

DfE Consultation: An early Years National Funding Formula

Haringey Schools Forum: Response to the consultation questions

Questions		Response: Comments
1.	Should there be an early years national funding formula (to distribute money from central government to each local authority)?	<i>We do not object in principle to an early year national funding formula to distribute money from central government to each local authority if the area cost adjustments reflects costs across the whole of the country. The factors applied to the distribution of money need to be sufficient enough to reflect the characteristics of the different parts of the country and between different local authorities.</i>
2.	To what extent do you agree with the proposed funding floor limit, so that no local authority would face a reduction in its hourly funding rate of greater than 10%?	<i>We agree with this proposal.</i>
3.	Considering a universal base rate of funding which does not vary by local area... Should a universal base rate be included in the early years national funding formula?	<i>Yes, if the universal base rate adequately reflects the cost basis characteristics of providers in the local area and the metrics that best reflect the need to raise quality and address deprivation.</i>
4.	Considering a universal base rate of funding which does not vary by local area... Is 89.5% of overall funding the right amount to channel through this factor?	<i>We feel that channelling 89.5% of the overall funding is too great. A greater amount should be based on deprivation factors.</i>
5.	Considering an additional needs factor... Should an additional needs factor be included in the early years national funding formula?	<i>Yes</i>
6.	Considering an additional needs factor... Do we propose the correct basket of metrics?	<i>We do not think that FSM alone is adequate because of the use of key stage 1 and 2 data as a measurement and the fact that there is an impact of the changes to welfare benefits on the numbers of children who can be captured by this metric</i>

		<i>and we feel that this is not fully reflecting levels of disadvantaged children evident within a local authority area. We think that a combination of FSM and IDACI should be used. We believe that the use of EAL is an appropriate metric but that the use of DLA is inadequate as it does not adequately reflect the number of children with SEN within a local authority area. This factor should be drawn on a measurement of the populations of children in within a local authority area.</i>
7.	Considering an additional needs factor... Do we propose the correct weightings for each metric?	<i>It is not possible to judge whether the weightings for each metric is correct as the basis on which these weightings were determined is not clear.</i>
8.	Considering an area cost adjustment... Should the early years national funding formula include an area cost adjustment?	Yes
9.	Should that adjustment be based on staff costs (based on the General Labour Market measure) and on nursery premises costs (based on rateable values)?	<i>Yes. We believe that there should be a recognition that staff costs vary within local authority areas as well as from local authority area to area. We are glad that premises costs are being considered, however rateable values may not be sufficient.</i>
10.	To implement the increased hourly rate for the two-year old free entitlement... Should we retain the current two-year-old funding formula?	<i>In principle, we feel that a funding formula for 2 year olds should be retained, however, we not aware of the underpinning calculations that went into the 2 year old funding formula and determined the rate paid to each LA.</i>
11.	To implement the increased hourly rate for the two-year old free entitlement... Should we use the additional funding secured at the	<i>Yes, in principle.</i>

	spending review to uplift local authorities' allocations based upon this?	
12.	<p>Considering the Dedicated Schools Grant...</p> <p>Should the free entitlement be capped at 30 hours for children of eligible working parents and 15 hours for all other children?</p>	<i>Whilst in general a cap at 30 hours is helpful, it would be useful to introduce an approach that would mean that there would not be a cap at 15 hours. Instead, authorities would be enabled to provide additional hours of provision for disadvantaged or vulnerable children who meet locally determined criteria.</i>
13.	Should Government set the proportion of early years funding that must be passed on to providers?	<i>In principle we agree that the government should set the proportion of funding that must be passed on to providers. However, there should be a benchmark set, for the proportion of pass-through, that can be revised based on local needs and in consultation with providers within a local authority area.</i>
14.	Do you think that 95% is the correct minimum proportion of the money that should be passed from local authorities to providers?	<i>No, we feel this be less. 90% would be more appropriate. We are also interested in knowing if there is any evidence that LA's currently spending less than 5% on central services are providing adequate services of high quality?</i>
15.	Should local authorities be required to give the same universal hourly base rate to all Childcare providers in their area?	<i>No, as this does not allow the authority to reflect the variations in cost and characteristics amongst different providers in their area. Maintained nursery schools have a rate on par with Primary Schools</i>
16.	Should local authorities be able to use funding supplements?	Yes
17.	Should there be a cap on the proportion of funding that is channelled through supplements?	Yes
18.	If you agree that there should be cap on the proportion of funding that is channelled through supplements, should the cap be set at 10%?	<i>10% is too low. Any cap depends on whether base rates adequately cover core costs and if it is possible to find an appropriate balance between a base rate and supplements within the funding available.</i>

