170	1,678	1,712		1,712	1,712		1,712
	Strategic Leadership for museum, archive & library services	CyMAL - Peoples' Collection	6170	600	300	300	600	300	300	600
		Strategic Leadership for museum, archive & library services		2,494	2,218	300	2,518	2,218	300	2,518
	Total Museums, Archives and Libraries			37,436	37,445	0	37,445	37,445	0	37,445
		Sports Council for Wales - Running Costs	5900	1,390	1,327		1,327	1,327		1,327
		Sports Council for Wales - Depreciation	5900	779	779		779	779		779
	Delivery of effective sports & physical activity programmes	Sport & Active Wales Fund - Current Expenditure	6010	22,600	22,400	174	22,574	22,400	357	22,757
		Sport & Active Wales Fund - Free Swimming	6010	3,500	3,500		3,500	3,546		3,546
		Sport & Active Wales Fund - Current Receipts	6010	-3,484	-3,484	-174	-3,658	-3,484	-357	-3,841
		Support for Sport & Physical Activity	6012	138	331		331	331		331
		Total Delivery of effective sports & physical activity programmes		24,923	24,853	0	24,853	24,899	0	24,899
	Media and Publishing	Welsh Books Council - Running Costs	6150	1,207	1,153		1,153	1,153		1,153
		Welsh Books Council - Current Grants	6150	2,773	2,773		2,773	2,773		2,773
		Total Media and Publishing		3,980	3,926	0	3,926	3,926	0	3,926
		Cadw - Running Costs/Current Expenditure	2700	12,196	12,144	250	12,394	12,144	513	12,657
		Cadw - Grants	2700	1,995	2,016		2,016	2,016		2,016
		Cadw - Current Receipts	2700	-5,000	-5,000	-250	-5,250	-5,000	-513	-5,513
	Conserve, protect, sustain and promote access to the historic environment	Cadw - Depreciation	2700	275	275		275	275		275
		RCAHM - Running Costs/Current Expenditure	6200	1,973	1,885	4	1,889	1,885	8	1,893
		RCAHM - Grants	6200	165	167		167	167		167
		RCAHM - Current Receipts	6200	-80	-80	-4	-84	-80	-8	-88
		RCAHM - Depreciation	6200	134	134		134	134		134
		Total Conserve, protect, sustain and promote access to the historic environment		11,658	11,541	0	11,541	11,541	0	11,541
	Total Revenue - Housing, Regeneration and Heritage			278,330	279,597	1,825	281,422	279,643	1,830	281,473

CAPITAL BUDGET - Departmental Expenditure Limit									
SPA	Actions	BEL	2012-13 Supplementary Budget June 2012	2013-14 Indicative Plans Final Budget November 2011	2013-14 Changes	2013-14 New Plans Draft Budget	2014-15 Indicative Plans Final Budget November 2011	2014-15 Changes	2014-15 Indicative Plans Draft Budget
Housing Policy	Independent Living		1,641	1,641		1,641	1,641		1,641
	Total Housing Policy		1,641	1,641	0	1,641	1,641	0	1,641
	Achieve quality housing		108,000	108,000	0	108,000	108,000	0	108,000
			47,186	37,470	0	37,470	37,470	0	37,470
			14,258	11,537	0	11,537	11,537	0	11,537
	Achieve quality housing		169,444	157,007	0	157,007	157,007	0	157,007
Homes and Places	Increase the supply and choice of Quality Housing		71,098	43,833	5,000	48,833	43,833	5,000	48,833
			5,417	4,301		4,301	4,301		4,301
	Increase the supply and choice of Quality Housing		76,515	48,134	5,000	53,134	48,134	5,000	53,134
	Implementaiton of Strategic Regeneration Areas		41,630	33,000	7,500	40,500	33,000	1,000	34,000
Regeneration	Manage Delivery of Legacy Regeneration Areas		3,400	2,000	0	2,000	2,000	0	2,000
	Local Authority Regeneration General Capital Funding		11,577	10,888	0	10,888	10,888	0	10,888
	Total Regeneration		56,607	45,888	7,500	53,388	45,888	1,000	46,888
	Total Homes and Places		302,566	251,029	12,500	263,529	251,029	6,000	257,029
Support and sustain a strong arts sector via the Arts Council and others	Arts Council of Wales - Capital Investment (inc WMC)		355	355	0	355	355	0	355
	Support for the Arts - Capital Investment (inc NBGW)		100	95	0	95	95	0	95
	Total Support and sustain a strong arts sector via the Arts Council and others		455	450	0	450	450	0	450
Museums, Archives and Libraries	Foster Usage and Lifelong Learning through Museum Services		600	600	0	600	600	0	600
			538	538	0	538	538	0	538
			0	1,000	0	1,000	1,000	0	1,000
	Total Foster Usage and Lifelong Learning through Museum Services		1,138	2,138	0	2,138	2,138	0	2,138
	National Library of Wales - Capital Maintenance Grant		550	550	0	550	550	0	550
	National Library of Wales - Specimen Purchase Grant		305	305	0	305	305	0	305
	National Library of Wales - Electronic Legal Deposit		100	0	0	0	0	0	0
	National Library of Wales - Replace Library Roof		530	0	0	0	0	0	0
	Total Foster Usage and Lifelong Learning through Library Services		1,485	855	0	855	855	0	855
	CyMAL - Peoples' Collection		100	50	0	50	50	0	50
	CyMAL - Capital		1,250	1,000	0	1,000	1,000	0	1,000
	Total Strategic Leadership for museum, archive & library services		1,350	1,050	0	1,050	1,050	0	1,050
	Total Museums, Archives and Libraries		3,973	4,043	0	4,043	4,043	0	4,043

