

SURREY COUNTY COUNCIL**CABINET MEMBER FOR SCHOOLS, SKILLS AND EDUCATIONAL ACHIEVEMENT****DATE: 10 SEPTEMBER 2015****LEAD OFFICER: PETER-JOHN WILKINSON, ASSISTANT DIRECTOR FOR SCHOOLS AND LEARNING****SUBJECT: INVESTMENT IN AN ICT SOLUTION FOR THE ADMINISTRATION OF FREE EARLY EDUCATION PLACES FOR TWO, THREE AND FOUR YEAR OLDS****SUMMARY OF ISSUE:**

This report provides details of the development of an Early Years web based system for the collection of data in relation to children receiving free early education entitlement for two, three and four year olds including checking eligibility for two year olds. This system will be piloted in September 2015 and fully implemented by January 2016. Approval is requested to fund the system currently under development.

RECOMMENDATIONS:

It is recommended that:

Capital investment in a web based early years system for the administration of the free early education entitlement for two, three and four year olds is retrospectively approved.

REASON FOR RECOMMENDATIONS:

Several options were appraised, including procuring an Information and Communication Technology (ICT) system. However, to support administration of free early education (FEE) entitlement an in-house development was recommended and is under development ..

DETAILS:**Background**

1. The Early Years and Childcare Service (EYCS) is responsible for administration of the FEE entitlement for two, three and four year olds across Surrey. This includes collecting data and making payments for approximately 20,000 children across 870 private, voluntary and independent (PVI) settings.
2. The current system is largely paper based with providers completing manual returns which are used to populate the Education Management System (EMS One provided by Capita) and spreadsheets. In turn these are used to complete Department for Education (DfE) census returns and initiate payments to

providers. It is particularly important that DfE census returns are accurate and completed to deadline as these are used to determine the level of Dedicated Schools Grant (DSG) Surrey receives to fund the free entitlement.

3. The workload has been increasing as the population of young children has increased. In particular the introduction and extension of the free entitlement for deprived and vulnerable two year olds has increased workloads. In the spring term of 2013, 17504 places were funded for FEE and Free Early Education for Two Year Olds (FEET). In 2014, this increased to 20,424. Two year old entitlement depends on household income which the service is required to check.

Options Considered

4. These pressures led the service to seek a more efficient system that would reduce transaction costs for all parties, be timelier and less prone to errors. The specification for the system included:
 - A portal to allow early years providers to securely send children's information which can automatically interface with EMS and be used to make more accurate and timely payments as well as DfE returns.
 - Automate checking of entitlement for two year olds including a self service option for parents
5. This coincided with the DfE making a £2.2m un-ring fenced capital grant available to support the extension of the free entitlement to two year olds. The county council augmented the funds available by £1.3m to provide an overall budget of £3.5m. The budget has mainly been used to support providers to expand their provision through providing funds for building adaptations and equipment. Initially, £0.25m was earmarked for the development of the ICT system.
6. Four options have been explored in order to deliver a system that meets the specification (see Part 2).
7. In-house development was the preferred option which has been pursued. None of the alternatives were able to meet all of the functionality required. This solution offers flexibility and is adaptable overtime whereas third party solutions are more rigid with limited ability to customise products. The in-house development also offers the possibility of adaptation for other business areas where there is a requirement to check eligibility for services.
8. Work on the FEE application aspect of building the new system began on 28 November 2014. User acceptance testing took place in July 2015. A pilot is due to commence in the north west area in September 2015 with full implementation in January 2016. Future development is to work on the automated checking of entitlement for two year olds and a self service option for parents and the administration of FEE and FEET eligibility and claims.

CONSULTATION:

9. There is no requirement for any formal consultation on the decision. The internal officer group (CSF Technology Board) which reviews ICT developments across Children, Schools and Families, has considered and supported this development.

RISK MANAGEMENT AND IMPLICATIONS:

10. Without an ICT system there is reputational risk to the county council in relation to maintaining accurate records of increasing numbers of children accessing early education places which could impact on making timely payments to providers, and returns to DfE for example.
11. Without more streamlined ICT enabled processes there is a risk that more staff resources will be required to maintain manual systems.

Financial and Value for Money Implications

12. The in-house option offers the potential to adapt the eligibility checking aspects of the system to other service areas which may yield further opportunities for efficiencies compared to the current manual processes and systems.
13. It is recognised that there will be some additional salary costs whilst the system is developed of £30,000. However, once the system is developed there is the potential opportunity for on-going salary savings of around £55,000 pa.
14. The system is being developed using external contractors with the necessary skills, as advised by the CSF Technology Board.
15. A business case for the portal development was presented to Investment Panel in March 2013 and the service was requested to provide clarification on the other options available. In August 2015 an updated business case outlining the system under development was presented to Investment Panel, who acknowledged the system was being developed.

Section 151 Officer Commentary

16. Within the Medium Term Financial Plan (MTFP) a capital budget of £3.5m has been approved to support the development of early education and childcare.
17. Funding for the implementation of the new IT system will be met from this budget.

Legal Implications – Monitoring Officer

18. The only implication within this report is the duty on SCC to ensure that there are sufficient early education places for eligible two, three and four year olds.
19. There are no legal implications or monitoring officer issues arising from this report.

Equalities and Diversity

20. A full equalities impact assessment has not been undertaken on this proposal as it is unlikely that the proposal would have a negative impact on any groups with protected characteristics. The proposals within this report are targeted at sections of the community that are already at risk of not accessing services.

Other Implications:

21. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	Looked after children are eligible for a two year old early education place.
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report
Public Health	No significant implications arising from this report
Climate change	No significant implications arising from this report
Carbon emissions	No significant implications arising from this report

22. Should any of the above issues have direct implications arising from this report – please address them under the following headings (those that do not apply can be deleted).

Corporate Parenting/Looked After Children implications

23. The DfE has stipulated that looked after children are eligible for a FEET place. Children’s Services have been informed of this and places have been taken up by looked after children.

Safeguarding responsibilities for vulnerable children and adults implications

24. There are no significant implications arising from this report. However, access to a FEET place is part of the county council’s early intervention programme and families are offered support through children’s centres.

Public Health implications

25. There are no significant implications arising from this report.

Climate change/carbon emissions implications

26. There are no significant implications arising from this report.

WHAT HAPPENS NEXT:

- To complete the development of the portal and undertake the pilot in the autumn term and implement the full roll-out from January 2016.
- To work with the Technology Board on potential future uses for SCC – an example of this would be the Early Years Pupil Premium.
- We do not envisage that any further decisions will be required in the Future.

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Consulted:

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Annexes:

None

Sources/background papers:

- All background papers used in the writing of the report should be listed, as required by the Local Government (Access to Information) Act 1985.
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