



**Haringey** Council

**The Children and Young People's Service  
CONSULTATION - AUTUMN 2010**

**Title:**

**Consultation on an Early Years Single Funding Formula -  
Funding Free Places for 3 and 4 Year Olds from April 2011.**

**Purpose of the Consultation.**

The Council must implement, in consultation with its schools forum, an Early Years Single Funding Formula (EYSFF) in order to fund the free entitlement for 3 and 4 year olds. The free entitlement allows for up to 15 hours of provision over a minimum of 38 weeks.

The changes in funding arrangements proposed in this consultation document will affect all providers of the free entitlement for 3 and 4 year olds. In addition, the implementation will be heavily influenced by the outcomes of the Government's spending review and therefore may also have implications for all settings that receive resources via the Dedicated Schools Grant (DSG). We are therefore seeking the views of all relevant stakeholders on the proposed formula in order to inform the Schools Forum's recommendation to the Council.

We consulted in detail, including giving an opportunity to meet with officers at road shows, in the autumn 2009 and spring 2010 terms on a proposed model for Haringey, which we intended to implement in April 2010. The then government's decision to postpone implementation to April 2011 has given us the opportunity to review our proposals, including consideration of comments made in the earlier consultation.

We have set out in this paper the outline of the formula largely as proposed last year for further consideration on the principles of the formula and in particular on its fairness. We are also proposing some changes to the earlier formula and are seeking your views on these.

The Schools Forum, which has a statutory consultative role in respect of the

Dedicated Schools Budget has set up a Project Board consisting of officers and representatives of all relevant settings and they have been involved in developing the proposed formula. Underpinning the proposed formula is the Council's Early Years Policy, which is attached to this document.

Haringey Schools Forum will consider the consultation responses in December 2010 and make a recommendation to Haringey Council. We will implement the formula, as finally agreed, for the local authority's 2011-12 financial year, i.e. April 2011 to March 2012.

**Consultees:**

- Chairs of Governors of all maintained schools and nursery schools.
- Head teachers of all maintained schools and nursery schools.
- The Ofsted registration holder of all private, voluntary and independent settings providing the free entitlement.
- All members of the Haringey Schools Forum.
- Children's Centre managers
- Haringey Councillors.
- Any other interested parties.
- The consultation documents have also been placed on the Haringey Council website to allow for the widest consultation.

**How to Respond:**

You may like to use the response form at the end of this document, alternatively if you wish to respond more fully in a separate letter that will be acceptable. However, we would ask that all responses reflect clearly the details of the person responding and the capacity in which the response is being made. The postal and e-mail addresses for return are included on the form and all responses must be received by **8<sup>th</sup> December 2010**.

**Equality Impact Assessment.**

As with all major changes there is a need to ensure that the approach being proposed does not result in unexpected or unintended consequences when considered alongside other policies either of the Council or the government.

Equalities Impact Assessments (EIA) allow us to assess the effects a policy, strategy or function may have on people depending on their ethnicity, disability, gender, age, religion and belief or sexual orientation.

An initial EIA has been carried out and we are committed to keeping the impact of the EYSFF under review.

The EYSFF will alter the distribution of resources between maintained and

non-maintained settings. As no additional resources are available this will move resources into the PVI sector. Take-up of places is greater in areas that are more affluent and this will affect the distribution of resources within the borough. We intend to mitigate this by the use of a deprivation factor and by the targeting of resources for children most in need.

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# 1. Background to Proposed Changes.

1.1. We will introduce the Early Years Single Funding Formula (EYSFF) in April 2011. This is a legal requirement that will affect the funding of **ALL** providers of the free entitlement, including maintained nursery classes and schools. The free entitlement is now a maximum of **15 hours per week** over at least 38 weeks per year for all three and four year olds, **free at the point of delivery**. This requirement came into force nationally in September 2010.