SPA	Actions	BEL	BEL Number	2012-13 Supplementary Budget June 2012	2013-14 Indicative Plans Final Budget November 2011	2013-14 Changes	2013-14 New Plans Draft Budget	2014-15 Indicative Plans Final Budget November 2011	2014-15 Changes	2014-15 Indicative Plans Draft Budget
Delivery of effective sports & physical activity programmes	Delivery of effective sports & physical activity programmes	Sport and Active Wales Fund - Capital Expenditure	6010	400	400	3	403	400	6	406
		Sport and Active Wales Fund - Capital Receipts	6010	-55	-55	-3	-58	-55	-6	-61
Total Delivery of effective sports & physical activity programmes				345	345	0	345	345	0	345
Media and Publishing	Media and Publishing	Welsh Books Council - Capital		25	25	0	25	25	0	25
Total Media and Publishing				25	25	0	25	25	0	25
Conserve, protect, sustain and promote access to the historic environment	Conserve, protect, sustain and promote access to the historic environment	Cadw - Capital Expenditure	2700	5,298	5,016	0	5,016	5,016	0	5,016
		RCAHM - Capital Expenditure	6200	45	45	2	47	45	3	48
		RCAHM - Capital Receipts	6200	-30	-30	-2	-32	-30	-3	-33
Total Conserve, protect, sustain and promote access to the historic environment				5,313	5,031	0	5,031	5,031	0	5,031
Total Capital - Housing, Regeneration and Heritage				314,318	262,564	12,500	275,064	262,564	6,000	268,564

REVENUE BUDGET - Annually Managed Expenditure										
SPA	Actions	BEL	BEL Number	2012-13 Supplementary Budget June 2012	2013-14 Indicative Plans Final Budget November 2011	2013-14 Changes	2013-14 New Plans Draft Budget	2014-15 Indicative Plans Final Budget November 2011	2014-15 Changes	2014-15 Indicative Plans Draft Budget
Museums, Archives and Libraries	Museums	Museums Pensions		1,976	2,174	0	2,174	2,174	0	2,174
	Libraries	Libraries Pensions		514	566	0	566	566	0	566
Total Museums, Archives and Libraries				2,490	2,740	0	2,740	2,740	0	2,740
Housing	Achieve quality housing	Housing Revenue Account Subsidy	1300	-68,000	-55,000	-16,000	-71,000	-55,000	-16,000	-71,000
Total Housing				-68,000	-55,000	-16,000	-71,000	-55,000	-16,000	-71,000
Total AME - Housing, Regeneration and Heritage				-65,510	-52,260	-16,000	-68,260	-52,260	-16,000	-68,260

REVENUE BUDGET - Annually Managed Expenditure										
SPA	Actions	BEL	BEL Number	2012-13 Supplementary Budget June 2012	2013-14 Indicative Plans Final Budget November 2011	2013-14 Changes	2013-14 New Plans Draft Budget	2014-15 Indicative Plans Final Budget November 2011	2014-15 Changes	2014-15 Indicative Plans Draft Budget
	Housing, Regeneration and Heritage - Summary									
	Revenue DEL			278,330	279,597	1,825	281,422	279,643	1,830	281,473
	Capital DEL			314,318	262,564	12,500	275,064	262,564	6,000	268,564
Total DEL				592,648	542,161	14,325	556,486	542,207	7,830	550,037
Annually Managed Expenditure				-65,510	-52,260	-16,000	-68,260	-52,260	-16,000	-68,260
Total - Housing, Regeneration and Heritage				527,138	489,901	-1,675	488,226	489,947	-8,170	481,777

Communities, Equality and Local Government Committee

Welsh Language draft budget within the Education and Skills portfolio

Purpose

1. To provide an evidence paper for the Communities, Equality and Local Government Committee on the Welsh language draft budget allocation within the Education and Skills portfolio for 2013-14.

