



Agenda Item

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Report Status

For information/note x

For consultation & views

For decision x

Commissioning

Report to Haringey Schools Forum – 17th January 2018

Report Title: Early Years Block Funding Paper

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Purpose: To provide Schools Forum members with an overview of the key activities and challenges in 2017-18 and inform them of the 2018-19 budget proposals for the Early Years Block

Recommendations:

1. That Schools Forum notes the indicative funding for the Early Years Block in 2018-19, set out at 5.1.
2. That Schools Forum agrees the proposed allocation of the Early Years Block for 2018-19 as set out in 5.5 of this report.
3. That Schools Forum notes and agrees the proposed budget allocation for centrally retained funds for 2018-19 as set out in 4.9 and Appendix 1 of this report.
4. That Schools Forum notes the challenges and priority actions for 2018-19.

1. Introduction

- 1.1 This paper provides Schools Forum with an overview of how Haringey's early years block funding was deployed in the 2017-18 financial year. The paper also sets out proposals for the use of the Early Years Block (EYB), contained within Haringey's Dedicated Schools Grant (DSG) allocation for 2018-19.
- 1.2 It is a requirement of the School and Early Years Finance Regulations that the Schools Forum agrees proposals for the use of Early Years DSG centrally retained budgets.

2. The Strategic Context for the Early Years in Haringey

- 2.1 Proposals for the use of the EYB within DSG are shaped by statutory requirements derived from the Childcare Act 2006, and the strategic aims of Haringey Council as set out in its Corporate Plan.
- 2.2 A key priority for the Council is improving opportunities for children to thrive and achieving better outcomes for children, young people and families.
- 2.3 We need to ensure that all young children, regardless of circumstance or where they live within the borough, are able to access the opportunities and support they need to develop well and become confident learners by the time they reach statutory school age.
- 2.4 It is intended that the use of the EYB is underpinned by Haringey's overarching strategic aim for children and young people and the strategic priorities set out below:
 - Delivering prevention and early intervention to reduce escalation of need
 - Increasing equity of access to quality provision for all children young people and families
 - Improving and sustaining resilience amongst children. Young people and families
 - Developing the workforce to be more confident and empowered practitioners
 - Enhancing access to, and coordination of, integrated services

3. The National Context: Key Changes for 2017-18

3.1 A National Funding Formula for Early Years

In December 2016, the Government introduced a new Early Years National Funding Formula for 3 and 4 year olds, which meant that,

from April 2017, Local Authorities continued to be funded through the early years block in the Dedicated Schools Grant (DSG) but with a number of new requirements on how local authorities are able to allocate funding to providers from 2017-18. These requirements are intended to ensure that funding is fairly distributed to providers.

The main changes were:

- A minimum amount of funding to be passed through to providers.
- A local universal base rate for all types of provider, to be set by local authorities by 2019-20 at the latest.
- Supplementary funding for maintained nursery schools, for the duration of this Parliament.
- Reforms to mandatory and discretionary supplements local authorities are able to use.
- The introduction of a disability access fund.
- A requirement for authorities to establish a special educational needs inclusion fund.

3.2 The Three and Four-Year-Old Offer

3.2.1 From September 2017, a new, statutory 30-hour free entitlement was rolled out nationally, providing up to an additional 15 hours of free early education for working. This offer is now available alongside the existing universal 15- hour free entitlement, which continues unchanged.

3.2.2 Eligible families can access **up to** a maximum of 15 hours per week/570 hours per year, in addition to the existing universal 15 hours of free early education.

Eligibility will include households where:

- Both parents are working
- One parent is working in lone parent family
- Parental earning is equivalent to 16 hours a week on National Minimum Wage (currently £107 per week, including those receiving tax credits or Universal Credit) up to a maximum earning limit of £100K for per parent
- One/both parent/s is away from work on leave (parental, maternal etc.)
- One/both parent/s receiving Statutory Sick Pay
- Working – employed or self employed
- Zero hour contracts – calculated on average earnings

3.2.3 To access the 30-hour offer, Parents apply, and are issued with an eligibility code from HMRC which is presented to settings offering 30 hour places. So far, 86% of the codes issued have been successfully

validated by the Council. The difference in number may mean that some parents have chosen not to use the entitlement or may need to wait until January for their child to start in a setting, so are yet to present the code.