1.2. The Early Years Single Funding Formula is being introduced at a time when there are a number of significant pressures some of which are contradictory:

- The Government expects local authorities to take into account the sustainability of all settings whilst specifically recognising that the previous funding arrangements for Nursery Schools is a particular challenge.
- The government wishes the formula to be equitable and transparent in its operation whilst recognising that different settings face different costs and have been previously funded through a variety of methods.
- A policy to narrow the attainment gap between the 20% lowest achieving in our community and others by targeting our early years provision and resources effectively.
- A desire to provide early education services to parents and children in recognition of the benefits that this can bring, together with a wish to provide services in a flexible way to parents to assist in their childcare needs e.g. to facilitate a return to work.
- Potentially significant changes to both the level of, and mechanisms for distributing, resources between authorities.
- The government has also raised its intention to extend provision to the most disadvantaged 2 year olds.

1.3. The Council will determine, in consultation with the Schools Forum, the amount of money available for funding the free entitlement in 2011-12. The hourly rates and supplements must therefore be seen as indicative amounts only to illustrate the principles and relative distribution of resources through the EYSFF based on funding levels for 2010-11.

1.4. The Table below sets out the level of resources that were available to the Council in 2010-11. This includes some grant funding that has not been confirmed for 2011/12 and funding for supplements and contingencies not included in Appendix 3.

<b>Setting</b>	<b>Funding Type</b>	<b>£000</b>
Nursery Schools		1,640
Nursery Classes	Age Weighted Pupil Unit	5,364
	Additional Educational Needs	543
PVI	'Nursery Education Grant'	2,046
All	Extended Hours and Flexibility Grant	2,246
<b>Total</b>		<b>11,839</b>

1.5. Whilst the EYSFF is clearly targeted at a specific age range, there are wider funding implications for all recipients of DSG funding; hence this consultation has been sent to a number of institutions that do not provide services to 3 and 4 year olds. The School Forum will consider the funding levels for 3 and 4 year olds that it wishes to recommend to the Council's Cabinet in the light of its 2011-12 budget strategy.

1.6. We intend to put in place transitional arrangements to assist settings in managing the transition from the current levels of funding to those that will result from changes to their funding whether brought about by the introduction of the formula or through changes to overall funding levels.

1.7. The EYSFF will replace a number of very different mechanisms for funding that currently exist.

1.7.1. In maintained nursery classes, the EYSFF will replace elements within the current funding formula for mainstream schools, such as the Age Weighted Pupil Unit, the Additional Educational Needs allocation and the separate funding for the extended free entitlement.

1.7.2. In Private, Voluntary and Independent (PVI) settings it will replace funding known as 'Nursery Education Grant' (NEG) and the funding for the extended free entitlement.

1.7.3. The EYSFF will also apply to nursery schools who are currently funded for 3 and 4 year olds through an existing formula that includes a substantial lump sum element in recognition of high fixed costs relative to the number of children educated. Whilst we have consulted on a formula which recognises these fixed costs through the base hourly rate, we are also exploring whether a lump sum to replace part of the hourly rate would be more appropriate and your views on this has been sought as part of this consultation.

1.8. In some cases, the method of counting the number of children to be funded will also change with the introduction of termly counts, replacing the single annual count for maintained nursery classes, and the removal of planned places in maintained nursery schools, (the only

exception allowed by national regulation is for places for those children with special educational needs).

1.9. The government has not made provision for any additional resources in support of the implementation of the EYSFF, although the Schools Forum can recommend to the Council that a redistribution of resources, away from other age groups, could take place. If the existing level of resources are maintained however, the formula will have the effect of moving resources from schools and maintained settings into the PVI sector.

1.10. A sufficiency analysis suggests that the take-up of places is greater in areas that are more affluent and this will also affect the distribution of resources within the borough. We will endeavour to mitigate this by the use of a deprivation factor and by the targeting of resources for children most in need but may, given the constraints on funding referred to earlier, have difficulty in achieving this.