2. It is important to note that the figures outlined in the paper are for those identified within specific programmes to promote the Welsh Language. It is not possible to provide figures for the overall costs of promoting the language, since bilingualism is an integral part of the Welsh Government's vision and providing services bilingually is mainstreamed across all areas of its work.

Timing

3. The draft budget was published on 2nd October 2012.

The 2013-14 Education and Skills Draft Budget

4. The 2013-14 Draft Budget provides a two year plan for investment in the provision of education and skills in Wales. Table 1 provides an overview of the planned Education and Skills budget or 'main expenditure group' (MEG) together with the changes made to the indicative budget since the publication of the last Supplementary Budget in June 2012 (which restated the Education and Skills budget taking into account portfolio changes from Final Budget).

Table 1: Education and Skills MEG

	2012-13 Supplementary Budget June 2012 £000	2013-14 Indicative Plans Final Budget £000	2013-14 Changes £000	2013-14 New Plans Draft Budget £000	2014-15 Indicative Plans Final Budget £000	2014-15 Changes £000	2014-15 New Plans Draft Budget £000
Revenue DEL	1,676,529	1,694,824	-21,025	1,673,799	1,702,459	-20,825	1,681,634
Capital DEL	178,293	143,834	33,300	177,134	143,834	10,000	153,834
Total DEL	1,854,822	1,838,658	12,275	1,850,933	1,846,293	-10,825	1,835,468
Annually Managed Expenditure	178,309	161,285	15,584	176,869	153,310	29,839	183,149
Education & Skills	2,033,131	1,999,943	27,859	2,027,802	1,999,603	19,014	2,018,617

5. A similar evidence paper prepared for the Enterprise and Business Committee meeting on 17 October and Children and Young Peoples Committee on 10

October includes detailed information in relation to the rest of the Education and Skills budgets relevant to them.

Welsh Language Division

6. The Welsh Language Division was established in January 2012 by bringing together:

- Welsh in Education Unit - responsible for the Welsh-medium Education Strategy;
- Welsh Language Unit - responsible for the Welsh Language Strategy and implementing the Welsh Language (Wales) Measure 2011, and
- Welsh in the Community Unit - which consists of staff who have transferred to the Welsh Government in April 2012 following the abolition of the Welsh Language Board.

7. The proposed budget allocations for the Welsh Language Division are outlined in the table below. The allocations for 2013/14 and 2014/15 will be split between the Welsh Language in Education Unit and the Welsh Language Unit (which manages a budget jointly administered by the WLU and the Welsh in the Community Unit), as outlined below:

Table 2: Revenue Budget Allocation

	2012-13	2013-14	2013-14	2013-14	2014-15	2014-15	2014-15
	Supple- mentary Budget June 2012	Indicative Plans Final Budget	Changes	New Plans Draft Budget	Indicative Plans Final Budget	Changes	New Plans Draft Budget
	£000	£000	£000	£000	£000	£000	£000
Welsh in Education	16,412	12,377	3,835	16,212	12,377	3,835	16,212
Welsh Language	8,564	14,078	-5,214	8,864	14,078	-5,214	8,864
Welsh Language Total	24,976	26,455	-1,379	25,076	26,455	-1,379	25,076

Welsh Language Unit

8. Responsibility for most of the Welsh Language Board's grants and projects transferred to the Welsh Government in April 2012, along with responsibility for community development. This includes grants to Welsh language organisations such as the National Eisteddfod, Urdd Gobaith Cymru and the Mentrau Iaith.

9. The Welsh Language Commissioner is responsible for raising awareness of the official status of the Welsh language in Wales, Terminology and Translation, and implementing the new system of Welsh Language Standards.

10. The budget for the Welsh Language Unit is to support the implementation of the Welsh Language Strategy, A Living language: a language for living 2012-17, which reflects the content of the Welsh Language (Wales) Measure 2011, and complements the Welsh Medium Education Strategy (see below).

