



Executive Meeting
15 February 2010

Report from the Director of Children and Families

For Action

Wards Affected:
ALL

Report Title: Introduction of Early Years Single Funding Formula and Changes to the Allocation and Funding of Early Years Full Time Places in Maintained and Private, Voluntary and Independent (PVI) Sectors

1.0 Summary

- 1.1 All local authorities are required to introduce an early years single funding formula (EYSFF) across the maintained and private, voluntary and independent sectors that underpins the delivery of the extended free entitlement to early year's provision. The Government initially wanted the EYSFF to commence from April 2010 but in December said they would delay it till April 2011 as a number of council's were not ready to implement from next April. DCSF encouraged those councils who were ready to implement from April 2010 to do so and apply to become a pathfinder authority. Brent has made significant progress in developing the EYSFF and Executive are being asked to approve implementation from April 2010 in line with a large number of London councils. The December Schools Forum (SF) initially asked the council to delay implementation till April 2011. However, having had more time to consider the December Ministerial statement, as well as the advantages of not delaying implementation, the January SF recommended the Council to implement the SFF from April 2010.
- 1.2 The introduction of the SFF offers an opportunity to review the basis on how full time early year's places are allocated and funded and move to only offering these places to needy and vulnerable children. The Executive is being asked to consult with parents on the proposal for a new policy for allocating full time nursery places from September 2011. Following consultation a further report will be presented to the Executive later in 2010.
- 1.3 The financial implications of the proposals can be contained within the affordability ceiling of £13.3m for the delivery of the extended free entitlement. There are no General Fund implications.

2.0 Recommendations

1. To agree the Early Years Single Funding Formula and implementation from April 2010 in accordance with the recommendation of the January Schools Forum.
2. To note the application made in January to DCSF for pathfinder status.
3. To consult with parents on the proposed allocation of full time early years places based on need as set out in Section 6 from September 2011; a further report will be presented to the Executive following the consultation later in 2010.

3.0 Introduction and Background

Minister's December Statement

3.1 DCSF has been closely monitoring progress local authorities have been making with developing and implementing the SFF. On 10 December 2009 the Minister issued a written statement delaying the SFF implementation for a year to April 2011 in light of current experience of local authorities. The statement goes on to invite those councils who are ready to implement from April 2010 to apply to become pathfinder authorities until April 2011. Brent has applied for pathfinder status and the outcome will be announced at this meeting. The full statement is reproduced at Appendix A.

Early Years Provision in Brent

3.2 The Government's vision is for all children to have access to high quality early learning and childcare that:

- Helps them to reach their potential;
- Helps parents to work and stay out of poverty, and
- Allows parents to make informed choices about how to balance their children's care and family life.

3.3 The Government sees the creation of the Early Years Single Funding Formula (EYSFF) as the funding model that will support the delivery of this vision. The broader context for the EYSFF and the Government's vision is enshrined in the Department for Children Schools and Families (DCSF) Draft Code of Practice on Provision of the Free Early Education Entitlement for 3 and 4 year olds.

3.4 In common with all local authorities Brent ensures that a sufficient amount of nursery education/early learning and care, now termed Early Years (EY) provision is made available at Ofsted registered settings in the Private, Voluntary and Independent (PVI) and Maintained sectors.

3.5 Brent currently has 138 providers offering either full time (FT) or part time (PT) EY provision to 4,635 children made up of:

- Maintained sector

- 48 primary schools
 - 26 offering FT provision 951 children
 - 22 offering PT provision 1,374 children
- 4 nursery schools offering FT provision 210 children
- PVI sector
 - 86 providers offering PT provision 2,100 children

The entitlement for all eligible 3 and 4 year olds increases from 12.5 to 15 hours a week from September 2010.

3.6 As a Wave 2 Pathfinder Brent was required to implement the new offer from September 2008 and to date 90% of PVIs and 25% of part time place schools are providing 15 hours of provision. DCSF has allocated additional funding to pilot councils from the Standards Fund to resource the additional hours of free entitlement.

3.7 The introduction of the EYSFF has provided an opportunity to review the way FT EY places are currently allocated to children in nursery schools and primary schools with nursery classes. In addition, this opportunity allows the Council to extend FT places for the first time to the PVI sector. The proposal is to offer FT places based on need and vulnerability of the child.

3.8 In September 2008 a sub group of Schools Forum (SF), made up of representatives of both sectors and officers from Children's and Families department, was created to oversee development of the EYSFF and options for FT place allocation and funding.