1.11. We undertook a detailed consultation on the EYSFF in the autumn 2009 and spring 2010 terms, before the previous government postponed the introduction of the formula for a year.

You can find the earlier consultation at:

[http://harinet.haringey.gov.uk/index/children\\_and\\_families/eyc/single\\_funding\\_formula.htm](http://harinet.haringey.gov.uk/index/children_and_families/eyc/single_funding_formula.htm)

1.12. Since last year, we have developed the Council's Early Years Policy, which underpins the principles of the EYSFF. We have continued to work on the EYSFF, taking account of feedback from the earlier consultation and the main proposals, including options in some areas, are set out in Section 2. You may respond to the specific questions posed in this consultation and we are also happy to receive any further views you may have on our earlier proposals.

## 2. Early Years Single Funding Formula Explained.

The proposed EYSFF consists of

- **base rate**, covering the main costs of providing the free entitlement, and
- **supplements** to reflect different levels of deprivation, hours of opening etc in different settings.

### 2.1. Base Rate

Based on the current level of resource we envisage that the base rate, including the allocation for full time places, will account for about **80%** of funds allocated through the formula. However, factors such as the

overall level of resources and any prioritisation attached to supplements may affect this.

2.1.1. **Basic Hourly Rate.** The basic hourly rate, incorporates funding for:

- Direct staffing costs, this takes account of the relative pay rates in the different sectors for teachers, lead and support workers and the contact ratios in the different sectors. Contact ratios are dependent on the qualification of those providing services<sup>1</sup>. It also takes account of the need for direct contact staffing at all times and of the need to fund National Insurance and employers pension contributions.
- Indirect staffing costs, this recognises the costs of management, administration and Planning, Preparation and Assessment (PPA) time.
- Learning Resources, provision for this has been made at £102 per child per year. We have recognised that unrecoverable VAT may be an issue for some settings and we have reflected this in the VAT supplementary rate below.
- Premises costs, for nursery classes based in maintained primary schools are covered by the premises allocation in the schools' funding formula so, following the principle of not double funding settings, these have not been included for those settings in the costs for the single funding formula. Children Centres premises costs are similarly paid via the Children's Centre Formula allocation and so are also not included. Last year, we proposed a flat rate allocation of £0.42 per hour for PVI settings, based on formula allocations in maintained schools, this is under review and we welcome your views to Question 1.

### ***Premises Cost in PVI Settings.***

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<sup>1</sup> The Statutory guidance for the EYFS gives the minimum requirement of staff to children in all settings for different ages.

Between 8am and 4pm where a suitably qualified teacher or Early Years Professional is employed there should be a ratio of at least 1 adult to 13 children. Within maintained schools it is a requirement that a teacher is employed to work within each EYFS class.

In settings that are not maintained schools and where there is no teacher or Early Years Professional there should be a minimum ratio of 1 adult to 8 children at all times. There should always be at least 1 member of the staff group who is qualified to at least NVQ level 3 in childcare and 50% of the rest of the group qualified to at least NVQ level 2

In Haringey it has been the practice to provide a ratio of 1 adult to 10 children within the nursery schools to support high quality.



The premises costs for Private Voluntary and Independent providers vary enormously; they are both influenced by the size of the individual setting and also can vary depending on the type of premises used e.g. some will be rented at market rates, some will be freehold properties possibly subject to mortgages and some may be rented at little or no cost. In addition the single funding formula should seek only to provide resources for that element relating to children accessing the free entitlement.

Taking all of these issues into account, we proposed last year an approach which is based on the formula based allocation used for maintained schools; this has been expressed as an hourly rate. This provides a consistent approach to the funding of premises costs. We have also recognised that where PVI settings are not VAT registered there will be a further cost attributable to unrecoverable VAT; as this will affect settings differently this will be dealt with as a supplementary rate and is described further below.