11. The new strategy, replaces the national action plan for a bilingual Wales, *Iaith Pawb*.

12. There are six strategic aims in the draft strategy, which are:

- strengthening the position of the Welsh language in the **community**;
- encouraging and supporting the **transfer of the language** within families;
- increasing the provision of Welsh medium activities for, and the promotion of the value of Welsh amongst, **children and young people**;
- improving Welsh language **services to citizens**;
- increasing opportunities for people to use **Welsh in the workplace**;
- and
- strengthening the **infrastructure** for the language.

13. All expenditure will be clearly aligned to the Strategy's six strategic aims.

14. The distribution of funding between the Welsh Language Unit and the Welsh Language Commissioner, for the first year following the changes brought about by the Welsh Language (Wales) Measure 2011, was agreed in March 2012. Of the £13.9 million that was distributed to the Welsh Language Board, the Commissioner receives £4.1 million for 2012/13, with £9.9 million allocated to the Welsh Language Unit

15. Of the £9.9 million, £4.026 million has been transferred to the Welsh in Education (formerly the Welsh Language Development) budget line and £1.35m transferred to DRCs. The remaining £4.5m will be used by the Welsh Language Unit to fund Grants and Projects.

16. For 2013/14 the budget will reflect the changes made in 2012/13, giving the Welsh Language Unit an indicative budget of £8.864m. The arrangements for considering the Welsh Language Commissioner's budget are outlined in Part 5 of Schedule 1 to the Welsh Language (Wales) Measure 2011. The Commissioner will prepare an annual estimate of income and expenditure, and submit it to Welsh Ministers at least five months before the beginning of the financial year; Welsh Ministers will examine the estimate and lay it, with modifications if there are any, before the National Assembly for Wales. The balance from the grant to the Commissioner will be used by the Welsh Language Unit to fund Grants, Projects and the set up of a Welsh Language Tribunal.

Table 3 Main areas funded by the 2012-13 Welsh Language Unit Expenditure

Grant to Welsh Language Commissioner	£4.1m
Grants to Promote the Welsh Language	£3.6m
Welsh Language Projects	£0.864m
	£8.564m

Welsh in Education Unit

17. The continued delivery of the Welsh-medium Education Strategy is a key commitment in the Programme for Government for 2011-16. The Strategy outlines a long-term agenda for the continued development of Welsh-medium and Welsh-language education and training, and therefore successful implementation will require ongoing investment from the Welsh Government. The Strategy has been operational since April 2010. The most recent annual progress report on implementation was published in July 2012

18. Some important achievements during the first two years of implementation include:

- A new planning framework for Welsh-medium education delivery by local authorities has been established; the new Welsh in Education Strategic Plans (WESPs) have been operational since 1 April 2012
- The creation of an amalgamated Welsh in Education grant with a new focus which will assist local authorities in meeting the objectives expected of them as outlined in the Strategy from 2012 onwards
- The continued development of new Welsh-medium provision, including vocational provision, for the 14-19 age range
- The roll-out of the Bilingual Champions project to all FE colleges by April 2013 and the establishment of a Bilingual Champion for the Work-based learning sector
- Significant investment in a national framework for practitioner training through the Welsh Language Sabbaticals Scheme

- Continued support for the provision of opportunities for adults to learn Welsh through the Welsh for Adults programme
- The commissioning of new Welsh-medium teaching and learning resources.

19. The current budget for implementing the Welsh-medium Education Strategy is set at £16.412 million per financial year (Welsh in Education BEL 5164). From 2012-13, this includes £4.026 transferred from the Welsh Language Unit for grants which were previously funded by the Welsh Language Board, namely Mudiad Meithrin and the athrawon bro.

20. In addition to the specific Welsh-medium Education Strategy budget, funding for Welsh-medium education and training is also mainstreamed into policies and programmes managed by other teams across DfES.

21. Indicative budgets show that the budget for implementing the Welsh-medium Education Strategy will be protected at current levels. This will enable a range of developmental work to be undertaken in support of the priority actions identified in the Strategy. Additionally, £200k was transferred from Welsh in Education to Welsh Language Division after savings were identified from planned expenditure.