3.9 The extension of the free entitlement, and the change in delivery methods to enable parents to take up the hours flexibly, reflects the government's commitment to reducing child poverty, raising educational standards and narrowing the gap in attainment. These aims will be achieved by assisting parents to return to training or to work, and by increasing the take up of EY provision.

Current Early Years Budgets

3.10 The EYSFF and funding for FT places will be funded from Dedicated Schools Grant (DSG). The current year's budgets are set out in the table below.

Table 1: 2009/10 Budgets for Early Years Provision

	Primary	Nursery	PVI	Total
2009/10 Budget Shares	5,797,462	1,880,007	2,810,000	10,487,469

Modelling the financial impact has to be accommodated within current EY budgets including the additional Standards Fund of £2.6m. Following the Minister's announcement to delay the EYSFF start date it is assumed that pilot authorities would continue to receive separate funding from the Standards Fund. It is, therefore, considered prudent to set a budgetary ceiling of £13m for the initial development of the EYSFF proposals set out in this report.

3.11 This report brings to the Executive the revised EYSFF proposals following consultation and proposals to change the way FT EY places are allocated and funded. It is set out over the following sections:

Section 4: Presents consultation feedback from the December 2009 Schools Forum

Section 5: Presents proposals for the Early Years Single Funding Formula (following consultation with providers and the SF)

Section 6: Presents proposals for the allocation and funding of Full Time EY places

Sections 7 to 10 Provide financial, legal, diversity and HR implications.

4.0 Consultation with Schools Forum and Providers

4.1 The September, December and January SFs were consulted on the development of the EYSFF and FT place proposals. Consultation with providers took place over October and November with 30% of providers responding to the consultation questionnaire. In addition, four information meetings were held across the borough with forty five providers attending and their feedback has informed revisions to the proposals. Appendix B provides a summary of the provider consultation feedback.

The main emerging issues are summarised below:

Single Funding Formula

- The hourly rates for PVIs was too low
- Deprivation supplement should have a larger overall sum allocated to it
- Flexibility supplement criteria are too difficult to meet
- Quality supplement criteria are aspirational and need to be more realistic

FT place allocations process

- It should be delayed for a year to allow admissions and eligibility processes to be developed
- Parents need to be consulted and informed of the proposals so they can assess the implications
- Centrally administered admissions process for FT places must have capacity to manage the process with no detriment to statutory age admissions process

4.2 December SF discussed the proposals in detail and made the following recommendations:

1. In light of the ministerial announcement the implementation of the SFF should be delayed until April 2011; and

2. Option 2 for the allocation of FT places should be implemented from September 2010

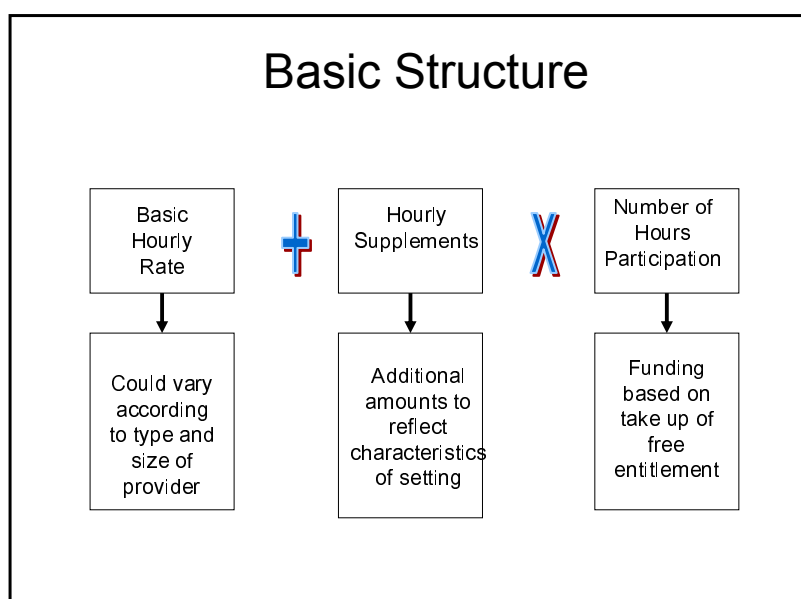
4.3 January 2010 SF reconsidered their December decision to delay the EYSFF having had more time to review the Ministers December statement and the advantages of an April implementation given the significant progress the Council has made in developing the EYSFF framework. SF unanimously voted to recommend implementation of the EYSFF from April 2010.