3.3 The Two-Year-Old Offer

3.3.1 Local authorities have a statutory duty to provide 15 hours per week of free early education for all eligible two year olds. Eligibility is limited to those children who meet the following criteria:

- Children whose parents would be eligible to claim for Free School Meals (FSM)
- Looked After Children (LAC)
- Families receiving Working Tax Credits and have annual gross earnings of no more than £16,190 a year
- Children receiving a current statement of Special Educational Needs or an education, health and care plan
- Children attracting Disability Living Allowance
- Children leaving care through special guardianship or through an adoption or residence order

3.3.2 The Table below shows the changing profile for eligible numbers of children since the introduction of this statutory entitlement.

Table1: Haringey’s changing eligibility profile since 2013.

Academic year	DfE/DWP Estimate for potentially eligible children
2013-14	891
2014-15	1790
2015-16	1710
2016-17	1620
2017-18	1500

3.3.3 It should be noted that the estimates provided by DfE/DWP are a broad indication of the numbers of potentially eligible children in the borough and do not have a bearing on the allocation of funding provided to the Council to provide the offer. The allocation of funding within the Early Years Block of DSG for the 2-year-old offer is determined by the January headcount figures collected via the census and to that end, do not accurately reflect the actual numbers of 2-year-old children accessing a 2-year-old across each academic year. A priority action going forward is for us to narrow the gap between our recorded count of actual participants in the programme and the numbers recorded at census; ensuring that the DfE have this data and that the Council receive funding for the programme at the appropriate levels.

3.3.4 From April 2013 to March 2017, Haringey Council was funded by DfE at a rate of **£5.28** per hour for a two-year-old place. This funded rate increased from April 2017 to **£5.66** per hour.

3.4 SEND in the Early Years

3.4.1 In addition to delivering the early years free entitlement, it was mandated that, from April 2017, all local authorities introduced an *Early Years Inclusion Fund* to support 3 & 4 years old children, with special educational needs below the threshold for Education, Health and Care Plans (EHCPs), to access their free entitlement. In Haringey, the Early Years Inclusion Fund is provided via an allocation from the HNB, as part of the Council meeting its statutory obligations.

4. Early Years Block Funding: 2017-18

4.1 The Early Years Block is provided for the Council to meet its statutory duties under the Childcare Act 2006 and is expected to fund both existing and new aspects of early education place delivery from 2017-18:

- The Free Early Education Entitlement for all three and four year olds through an Early Years Single Funding Formula (EYSFF)
- The free entitlement for eligible two year olds
- The Early Years Pupil Premium
- Disability Access Fund
- Support for Maintained Nursery Schools

4.2 The total amount of funding within this block is determined by two elements, which generate the funding set out in the table below.

The elements in 2017-18 are:

- The Full Time Equivalent (FTE) number of three and four year olds recorded in the January censuses multiplied by **£5,345.46**.
- The Full Time Equivalent (FTE) number of two years olds recorded in the January censuses funded by DfE at £5.66 per hour.
- Both the January census preceding the start of the financial year and the January census during the financial year are used to determine the DSG, with any resulting adjustments being made to the allocation.

- 4.3 The Department for Education (DfE) notified Haringey Council of its early years block funding allocations for 2017-18 and 2018-19. It should be noted that these were indicative allocations and final allocations for financial years will be confirmed by DfE in the August of the subsequent financial years.