22. The main areas of work funded by the 2012-13 Welsh-medium Education Strategy budget are indicated in the table below:

<i>Table 4 Main areas funded by the 2012-13 Welsh-medium Education Strategy Expenditure</i>	
Planning and mainstreaming of Welsh-medium education and development of provision (including 14-19, FE colleges)	£2.405m
Welsh in Education Grant and support to Local Authorities	£5.630m
Delivery of Welsh-language provision through Welsh for Adults and Welsh second language	£2.604
Practitioner training (including the Welsh-language Sabbaticals Scheme)	£2.673m
Commissioning of teaching and learning resources	£2.900m
Research, evaluation and marketing	£0.200m
Total	£16.412m

23. There are no significant changes planned for 2013-14, although the proportion of the budget to be utilised to support each of the key areas listed above will vary according to the actions prioritised for consideration during 2013-14.

Welsh Language Expenditure within other Programmes in the Education and Skills MEG

24. Table 4 includes information on distribution of funding on Welsh language projects within other programmes in the Education and Skills MEG. The figures are indicative estimates at this stage as budgets for 2013-14 has not yet been disaggregated below BEL level.

Table 4: Welsh Language Funding in other areas of the Education & Skills MEG

Description	Indicative Estimate £000	Education & Skills BEL
Iath Pawb	2,000	Foundation Phase
Welsh Books Council Grant	337	Literacy and Numeracy
Welsh Medium Incentive Supplement	280	Teacher Development & Support
Welsh Medium Qualifications	640	Qualifications (5160)
Welsh for Adults	10,576	Further Education Provision (4763)
Welsh Medium Uplift	6,096	Further Education Provision (4763)
Welsh GCSE/AS/A2 Provision	1,483	Further Education Provision (4763)
Training for Welsh for Adults Tutors	98	Higher Education Revenue (4620)
Welsh Medium Premium	899	Higher Education Revenue (4620)
Initial Teacher Training	600	Higher Education Revenue (4620)
Welsh Medium Scholarships	130	For Our Future Projects (4681)
Coleg Cymraeg Cenedlaethol	4,049	For Our Future Projects (4681)

Summary

25. The Welsh language draft budget allocation within the Education and Skills portfolio for 2013-14 is presented to the committee for consideration.

By virtue of paragraph(s) vi of Standing Order 17.42

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Agenda Item 6

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Name of meeting: CABINET COMMITTEE

Date: 14TH August 2012

Title of report:

REMOVING BARRIERS TO WORK AND TRAINING – Eligibility for free early education and childcare

Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Is it in the Council's Forward Plan ?	Yes
Is it eligible for call in by Scrutiny ?	Yes
Date signed off by <u>Director</u> & name	Alison O'Sullivan – 1 st August 2012
Is it signed off by the Director of Resources?	David Smith August 1 st 2012
Is it signed off by the Acting Assistant Director - Legal & Governance?	Vanessa Redfern – 1 st August 2012
Cabinet member portfolio	CHYPS Cllr Cath Harris Cllr Peter O'Neill

Electoral [wards](#) affected: All

Ward councillors consulted: Cabinet Briefing Members

Public or private: Public

1.0 Purpose of report

- 1.1 This report outlines proposals to introduce a new flagship support package to fund childcare for parents moving from benefits into work and training.
- 1.2 It also highlights the proposals and preparations for the expected expansion of free early education and care for 2 year olds.

2.0 Key points

Background

- 2.1 The foundation years (pregnancy to age five) are critical to children's life chances. Research¹ shows the importance of high quality early education in supporting children's development. Most children who are developing well at the end of the Foundation Stage go on to do well in school and later life, and children who fall into the lowest achieving 20% at the age of five are six times more likely to be in the lowest 20% at age seven.
- 2.2 A number of recent reviews² and policy documents³ have highlighted the importance of tackling poverty in order to improve life chances for children. The provision of affordable, high-quality child care is a cornerstone in supporting parents and carers to take up employment and training opportunities. The availability and affordability of high quality childcare services contributes to improving the skills and employability of parents.
- 2.3 Tackling poverty and improving life chances for children are therefore key priorities for Kirklees Council.
- 2.4 In supporting these local priorities this paper proposes to trial a flagship scheme which offers childcare to parents moving from benefits into work or training. This is particularly important when parents work in relatively low-paid jobs or are in training and the costs of childcare acts as a disincentive and becomes a barrier to improving family life.
- 2.5 Subject to parliamentary approval of regulations the Department for Education will publish Statutory Guidance on the delivery of 15 hours free early education for the most disadvantaged 2 year olds (20% of the cohort) which will come into force in September 2013. This will rise to 40% of two year olds from September 2014.
- 2.6 Kirklees Council is committed to enabling more children to access free high quality early education and this paper proposes an early roll out of the programme before legislation comes into force. This would enable growing numbers of two year olds to be able to access 10 hours of free provision from September 2012. This early expansion would provide increased opportunities for young children to learn, develop and improve readiness for school and life long learning.