We are considering a different approach more closely related to actual costs for grouped settings. We are sending a survey to PVI settings asking for more information in this area. If this affects you, please ensure you complete and return the survey as soon as possible.

***Consultation Question 1: Should the premises allocation for PVI setting be a uniform hourly rate or should there be more differentiation between the different kinds of settings?***

**2.1.2. Basic rate by setting.** The basic rate reflects the differential costs encountered by different types of settings. These are set out in Appendices 1 and 2 and in more detail in the original consultation (see link in paragraph 1.11 above) and the totals are summarised in the following table. The rates are indicative and we will update them to reflect price changes and the resources available for the EYSFF in 2011/12. The setting groups used are:

1. Small PVIs with between 1 and 16 children per 3 hour session;
2. Mid-range PVIs with between 17 and 24 children per session;
3. Large PVIs with 25 or more children per session;
4. Children's Centres;
5. Maintained school nursery classes;
6. Maintained nursery schools.

NB All children must be aged 3 and 4 for the purpose of these calculations.

### **Updated Basic Hourly Rates before Supplements**

Settings .					
Small PVIs	Medium PVIs	Large PVIs	Children Centres	Nursery Classes	Nursery Schools
£ p/h	£ p/h	£ p/h	£ p/h	£ p/h	£ p/h
<b>3.85</b>	<b>3.38</b>	<b>3.26</b>	<b>3.11</b>	<b>2.86</b>	<b>6.63</b>

2.1.3. Appendix 2 of the consultation documentation sets out the assumptions that we have used in apportioning costs to the free entitlement in a number of 'typical' settings. It is clear that not all settings have been defined; this is necessary to ensure that the formula is manageable and cannot reflect every difference in every setting.

2.1.4. In considering the overall picture we have also compared our formula rates to those of other Local Authorities and have concluded that, whilst there may be differences in the methodologies used, the resultant hourly rates are sufficiently correlated to suggest that they are robust.

2.1.5. Taking account of all elements within each of the 6 different settings proposed, we would welcome your views if you feel that any fundamental differences have not been reflected and which would give rise to a significant level of underfunding against the base rates we are proposing.

***Consultation Question 2: Do the settings proposed and the underlying assumptions adequately reflect your own setting and costs?***

2.1.6. **Graduate Leader costs** - In the consultation proposals, we used the quality supplement to recognise the need to contribute towards the additional costs of PVI settings with graduate leaders; the basic rate for maintained settings already reflects the cost of teachers.

The following table illustrates the rates for the proposed graduate leader element as set out in the original consultation.

	Small PVI	Medium PVI	Large PVI
Proposed Graduate Leader Element	£0.14 per hour	£0.09 per hour	£0.07 per hour

2.1.7. **Childminders.** This is a developing area for funding the free entitlement. Childminders must be qualified to at least NVQ level 3 and accredited with the LA through a quality network in order to take part in the scheme. A network is being piloted within the LA which will be reviewed and then developed during 2011.

Information from the DfE<sup>2</sup> and from neighbouring authorities identify hourly base rates, excluding supplements, ranging from a lower quartile of £3.25 to an upper quartile of £3.73. We propose to include childminders in our proposed formula for settings with 1 to 32 children, which provides for £3.85 per hour.

## 2.2. Supplements

Based on current information, we envisage that about **20%** will be allocated through the following supplements:

### 2.2.1. Deprivation Supplement.

We are not proposing any changes to the methodology recommended in our earlier consultation. This was based on the following two factors:

- i. Sixty percent is distributed with reference to the Index of Multiple Deprivation (IMD) for the home address of children at each setting. The aggregate IMD for each setting will place it into one of four bands. Each band is allocated one of the following weightings:

Band	Level of Deprivation	Weighting
1	Least deprived	1
2		1.5
3		2
4	Most deprived	4

- ii. Forty percent is allocated with reference to the number of children from targeted underachieving ethnic groups.