Funding Stream	2017-18 Indicative Allocation (£m)
3 & 4 YO Universal Free Entitlement (15hr)	12.70
3 & 4 YO Extended Free Entitlement (Additional 15hrs)	2.06
2YO Offer	2.44
Early Years Pupil Premium	0.160
Disability Access Fund	0.060
Maintained Nursery Schools	1.27
TOTAL	18.67

- 4.4 A significant feature of the new arrangements for early years funding is the introduction of a high pass through measure, which means that Local Authorities will be required to pass through 93% of all funding for three – and four-year olds received in the Early Years Block of our Dedicated Schools Grant (DSG) directly to settings from April 2017, rising to 95% from April 2018. This means that the amount of DSG the Council can retain centrally of the 2017/18 funding for 3 and 4 year olds has been capped and will stand at £1.049m in 2017/2018 and £0.823m in 2018/2019.
- 4.5 Our allocation for Maintained Nursery Schools (MNS) was uplifted in DfE's October 2017 adjustments, on the basis of a funding assurance exercise undertaken and submitted to DfE by Council officers in March 2017. The MNS allocation was increased from £662,993 to £1.27m per year, for three years (2017/18 – 2019/20). This increase in funding was to redress the gap in funding created by the fact that MNS settings are funded solely through the EYSFF and do not receive a school budget,

share, covering many of their core costs, on the same basis as maintained primary or secondary schools.

4.6 The Accrual of Early Years DSG Reserves

For the period April 2013 to March 2015, the funding allocation given to the Council for statutory 2-year-old free entitlement place provision by the DfE was based on the anticipated number of places required (place-led). In 2014-15, the DSG Early Years Block funding for the Two-Year-Old Free Entitlement comprised of two elements:

- £2.656 million revenue place-led funding for statutory place provision; and
- £1.043 million one-off trajectory funding to support the expansion of the programme.

DfE's place funding allocation of £4.464m for 2014-15 was based on a projected population of 1790 eligible children in Haringey. By the end of 2014-15, not all of this funding had been fully utilised and Schools Forum agreed to ring fence any unused allocation for the purpose of delivering the two-year-old programme. Our total expenditure of £2.438m in that year reflected the actual number of children funded. The difference in these two amounts has contributed to an EY Block DSG carry forward of £2.026m into 2015-16.

In addition to the £2.026m place funding carry forward, we had a remaining balance of £1.774m development funding (also known as trajectory funding) held in reserve. This combination of the amounts totalled £2.9m by the end of 2015-16 financial year. Since 2015-16, we have been able to accrue significant levels of DSG reserves due to funding allocated through the early years block.

It had been agreed previously with Schools Forum that the accrued amounts be held and ring fenced in order to mitigate the annual anticipated funding gap created by the payment of an hourly funding rate for the programme of £6, which is above the £5.28 per hour rate at which Haringey is funded by DfE and the projected slow growth in take up. The net cost of increasing the hourly funding rate to £6.00 from April 2014 can be fully met for the financial years 2015/16 to 2018/19 by the ring-fenced funding allocation for the two-year-old programme within the EYB.

4.7 Funding providers for the delivery of 3 & 4-Year-old Free Entitlement Places

4.7.1 The Council introduced a revised early years funding formula in April 2017. This included a single hourly base funding rate for all providers and an updated hourly rate for the mandatory deprivation supplement. The introduction of a universal hourly base rate for all providers of the free entitlement and the 30-hour extended entitlement for 3 and 4 year olds, including nursery schools. In summary, the new EYSFF, resulted in increases to hourly funding rates for maintained schools and a mixture of increases and decreases across the private, voluntary and independent sector providers.

4.7.2 Universal Hourly base rate

The table below shows how the minimum universal base rate for Haringey has been derived from the DfE's allocation to the Council:

Table 3. Minimum Universal Base Rate for Haringey 2017-18

	<u>£/hr</u>
LA hourly funding rate 2017-18 (£/h)	5.66
Less: LA centrally retained funding (7%)	(0.40)
	<hr/> 5.26 <hr/>
Less: Supplements capped @ 10%	(0.52)
Minimum universal base rate to be paid to providers in respect of the free entitlement for three and four year olds	<hr/> 4.74 <hr/>

4.7.3 Following consultation with Haringey's Early Years sector and Schools Forum, the Council agreed a base rate top of £0.14, taking the universal base rate to **£4.88 per hour**. In addition, it was agreed that **£0.30p** out of the £0.52p available for supplements would be used to create a deprivation supplement funding pot. The remaining funding for supplements was used to create a Quality supplement pot (**£76k**) based on a System Leadership approach.