ELIGIBILITY

- 2.7 As part of a pilot programme, Kirklees currently funds children who fall into the categories below to access 10 free hours of early education and childcare:
Children:

- Who are Looked After by the Local Authority
- Have a child protection plan
- Are assessed as a child in need
- Have a CAF
- Have a recognised disability

It is proposed that these children continue to be eligible⁴ as the programme expands and becomes an entitlement for some 2 year olds.

¹ Sammons, P. Sylva, K. Melhuish, E. Siraj-Blatchford, I. Taggart, B. And Hunt, S. (2008) *Influences on Children's Attainment and Progress in Key Stage 2: Cognitive Outcomes in Year 6*. DCSF Research Report DCSF-RR048

² Independent Review on Child Poverty, Frank Field; Early Intervention: The next steps, Graham Allen.

³ Supporting Families in the Foundation Years DfE/DoH

⁴ In some circumstances it may not be appropriate for very vulnerable or distressed children to take up free provision and this decision must rest with the lead professional working with the family/child. In the main however, it is suggested that lead professionals working with children and families in need from which ever agency, should proactively support access to free provision.

- 2.8 In addition, this paper proposes to trial the funding of **up to 25 hours free childcare per week**, during term time for parents living in Kirklees with children aged 0-14 (18 for children with special needs or disability):
- Who are in receipt of Job Seekers Allowance and who currently find it difficult to access funding for childcare; and
 - Who take up specified training which supports work readiness
- 2.9 This paper also proposes to trial the expansion of 10 hours free childcare for 2 year olds eligible for free school meals and whose parents or carers receive one or more of the following:
- Income Support
 - Income Based Job Seekers Allowance
 - Income Related Employment and Support Allowance
 - Child Tax Credit, but are not entitled to a Working Tax Credit and your annual income (as assessed by Her Majesty's Revenue and Customs) is less than £16,190
 - Support under Part V1 of the Immigration and Asylum Act 1999
 - Guarantee element of State Pension Credit
- 2.10 As part of this programme parents will be expected to attend an information session and subsequent support sessions at their local children's centre where they will be advised about the range of services, training and development opportunities which are available whilst their child is accessing childcare. Eligibility for this element of the scheme should begin the term after a child becomes two. This will afford a smooth transition for children into their universal entitlement of 15 hours when they become three.

FUNDING

- 2.11 Since 2011, increased levels of funding have been made available to local authorities to prepare for forthcoming legislation which will require Local Authorities to secure 15 hours of free early education and childcare for 20% of 2 year olds from September 2013, (40% from 2014).
- 2.12 To this end and based on national announcements the Council has agreed budget plans subject to additional government funding as follows:

	Total allocation
2012/13	£1.3m
2013/14	£2.5m (routed through DSG)
2014/15	£4.8m (routed through DSG)

- 2.13 This funding would represent a significant investment in the childcare sector over the next few years.
- 2.14 In October 2011, Cabinet also agreed that any savings made from the transformation of daycare services above those required for the Medium Term Financial Plan would also be made available to support funded places for disadvantaged 2-year-olds.
- 2.15 This significant and early commitment to invest in Early Education and Childcare prior to legislation coming into effect, enables Kirklees to be at the forefront of aligning local anti poverty and childcare strategies and bring together the availability of free provision with approaches to reducing worklessness and tackling poverty.
- 2.16 It is proposed that upto £460,700⁵ of the 2012/13 allocated budget be made available to fund the flagship scheme as outlined at 2.8 to enable Job Centre

⁵ This sum has been calculated by approximating the demand as 25 hours for 100 children. It is likely that the budget will fund additionality for more than 100 children as not all will require 25 hours. Funding to childcare providers will be based on the actual hours taken

Plus/ and the local College and University to make childcare available for parents taking up work or embarking on training which affords the greatest opportunity for skills development and which will secure long term employability.

- 2.17 It is proposed that the remaining part of the budget allocation for 2012/13 be used to fund childcare as outlined at 2.9 above. (These two strands of the scheme are not mutually exclusive and for example a parent with a 2 year old could be able to access 10 free hours and top these up in order to take up a vocational training scheme)
- 2.18 Effective management and monitoring of the budget and the use of corrective action to secure maximum take up without exceeding the allocated budget will be critical.
- 2.19 It is anticipated that the assessment of eligibility and the allocation of funding will be via the current systems and processes for Free Early Education and Childcare.
- 2.20 On 30th May 2012 the Government announced that it will route Early Education and Childcare funding for 2-year-olds via the Dedicated Schools Grant from April 2013. This will align the funding arrangements with those already in place for the funding of 15 hours free early education and childcare for 3 & 4 year olds.