### 2.2.2. Quality Supplement

2.2.2.1. We propose that the quality supplement is provided to PVI settings (who do not receive the higher level of funding provided to schools to employ teachers or school funding for training). The supplement is designed to help improve all settings from satisfactory to good when inspected by Ofsted or from bronze to silver in our local Quality Improvement Accreditation Scheme. We are also considering a further supplement to recognise the cost of continuing to deliver high quality provision.

2.2.2.2. The following extract sets out the Accreditation Scheme in more detail

*The Haringey Quality Improvement Accreditation Scheme has been created to run alongside the EYSFF to support settings to improve. Those settings that achieve*

<sup>2</sup> DfE recently published report 'Early Years Pathfinder Formula Analysis'

*accreditation at bronze level will be invited to work with the Authority to improve their provision with the aim of achieving a silver level accreditation the next year. A quality supplement will be paid to the setting, subject to resources being available, once an action plan with timescales has been agreed with their Advisory Teacher.*

2.2.2.3. We also propose a quality supplement for nursery schools. Footnote 1 records that, 'In Haringey it has been the practice to provide a ratio of 1 adult to 10 children within the nursery schools to support high quality.' The statutory ratio is 1 to 13 and we propose to reflect the difference between the statutory requirement and best practice through a quality supplement for nursery schools. The difference between the hourly rate for 1:13 and 1:10 is £1.94.

***Consultation Question 3: Do you agree with the introduction of a one-off lump sum to help PVI settings from bronze to silver accreditation levels?***

***Consultation Question 4: Should there also be a further supplement to recognise continuing high quality service such as gold/gold star?***

***Consultation Question 5: Should there be a quality supplement for nursery schools to reflect the recommended ratio of 1:10?***

### **2.2.3. Flexibility Supplement.**

2.2.3.1. We know from research that 3 and 4 year old children benefit most from attending regular 2-3 hour nursery education sessions every day. If these sessions are extended to a full day there is no difference in educational outcomes for the child. If the sessions are taken in blocks across fewer days then the outcomes for the child are not so good.

2.2.3.2. However, the needs of the parents and family and their economic status also have an impact on the development of children. The Government, therefore requires Local Authorities to provide parents with a flexible offer of provision for the education of 3 and 4 year olds

2.2.3.3. The consultation proposals included a flexibility supplement based on providing a top up to the basic rate direct staff cost for those settings offering a flexible entitlement. We are proposing a local definition of flexibility as:

1. 3 hours a day over 5 days per week, taken with two providers
2. Free entitlement taken over a minimum of 3 days per week
  - a. 5 hours +5 hours + 5hours
  - b. 6 hours + 6 hours + 3 hours
  - c. 3 hours +3 hours +3 hours+ 6 hours
3. Free entitlement taken over a full year instead of term time only, for example.
  - a. Over 48 weeks – 11.8 hours per week
  - b. Over 50 weeks – 11.4 hours per week

2.2.3.4. We are also proposing that the supplement be standardised across all settings based on the cost of providing lunchtime cover. The rates, from the original consultation, and the new proposed hourly rates are set out in the following table.

	PVI Settings			Maintained Settings		
	Small	Medium	Large	Children Centres	Nursery Classes	Nursery Schools
Old	£0.40	£0.39	£0.40	£0.51	£0.43	£0.45
New	£0.50	£0.50	£0.50	£0.50	£0.50	£0.50

***Consultation Question 6. Do you agree that a uniform hourly rate should be used for the flexibility supplement?***

***Consultation Question 7 Do you agree with the flexibility options stated above and are there any other flexibility options that should be included in the Haringey local offer?***

2.2.4. **Profit Supplement.** This is an allowable factor under DfE guidelines and in the earlier consultation a supplement of 5% on the basic hourly rate was suggested. The purpose of the supplement is to differentiate funding for those settings that are ‘for profit’ from those that are not. We are seeking your views as to whether we should differentiate in this way or whether all PVI settings should be treated in the same way with the resources being distributed by one of the other formula elements.