4.8 Funding the Early Years Pupil Premium

4.8.1 For 2017-18, the allocation for Haringey is £160k, revised down from an initial allocation of £170k. This represents a significant reduction on the £320K allocated for 2016-17.

4.8.2 We have seen a decrease in numbers of settings claiming pupil premium in Autumn 2017. Work will be undertaken by the Commissioning team to engage with settings and establish a better understanding what might be impacting on levels of participation.

4.9 Centrally Retained Early Years Block Funding: 2017-18 and 2018-19

Breakdown of Centrally Held Funding

Item	Centrally Held 2016-17	Centrally Held 2017-18	Year-on-year variation from 2016-17	Centrally Held 2018-19	Year-on-year variation from 2017-18
	(£)	(£)	(£)	(£)	(£)
Childcare Subsidy	1,427,000	0	-1,427,000	0	0
Early Years Quality Team	334,300	441,300	107,000	441,300	0
EH Commissioning	55,700	170,357	114,657	228,364	58,007
Overheads	15,900	0	-15,900	0	0
TU Representation	18,000	18,000	0	18,000	0
EY Head of Standards	73,000	0	-73,000	0	0
Contingency	400	419,427	419,027	135,184	-284,243
	1,924,300	1,049,084	-875,216	822,848	-226,236
		0		0	

4.9.1 The table above reflects the changing profile of centrally retained early years DSG funding since 2016-17. The deployment of centrally retained funding is a Council decision following consultation with Schools Forum and may be used, according to DfE, to support the additional burdens on Local Authorities arising from the delivery of the free entitlement, particularly the extended offer for 3 & 4 year olds and to meet the Council's statutory duties as part of a range of central services.

4.10 Early Years Budget Challenges 2017-18

4.10.1 We have experienced an in-year reduction in our 2017-18 early years budget allocation, due to the dip in 3-year-old participation in 2016-17 and possible issues relating to the robustness of census data supplied.

4.10.2 An overview of the changes is as follows:

- ▶ Changes to the 2017-18 EY DSG allocation in mid-year adjustment. **£420k**
- ▶ 2016-17 mid-year adjustment led to reduction. To be accounted for in 2017-18: **£230k**

4.11 Draw down from DSG reserves for Early Years: 2017-18

4.11.1 The draw down on DSG reserves, agreed previously with Schools Forum, were carried out during the 2017-18 financial year. In addition, our 2017-18 Early Years DSG allocation for the delivery of the 3 & 4 years old universal free entitlement was reduced in-year by a total of £650k, creating an anticipated funding pressure that may need to be supported by a further draw on DSG reserves.

4.11.2 The table below summarises the 2017-18 early years draw down on DSG Reserves.

Early Years Block Childcare subsidy paid	700,000
Early Years Block 2 year old pressure paid	400,000
ESFA 2016-17 Early Years Funding Reduction on 3 & 4 year olds	650,000

5. **The Proposed Application of Early Years Block Funding: 2018-19.**

5.1 In December 2017, DfE notified Haringey of the indicative Early Years Block Funding Allocation for 2018-19. The table below sets out the key elements.

Funding Stream	2018-19 Indicative	Change from 2017-
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	Allocation (£m)	18 (£m)
3 & 4 YO Universal Free Entitlement (15hr)	12.69	- 0.010
3 & 4 YO Extended Free Entitlement (Additional 15hrs)	3.66	+ 1.6
2YO Offer	2.43	- 0.010
Early Years Pupil Premium	0.158	- 0.002
Disability Access Fund	0.060	-
Maintained Nursery Schools	1.25	- 0.020
TOTAL	20.26	+ 1.59

- 5.2 The introduction of new funding arrangements for the 3 & 4 Year olds free entitlement from April 2017, through the implementation of a new early years single funding formula (EYSFF), created significant changes across Haringey's early years sector. The full impact of these changes are not yet known and it is felt that the impact on providers and outcomes needs to be properly evaluated to determine how the effective the new EYSFF arrangements are before any changes are proposed. Therefore, it is proposed no changes are made to the key elements of Haringey's funding formula for 2018-19.
- 5.3 The requirement for the Council to increase the Early Years DSG Funding pass-through rate from 93% to 95% from April 2018 means that the main change to the current EYSFF will be an increase to the universal base rate for all providers.
- 5.4 It is proposed that for the additional elements contributing to provider funding rates; supplements levels and base rate top up no changes are made for 2018-19.