EXPANDING THE SCHEME

Principles

- 2.21 The following principles are intended to underpin the expansion of the scheme;
 1. Funding for free childcare should be strongly aligned to the Council's priorities to reduce poverty and improve outcomes for children.
 2. Access to free childcare provision should be barrier free
 3. Bureaucracy should be minimised
 4. Only high quality provision should be funded
 5. Utilisation of the local authority's childcare market management and commissioning framework to manage the childcare market.

Sufficiency of High Quality Childcare Provision

- 2.22 Substantial engagement with the childcare sector has been undertaken as a result of the funding commitment outlined above. Many providers have been investing in their businesses in readiness for this expansion to ensure that there is sufficient provision available.
- 2.23 High quality childcare services have the greatest impact on outcomes for children and in recent years significant investment has been made in the sector so that 79% of childcare providers are now rated good or outstanding by Ofsted.
- 2.24 Recent investment in childcare workforce development programmes have increased the number of graduates and qualified staff in the sector. Children's learning, development and school readiness is better supported than ever before by skilled practitioners.
- 2.25 The Kirklees childcare sector is estimated to contribute £50-60 million to the local economy each year and is estimated to employ approximately 2,200 people. The expansion of free provision for 2 year olds will add significant value to this sector which is estimated to build up to an additional £8 million from 2014
- 2.26 It is estimated that the level of investment indicated at 2.11, will secure approximately 250 full time equivalent jobs in the Kirklees childcare sector.
- 2.27 The use of professional childcare services brings parents into contact with a wide range of other services, (particularly through Children's Centres) which support parents in developing confidence and work related skills so that they

are able to move into work once their child starts school. (For example Basic Skills training).

- 2.28 From September 2012, the Early Years Foundation Stage places a statutory requirement on childcare providers to review children's progress at the age of 2 and supply parents with a short written summary of their child's progress.
- 2.29 As a growing number of 2 year olds begin to access free provision it will become increasingly important for childcare professionals to work in partnership with health colleagues who are also charged with undertaking assessment of two year olds, in order to reduce duplication and confusion for parents.

Effective Partnerships

- 2.30 Partnership working between the council and the local training and learning providers and job centre plus will be critical to success. It is recommended that these links are maintained and strengthened in order to ensure that barriers to work and training are reduced and that the availability and support for childcare services for parents returning to work or training are maximised.
- 2.31 Section 3 of the Childcare Act 2006 requires local authorities to make arrangements to secure early childhood services⁶ in an integrated manner in order to maximise access and benefits to families and children. Integrated working means anyone working with young children and their families should work together and combine their professional expertise, knowledge and skills, to deliver a co-ordinated package of support.
- 2.32 It is recommended that during the child's induction period with the childcare setting, parents of funded 2 year olds should be expected to attend an information session at the local children's centre where they find out about local availability of training and development opportunities.
- 2.33 Childcare providers are in a unique position to provide information and support to parents about the availability of activities to support skills development and confidence. In order for children and families to secure maximum benefit from their childcare provision, the integration of childcare services with other children's services will continue to be facilitated through the work of the Early Intervention Board.

Publicity and Marketing

- 2.34 Planning for the publicity and marketing campaign to support the proposals is well under way. It is anticipated that a publicity launch in late August/Early September will encourage take up and increase demand for childcare places considerably.

3.0 Implications for the Council

3.1 Legal Implications

3.2 Financial Implications

Early Intervention Grant funding tagged by the Government for Free Early Education and Care for 2 year olds, is being used flexibly to deliver on the proposals outlined in this paper. From April 2013 however, this funding will be routed via the Dedicated Schools Grant and funding for childcare other than for disadvantaged 2 year olds will therefore need to be found from elsewhere.

It is not expected that DSG funding will be able to be used to fund the proposed scheme to support parents into work or training. As a result, a continuation of the proposed scheme into 2013-14 would require resources to be identified of approx £150k. This would lead to an examination of all existing 2013-14 EIG budgets to identify where such resources could be

⁶ Early childhood services are defined as Childcare , Social services functions, Health services, Job centre plus, Information Advice and Guidance for parents:

found. Until further details of the transfer of funding to the DSG are confirmed, more detailed analysis is not possible.