***Consultation Question 8 Should there be a profit supplement and if not should the funding be distributed in some other way?***

2.2.5. **VAT Supplement.** We need to ensure equity between those settings able to recover VAT and those that cannot. The original proposal was a supplementary hourly rate of £0.07 for the settings who cannot recover VAT based on the prevailing rate of 17.5%. The increase in VAT rates to 20% in January 2011 it is proposed to increase the supplement to £0.08 to maintain parity.

### 2.3. Other considerations within the formula

2.3.1. **Nursery School Formula.** The DfE's recent formula analysis identified that several authorities provided lump sum elements for Nursery Schools. We are looking at whether a lump sum is a viable alternative to an enhanced hourly rate.

***Consultation Question 9 Appendix 1 exemplifies the effect of the higher hourly rate for nursery schools. Would you support a lower hourly rate supplemented by a lump sum? This would provide greater stability rather than higher funding for nursery schools.***

2.3.2. **Full-Time Places.** We are reviewing the use of the existing Full Time (FT) places in maintained settings. Last year we used a full time supplement to fund the existing distribution but noted that we would review the arrangement. We are exploring options for using the funds currently allocated for FT places and are evaluating them, individually and in combination. The full-time supplement remains one of the options and would in any event form a major element in transitional arrangements. The Council and Forum will also consider the longer-term provision of full time places. Any proposals for change will be the subject of separate consultation and will be phased in no earlier than the academic years 2012/13 and 2013/14.

## 3. Impact of Changes.

- 3.1. The hourly rates illustrated in this document and the attached appendices are indicative; the actual rates will be determined when we know the amount of money available for the EYSFF. The examples set out in the appendices therefore show the broad impact of the proposed changes.
- 3.2. Appendix 1 shows the calculation of the base rate and Appendix 2 the assumptions we have used. Appendix 3 illustrates the impact of the main elements of the formula based on the information we currently hold.

## 4. Sustainability, the Minimum Funding Guarantee and Transitional Arrangements.

## **Introduction**

- 4.1. The Local Authority has a duty to provide sufficient flexible childcare places to meet parental demands. The regulations governing the EYSFF make it clear that funding must, other than in exceptional circumstances, be based on participation and not planned places.
- 4.2. In some instances, there may be a need to provide or maintain places in areas to meet demand that is not financially sustainable on the basis of a simple application of the EYSFF as it currently stands.
- 4.3. In addition, there is a general recognition that implementing formula changes, particularly where additional resources cannot be guaranteed, results in settings that gain or lose money (turbulence). In order to allow settings to manage these changes on a sensible and planned basis transitional arrangements are normally provided. The following paragraphs identify the proposed approach in these areas.

## **Sustainability**

- 4.4. The Authority has an obligation to take into account the sustainability of all settings and is proposing to retain resources that can be targeted on particular settings, outside of the EYSFF, where provision needs to be maintained but where the formula fails to deliver sufficient resource. This approach would apply equally to all settings. In considering what resources would be allocated from this source account would need to be taken of the need to maintain a setting in a particular area and the extent to which further financial support was appropriate given the settings obligation to operate efficiently.
- 4.5. The government has identified maintained nursery school provision as an area where per pupil costs are high and which are therefore susceptible to becoming unsustainable where participation is low. LAs are required to ensure that they do not close as a direct result of the new formula.
- 4.6. In all settings there is clearly a balance between recognising the on-going need for provision in an area and not maintaining provision that represents poor value for money.
- 4.7. Currently playgroups are awarded sustainability funding to ensure sufficient nursery education places for all 3 and 4 years olds, as well as providing sufficient childcares places for all parents who wish to access them. The future for this funding is dependent on government and council decision on funding availability.