5.5 Universal Hourly base rate

- 5.5.1 The table below shows how the minimum universal base rate for Haringey has been derived from the DfE's allocation to the Council:

Table 3. Minimum Universal Base Rate for Haringey 2018-19

LA hourly funding rate 2017-18 (£/h)	<u>£/hr</u> 5.66
Less: LA centrally retained funding (5%)	(0.29)
	<hr/> <u>5.37</u> <hr/>

Less: Supplements capped @ 10%	(0.52)
Minimum universal base rate to be paid to providers in respect of the free entitlement for three and four year olds	<u>4.85</u>

5.5.2 Retaining a base rate top-up of £0.14, takes the universal base rate for 2018-19 to **£4.99 per hour**.

5.6 Centrally retained Early Years DSG Funding: 2018-19

5.6.1 The current application of centrally retained DSG funds includes the funding of Haringey’s Early Years Quality Team and a contribution of funding towards Haringey’s Early Help Commissioning team. Changes to the profile of centrally held funding are proposed for 2018-19, to ensure that there are adequate resources in place to fulfil our statutory responsibilities around the administration and deployment of early education funding. Proposals also include supporting our continuing drive to improve the quality of settings offering the free entitlement. Given the further reduction in the amount that can be retained by the Council from 2018-19, the changes proposed in this profile at 4.9. have also sought to maintain a modest contingency, to enable some capacity within the overall budget envelop to manage fluctuations in funding.

This profiled centrally retained budget is in the context of the development of the *Haringey Education Partnership (HEP)*, which, from September 2018, will be the new model for the delivery of school improvement. It is anticipated that the EYQT will be trading with the HEP and will have an ambitious income target to achieve. Whilst this presents new opportunities for offering early years quality improvement both within, and outside of Haringey, there are potential challenges to meeting the income targets required to sustain the team.

Descriptions and details of the centrally retained elements relating to staff and resources are set out in detail at **Appendix 1**.

6 Key issues and Challenges

6.1 Free Entitlement Participation

Our target to increase participation rates for three year olds from 2014 levels of 84% to 94% by 2018 (as set by DfE in 2013) stalled in 2015 and has been reducing since 2015. A marketing and outreach campaign during the 2015 summer term provided useful feedback and identified a need to focus on the 3-year-old take up, the flexibility of the offer and improving our understanding of the fluctuating patterns of take up across our school nursery classes and PVI providers. We believe that the new 30 hour offer, as essentially a top-up to the universal 15-hour will impact on take-up rates but the extent of this impact remains to be seen.

6.2 Delivering the 30-hour extended entitlement

The introduction of the 30-hour free entitlement offer from September 2017 is likely to have an impact on take-up rates for 3 year olds but the degree to which this increases participation is, as yet, unknown.

The full impact of this new 30-hour offer is yet to be seen. Early indications are that there are many households in Haringey where parents will be ineligible and therefore children will remain entitled to the universal 15 hour offer only. Some parents are choosing not to take up the offer due to concerns about the impact of taking up the free offer on the levels of childcare tax credit or other benefits they receive.