The financial model for the proposals in this paper make estimates of take-up in the current year. There remains a risk that take-up in excess of estimates would create a financial pressure for the Council.

It is important to note that the proposed continuation of existing criteria for two year olds in addition to eligibility prescribed by the expected statutory guidance (September 2013), may require additional resources to be identified.

3.3 HR implications

The rollout of this programme has been taken into account in the recent Early Learning and Childcare Review.

3.4 IT implications

Development of the current system is underway

3.5 Council Priorities

The proposals in this report support the delivery of Corporate Priorities to enhance life chances for young people and to support business growth and create jobs.

3.6 Equalities Impact Assessment

Stage 1 and 2 Equality Impact Assessments have been completed and are available on request from the contact officer (see below). The proposals are intended to reduce inequalities and should not have any negative impact on any sector of the community.

4.0 Consultees and their opinions

4.1 The following people/ groups/ councillors/ officers/ partners/representatives have been consulted in the preparation of this report

- Huddersfield College
- Huddersfield University
- Job Centre Plus
- Pre-school Learning Alliance
- National Day Nurseries Association
- National Childminding Association
- Schools
- Cabinet Briefing
- Children and Young Peoples Directorate Management Team
- Revenue and Benefits Service
- Learning Service
- Early Intervention and Targeted Support Service

4.2 The response from consultees to this proposal has been positive. The provision of free childcare will remove barriers to work and training for parents and support improved outcomes for children.

5.0 Proposed Next Steps

5.1 Launch the publicity and marketing campaign.

5.2 Finalise the mechanism for funding childcare costs for parents enrolled with local training providers

- 5.3 Finalise the mechanism for funding childcare costs for parents engaged with Job Centre Plus Programmes.
- 5.4 Continue to implement the local authority's childcare sufficiency plan which will ensure that there are enough childcare places in the right locations across Kirklees.
- 5.5 Establish a system for confirming eligibility which is simple and accessible for parents, lead professionals, colleges, training providers and childcare services
- 5.6 Monitor take up and spend and take appropriate action to balance the available funding allocation.
- 5.7 Continue to establish and embed clear protocols with social care, health and children's centres which ensures effective partnership and integrated working with childcare providers to support routes to access relevant services for parents.
- 5.8 Continue to work in partnership with health and children's centre colleagues to develop a consistent approach to the content of and approach to implementing a progress check for 2 year olds.
- 5.9 Continue to challenge and support childcare services to continuously improve the quality of their provision
- 5.10 Implement the Childcare Workforce Development Plan.
- 5.11 Continue to operate an effective and efficient administration system to allocate funding in line with Local authority processes and procedures.

6.0 Officer Recommendations and Reasons

It is proposed that:

- 6.1 Kirklees Council continues to fund free early education and care for a prescribed number of hours⁷ for 2 year olds who have been assessed as meeting the following criteria:
 - A Looked After child
 - A child with a child protection plan
 - A child in need
 - A child with a CAF
 - A child with a disability
- 6.2 Once a child becomes eligible under this programme it is proposed that they remain entitled until they become eligible for 15 hours of universal provision when they become three.
- 6.3 A flagship scheme which supports the Council's priority to tackle poverty and support parents in to work and training be trialled. Eligibility criteria for funded childcare for this programme during 2012/13 is proposed as follows:
 - up to 25 hours funded childcare for parents on Job Seekers allowance
 - up to 25 hours for parents who take up particular training which supports work readiness.
- 6.4 In readiness for Statutory Guidance requiring the expansion of 15 free hours of early education and childcare to 20% of 2 year olds from September 2013, (40% from September 2014), 10 hours of provision for 2 year olds who meet the criteria for free school meal eligibility should be made available from September 2012. In order to access places funded through this early roll out parents will be expected to attend an information session and subsequent support sessions at their local children's centre where they will be advised about the range of services, training and development opportunities which are available whilst their child is accessing childcare. Eligibility for this element of the scheme should begin the term after a child becomes two. This will afford a

⁷ Currently 10 hours but rising to 15 from September 2013

smooth transition for children into their universal entitlement of 15 hours when they become three.

7.0 Cabinet portfolio holder's recommendations

Support the Officer Recommendations

8.0 Contact officer and relevant papers

Carol Lancaster

Senior Manager Early Learning and Childcare

E:mail carol.lancaster@kirklees.gov.uk

9.0 Assistant director responsible

John Edwards

Assistant Director for Learning

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By virtue of paragraph(s) vi of Standing Order 17.42

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