19.	Should the following supplements be permitted? Deprivation, sparsity / rural areas, flexibility, efficiency, additional 15 hours	<i>Deprivation should definitely be permitted. We consider flexibility and additional 15 hours to be elements of sustainability and would support these being permitted on this basis.</i>
20.	When using funding supplements, should local authorities have discretion over the metrics they use and the amount of money channelled through each one?	Yes.
21.	If you agree that efficiency / additional 15 hours should be included in the set of supplements, do you have a suggestion of how should it be designed?	No.
22.	If you think any additional supplements should be permitted which are not mentioned here, please set out what they are and why you believe they should be included.	<i>Quality – to ensure providers have the capacity to improve quality and the numbers of qualified staff they employ.</i>
23.	Should there be a Disability Access Fund to support disabled children to access their free entitlement?	Yes.
24.	Should eligibility for the Disability Access Fund be children aged 3 or 4 which are a) taking up their free entitlement and b) in receipt of Disability Living Allowance?	<i>In part. We do not agree with the use of DLA as the criteria as this metric will not adequately reflect the numbers of children with SEN and disabilities within a local authority area. We also believe that eligibility for this funding should include 2 year olds.</i>
25.	When it comes to delivering the funding for the Disability Access Fund, is the most appropriate way the existing framework of the Early Years Pupil Premium?	Yes
26.	To what extent do you agree that a lack of clarity on	<i>Lack of clarity or information about financial support available may be reasons</i>

	how parents / childcare providers can access financial support results in children with special educational needs not receiving appropriate support? (We mean children who do not already have an Education, Health and Care Plan)	<i>some children may not receive appropriate support. In addition to this, practitioners lack of experience of supporting children with special educational needs as well as parental confidence in practitioner experience and knowledge could be important factors.</i>
27.	When it comes to establishing an inclusion fund... Should local authorities be required to establish an inclusion fund?	Yes
28.	When it comes to establishing an inclusion fund... Would an inclusion fund help improve the supply of appropriate support children receive when in an early years setting?	<i>It should if correctly applied and funded adequately. It should enable providers to easily access funding in a timely manner, ensuring delays to the provision of support or access to places are minimised.</i>
29.	When it comes to establishing an inclusion fund... If you envisage any barriers, arising from existing practice or future proposals, to introducing a new requirement on local authorities to establish an inclusion fund, please tell us what they are and how they might be overcome.	<i>No but without some national guidelines on eligibility, amount of funding and allocations there may be large discrepancies across the country.</i>
30.	When it comes to the SEN inclusion fund, should local authorities be responsible for deciding... The children for which the inclusion fund is used?	Yes
31.	When it comes to the SEN inclusion fund, should local authorities be responsible for deciding... The value of the fund?	Yes
32.	When it comes to the SEN inclusion fund, should local authorities be responsible for deciding... The process of allocating the funding?	Yes

33.	Where specialist SEN or SEND services are delivered free at the point of use, should they be considered as funding passed directly to providers for the purposes of the 95% high pass-through?	<i>This should be considered as it would allow providers greater flexibility in how they are able to access specialist SEN or SEND services. Some consistent guidelines around this would be helpful.</i>
34.	To what extent do you agree with the transition approach proposed for the Early Years National Funding Formula (money distributed from Government to local authorities)?	<i>Not applicable</i>
35.	To what extent do you agree with the transition approach proposed for the high pass-through of early years funding from local authorities to providers?	<i>We agree with a transition approach but feel that the proportion of funding that is proposed for pass-through should be less; 90% as stated in our answer to question 14.</i>
36.	To what extent do you agree that our proposals on the high pass-through of funding from local authorities to childcare providers makes the existing Minimum Funding Guarantee for the early years unnecessary?	<i>No. A minimum funding guarantee should be available, if required.</i>
37.	To what extent do you agree with the transition approach proposed for introducing the universal base rate for all providers in a local authority area?	<i>We believe that this is being brought in too soon and too quickly.</i>
38.	Please provide any representations/evidence on the impact of our proposals for the purpose of the Public Sector Equality Duty (Equality Act 2010).	<i>The emphasis on 30 hours for working parents is a disadvantage to vulnerable children and parents who are not working and are seeking to move into work. The cap on income is too high and the proposals fail to reflect combined household income. In many local authority areas, equality gaps between neighbourhoods and communities are wide and are such that local authorities need to be given more capacity to mitigate this and determine how this can be addressed through the use of locally determined supplements.</i>

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