The most up-to-date profile of sufficiency is as follows:

Providers offering the free entitlement

NLC	Private	Voluntary	Schools	Children's Centre	LA Nursery	Childminders	TOTAL
Highgate/Muswell Hill NLC1	11	3	4	0	1	4	23
Hornsey/Stroud Green NLC2	4	1	6	0	0	4	15
Wood Green NLC3	10	3	8	1	0	5	27
Haringey/West Green NLC4	6	2	12	0	0	10	30
North East Tottenham NLC5	3	1	7	1	0	2	14
South East Tottenham NLC6	3	3	10	1	0	5	22
Grand Total	37	13	47	3	1	30	131

Potential Place Sufficiency by NLC	Education Funding Agency eligible 3&4 Year old 30 hr estimate	Potential 30hr supply by Sept 17	Balance of 30 hour places required
Highgate/Muswell Hill NLC1	294	313	(19)

Hornsey/Stroud Green NLC2	204	190	14
Wood Green NLC3	266	266	0
Haringey/West Green NLC4	241	354	(113)
North East Tottenham NLC5	221	142	79
South East Tottenham NLC6	484	228	256
Grand Total	1,710	1,493	217

6.3 Administering the 30-hour offer

6.3.1 The administration of the 30 hour offer, alongside the universal 15-hour offer proved challenging during this Autumn term. Problems with the government's national systems for parental registration for the 30 hour offer and tax-free childcare during the summer months, led to significant problems for some parents, providers and the local authority. Parents who applied soon after the Childcare Choices portal went live in April 2017, received an eligibility code that, based on the 12-week validity period for the codes, needed to be renewed before the start of the autumn term in September. Some parents experienced significant delays in receiving codes due to technical issues with the national portal. Pressures on the national system and technical issues meant that these families were either not able to receive a code at all until after the autumn term had started because of technical issues or were not prompted to renew their codes during early part of the term.

6.3.2 As Local Authorities tried to process the codes submitted by their providers, it became clear to DfE that it was not possible for the LA systems to process these children's hours. DfE then initiated a process where the LA submitted a list of those families where the code issued was expired or affected by technical issues by the end of October 2017. For those where technical issues were responsible for code problems, the DfE and HMRC addressed the issue directly by updating families' records remotely, to enable LAs to process payments. For Haringey, this totalled **147** children. For those families where codes had lapsed without a renewal prompt, we are required to manually update each child's record, carry out a new eligibility check and confirm eligibility on the systems under each provider. This enabled payment to providers to be processed. This process was undertaken for **291** children currently accessing the 30 hour offer.

6.3.3 In December 2017, DfE invited Local Authorities to apply for Sec.31 funding to meet the cost of funding those children affected by the issues outlined in points 6.3.1. The deadline for the submission of data was the 5th January 2018. An application from Haringey was submitted.

6.4 Funding providers for the delivery of 2-Year-Old Free Entitlement Places

In February 2017, a decision was made by the council to reduce the £6.00 per hour funding rate to £5.66, matching the rate of funding received by the Council from DfE. This will ensure that the continued delivery of the 2-year-old offer in the borough can be sustained within the funding envelope allocated by the DfE. However, it presents a significant risk to the sufficiency of places across the borough due to the new funding rate being potentially lower than the levels that providers feel is necessary for them to continue delivering the offer.

- 6.5 In light of plans to reduce the provider funding rate from April 2019, two major priorities for the continued delivery of the statutory 2-year-old free entitlement are; to ensure that we are able to manage the transition from Haringey's current funding rate levels to the rate at which the Council is funded and to safeguard the sufficiency of 2-year-old places from April 2019.

7 Key activities for 2018-19

7.1 Understanding Impact and Sufficiency of the Early Education offer

- 7.1.1 A review of the impact of the offer in Haringey is to be undertaken, as phase one of our new Childcare Sufficiency Assessment (CSA). As part of this we will be seeking to:

- Understand the impact of the new offer on the early years landscape in Haringey.
- Understand how the new early years funding formula is working and its effect on providers in the borough.
- Gain an initial view of parents and carers as to the benefits and disadvantages of the offer, as well as learn more about any emerging barriers to access.