## **Minimum Funding Guarantee.**

4.8. The School Finance Regulations require LAs to apply a Minimum Funding Guarantee (MFG) to the year on year increase in per pupil funding. The MFG applies to maintained nursery schools and nursery classes and for the 2010-11 financial year is set at 2.1% per pupil. It does not apply to PVI settings. The future of the MFG beyond March 2011 is unknown.

### **Transitional Arrangements.**

4.9. It is normal to introduce transitional arrangements when a significant redistribution of resources takes place. This prevents excessive turbulence in settings and allows for a smoother adjustment to the changed circumstances. The future of the MFG is unknown and the Council proposes to introduce additional arrangements to limit the maximum loss/gain of funding for any setting.

4.10. The proposal is that the maximum reduction in 2011-12, when compared with funding determined under previous arrangements, will be limited to 33% in 2011-12, rising to 66% in 2012-13. No transitional arrangements would apply from 2013-14 onwards. The application of a percentage reduction to settings gaining under the new arrangements will meet the cost of transitional protection. **This means that settings gaining from the new arrangements will not fully benefit from the changes until 2013/14.**

## **5. Payments and In Year Adjustments.**

### **Introduction**

5.1. As set out above, pupils must be counted termly on the basis of participation. There needs to be a process by which settings are funded on a regular basis to ensure that their cashflow needs are met. In the first year of operation the proposal is to mirror, as far as possible, the existing arrangements as they are understood and will allow the operation of the formula to bed-in. These arrangements are set out below.

### **Maintained Settings.**

5.2. From April 2011, the basis of all early years funding will be the actual termly count of hours of free entitlement provided. The count will use the official DfE pupil level count that usually takes place in the third week of each term.

5.3. Maintained schools will be provided with indicative budgets for the full financial year based on pupil attendance as recorded on the January 2011 PLASC return. Any adjustments due to be made, based on the three termly counts in 2011-12, will be actioned as an adjustment to



the schools 2012-13 budget. Revised projections of resources due for 2011-12 will be provided following the termly counts so that appropriate financial provision can be made.

- 5.4. Schools will continue to receive monthly cash advances in the normal way including resources for the provision for their early years free entitlement.

### **Private Voluntary and Independent Provision (PVI)**

- 5.5. PVI settings will also be provided with indicative budgets for the full financial year using data collected through the January Early Years Census together with data from the previous financial year. The indicative allocation will be based on 2 terms using the January data and 1 term using the preceding years autumn term data.

- 5.6. In order to ensure that all PVI settings have sufficient cashflow in advance of the actual termly count being completed, it is proposed that at the beginning of each term a monthly cash advance based on 1/12<sup>th</sup> of the annual indicative budget is paid. An adjustment will then be made as soon as the detail of the actual termly count are known.

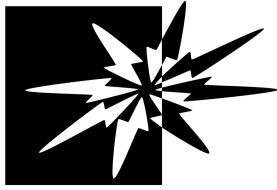
## **6. Conclusion**

- 6.1. **This is a very important statutory change. We welcome your views on our proposals, either on the attached response form or by letter.**

## 7. Glossary:

<b>AEN</b>	<b>Additional Educational Needs.</b>	The additional costs associated with particular pupils or groups of pupils. It includes, but is wider than, the additional costs associated with deprivation.
<b>AWPU</b>	<b>Age Weighted Pupil Unit</b>	The basic per pupil allocation used in funding maintained schools. It varies with age to reflect the relative cost of educating different age groups.
<b>DfE (formerly DCSF)</b>	<b>Department for Education (formerly Department for Children Schools and Families)</b>	The government department with responsibility for funding the early years free provision.
<b>DSG</b>	<b>Dedicated Schools Grant</b>	A specific grant from the DfE that funds education provision in all settings as well as pupil related expenditure incurred directly by the local authority.
<b>EIA</b>	<b>Equalities Impact Assessment</b>	These allow us to assess the effects a policy, strategy or function may have on people depending on their ethnicity, disability, gender, age, religion and belief or sexual orientation.
<b>EYFS</b>	<b>Early Years Foundation Stage</b>	This is the learning, development and welfare requirement that early years providers must comply with.
<b>EYSFF</b>	<b>Early Years Single Funding Formula</b>	A single funding formula that covers the provision of early years education in PVI settings, maintained nursery schools and maintained nursery classes.
	<b>Local Funding Formula</b>	This is a locally agreed methodology for distributing resources between settings. It is constrained by national guidelines.
<b>IMD</b>	<b>Index of Multiple Deprivation</b>	A complex analysis based on a variety of indicators that attributes a weighting for deprivation to relatively small neighbourhoods.