7.2 Maximising EY DSG Grant Income

- 7.2.1 The introduction of the extended free entitlement offer has highlighted the challenges of encouraging participation in all of the types of offer and supporting the early years sector to provide as diverse and flexible an offer as possible. The relationship between children's participation in the offer and the funding allocated to delivering the early education has never been more stark. A key priority for 2018-19 has to be ensuring that the Council, early years providers and partner agencies are working together to ensure that children are able to access their entitlement wherever they live in Haringey and whatever their needs may be. We need to maximise the financial resources coming into the borough for the benefit of children and families and key actions will include:

- Improving census process and rigour – data submission/targeted campaign and updated provider contracts
- Raising awareness and understanding across the sector about the importance of the census and its relationship to the Council's funding allocation for early years education.
- Maximising take up – targeted brokerage and outreach, sufficiency, business support
- Exploring options for maximising income generation by early years quality team

7.3 Creation of a Place Development and Delivery Strategy for the 2-Year-Old free entitlement offer

There is currently an expectation from the DfE that the council continues to develop and promote the 2-year-old free entitlement for all eligible children. This means that for 2018-19, we will need to prepare for the change to the provider funding rate from April 2019-20 and:

- Review our funding formula and develop a place delivery strategy that is able to encourage provider participation and secure places. In the longer term, these will need to be sustainable within the agreed financial settlement
- Ensure there are sufficient good quality places to meet our statutory responsibilities;
- Build high levels of participation in the programme. We will need to continue our brokerage role and strengthen early help pathways into the programme to ensure that children, particularly those facing the most disadvantage, are enabled to take up the place they are eligible for and parents are supported to place their children in an appropriate setting.

Appendix 1

Centrally Retained Funding 2018-19 - Breakdown of Key Budget Elements

EY Quality Improvement Element of Centrally Held Funding

<u>Cost Element</u>	<u>FTE</u>	<u>£</u>
Head of Standards		73,730
Advisory Teachers x 4.8 & Moderation		267,643
Total		<u>441,373</u>

This allocation of funding supports the delivery of the 3 and 4 free entitlements and enables support and intervention for targeted schools and settings to ensure the sufficiency of good and outstanding provision and enabling greater provider participation. The funding will enable support and intervention for targeted schools, private, voluntary, independent (PVI) and childminder settings. The team also moderate the Early Years Foundation Stage Profile (EYSFP) to secure standards across the early years sector. We currently have 239 childminders, 80 PVI providers, 3 nursery schools and over 60 schools offering early education. Through targeted support, challenge and a comprehensive training programme the Early Years Team work with all childcare providers to support raising standards, narrowing gaps and ensuring the highest quality practice for our children and families. The rapid improvement of Ofsted results and the Good Level of Development show the proven record of success of the team.

Appendix 1

Centrally Retained Funding 2018-19 - Breakdown of Key Budget Elements

EH Commissioning Element of Centrally Held Funding

<u>Cost Element</u>	<u>FTE</u>	<u>£</u>
Funding Manager	1	47,815
Brokerage Officer	0.5	21,628
Free Entitlement Administrator	1	32,869
Sufficiency Officer	1	36,052
Business Development (Commissioned support)		25,000
Database (Systems support, licenses, upgrades, maintenance)		50,000
Marketing & Outreach		15,000
Total		<u>228,364</u>

The functions required for the delivery of the universal and extended 3 & 4-year-old free entitlement offers include regular data collection, collation and financial reconciliation through the management of the census process, monitoring and reporting on take-up, the routine processing and allocation of funding; including the setup of new providers in the borough. Additional functions include statutory requirements such regular audits, acting to remove funding where providers become inadequate and supporting children and families to access alternative provision in light of a withdrawal of funding. Work has been undertaken to streamline and automate our processes, moving much of the information submission, application and eligibility checking to on-line systems.

The processing of separately funded streams such as the 2-year-old programme, Early Years Pupil Premium, Disability Access Fund and SEN Inclusion funding means that there is a significant amount of administration undertaken by the Council. This allocation of DSG funding ensures the staffing resources required are in place to ensure our statutory processing and payment obligations can be met. In addition to this, there is a contribution towards the costs of the capacity we need in order for the council is able to continue meet its duties, under the Childcare Act 2006; with the provision of business development support across all types of provision offering or wishing to offer the free entitlement and the brokerage function in order to maximise access and take-up of all types of free entitlement because of the positive benefit for children, particularly our most vulnerable and disadvantaged and also because of the impact this will have on levels of resources coming into the borough.