<b>LA</b>	<b>Local Authority</b>	Haringey Council is the local authority for this area.
<b>MFG</b>	<b>Minimum Funding Guarantee</b>	A nationally set minimum per pupil increase in maintained school funding.
	<b>Maintained Schools, Maintained Nurseries</b>	Schools and nursery schools funded by a local authority through its schools' funding formula.
<b>PLASC</b>	<b>Pupil Level Annual School Census</b>	A count of all pupils in maintained schools that takes place on the third Thursday of January.
<b>PVI</b>	<b>Private, Voluntary and Independent.</b>	In the context of this consultation, PVIs are early years settings providing the free entitlement but independent of the local authority. The setting may be privately owned or a voluntary group.
	<b>Schools Forum</b>	A statutory body in each LA area. The LA is required to consult with its Forum on proposed changes to the local funding formula.
<b>SFF</b>	<b>Single Funding Formula</b>	See EYSFF



**Haringey** Council

**The Children and Young People's Service**

**Early Years Single Funding Formula Consultation Response Form.**

This form brings together the questions in the body of the consultation document and allows you to give your opinion on various points, it also allows you to comment more generally on the Single Funding Formula. You may use this form if you wish although we are happy to receive other written responses such as by letter. In all cases we would be grateful if responses could indicate your full details including the capacity in which the response is being made.

This response is from:

<b>Name of Responder</b>	<b>School/Organisation</b>

I am responding as an:

- Individual   
On behalf of a Group

If the latter, please specify below:

<b>Name of Group</b>	<b>Role of Responder</b>

Please also indicate the setting that you consider best reflects your organisation.

PVI Settings			Maintained Settings		
Small	Medium	Large	Children Centres	Nursery Classes	Nursery Schools

<b>Question 1</b>	<b>Should the premises allocation for PVI setting be a uniform hourly rate or should there be more differentiation between the different kinds of settings?</b>

<b>Question 2</b>	<b>Do the settings proposed and the underlying assumptions adequately reflect your own setting and costs?</b>

<b>Question 3</b>	<b>Do you agree with the introduction of a one-off lump sum to help PVI settings from bronze to silver accreditation levels?</b>

<b>Question 4</b>	<b>Should there also be a further supplement to recognise continuing high quality service such as gold/gold star?</b>

<b>Question 5</b>	<b>Should there be a quality supplement for nursery schools to reflect the recommended ratio of 1:10?</b>

<b>Question 6</b>	<b>Do you agree that a uniform hourly rate should be used for the flexibility supplement?</b>

<b>Question 7</b>	<b>Do you agree with the flexibility options stated above and are there any other flexibility options that should be included in the Haringey local offer?</b>

<b>Question 8</b>	<b>Should there be a profit supplement and if not should the funding be distributed in some other way?</b>

<b>Question 9</b>	<b>Appendix 1 exemplifies the effect of the higher hourly rate for nursery schools. Would you support a lower hourly rate supplemented by a lump sum? This would provide greater stability rather than higher funding for nursery schools.</b>

## ADDITIONAL COMMENTS

**Please identify any possible difficulties that your setting faces in offering the full free entitlement.**

If you would like to make any additional comments on aspects of the consultation document please feel free to do so here.

Please return this form by **8<sup>th</sup> December 2010** to:

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