4.4 The January SF had concerns regarding the lack of sufficient time to consult parents on the new FT place proposals. In addition, there is some uncertainty that DCSF will have the regulations in place allowing schools to charge parents in readiness for September 2010. Arising from the above, it is proposed to delay implementation until September 2011 and external legal advice supports this decision.

5.0. The Early Years Single Funding Formula

5.1 The development of the EYSFF has followed DCSF guidance that was updated in July 2009¹ and reflects the structure set out below.

Diagram 1: DCSF Proposed Framework for Single Funding Formula



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5.2 Based on the above structure and following consultation with SF and providers the EYSFF proposals are as follows:

- Basic hourly rate of £3.25 for all providers
- Supplements to be based on additions to the basic hourly rate instead of lump sum payments covering:
 - Deprivation
 - Lump sum payment linked to relative deprivation of child's post code

¹ Implementing the Early Years Single Funding Formula Practice Guidance July 2009

- Quality
 - Measuring quality of staff and quality of provider
- Flexibility
 - Ability to offer parents flexible EY provision to suit their work/life balance.

The financial analysis in this section offers an illustration of the impact of the revised EYSFF proposals. A comparison is made with the consultation proposals to assess the financial impact of the revisions.

Basic Hourly Rates

5.3 The proposal is for a flat rate of £3.25 across all providers. The consultation proposals considered differential rates of:

- Nursery schools £4.67
- Primary schools £3.25
- PVIs £2.73.

5.4 The differential rates were informed by a cost analysis of a sample of providers from each sector conducted in late 2008 that identified the costs of delivering one hour of EY provision within each sector. Nursery schools have a higher hourly cost due to the lower number pupils over which to spread fixed overheads. The PVI rate was lower as they do not face the higher salary and overhead costs that schools have to pay. Following consultation the sub group listened to the respective views from each sector and concluded that in its first year a flat rate should be used as:

- PVIs overwhelmingly rejected the £2.73 rate
- Nursery schools wanted
 - Parity with primary schools; and
 - Expressed the view that resources released through their lower rate should be redistributed to the PVI sector and the deprivation supplement.

5.5 The financial implications of the hourly rate proposals are shown in Table 2 below.

Table 2: Impact of Revised Hourly Rate

Hourly Rate Comparison	2009 PLASC Funded Hours	Basic Hourly Rate	Basic Hourly Rate Funding	Nursery Lump Sums	Total Funding
Total Primary Schools	1,834,260	3.25	5,959,511	0	5,959,511
Total Nursery Schools	249,660	3.25	811,395	829,124	1,640,519
Total PVIs	933,348	3.25	3,033,381	0	3,033,381
Grand Total	3,017,268		9,804,287	829,124	10,633,411

Deprivation Supplement

5.6 The provision of the deprivation supplement will be a statutory requirement as part of the EYSFF. The objective for this supplement is to offer funding to all providers linked to a measure of deprivation that is readily accessible and available for both sectors. The proposal uses the aggregate of the Index of Multiple Deprivation (IMD) points score for the post code of each child attending a setting.

5.7 The supplement will distribute 10% of the EY budget (£1.25m) which is significantly more than a number of Brent’s neighbouring councils. The expectation is that DCSF will expect local authorities to provide for the deprivation supplement at this level of funding.

Each IMD point will attract the following funding based on dividing the total funding pot by total IMD scores:

$$= \text{£}1,250\text{m} / 125,321\text{points} = \text{£}9.97 \text{ per IMD point.}$$

5.8 The financial implications of the proposal are shown in Table 3 below.

Table 3: Impact of Revised Deprivation Supplement

Deprivation Supplement	Deprivation Payment
Total Primary Schools	707,854
Total Nursery Schools	91,426
Total PVI's	457,595
Grand Total	1,256,874

The revised proposal increases the cost of the deprivation supplement and reflects the nursery school head teachers desire to transfer funding to this supplement.

Quality Supplement

5.9 Following consultation the two original performance measures are retained namely:

1. Levels of staff qualifications; and
2. Ofsted rating

Staff Qualifications

5.10 Two levels of performance would be measured ‘Enhanced’ and ‘Standard’ with only the Enhanced measure receiving a payment set at 10p an hour. Feedback from consultation suggested the initial performance levels were set too high and they have been revised. The proposals ensure:

- For schools: the experience of the QTS in EY is taken into account; and
- For PVI's: the current position of EY Foundation Stage leaders in pursuing the Early Years Professional Status post graduate qualification is taken into account.

Ofsted Rating

5.11 The Ofsted proposal reflects the current rating of the provider and will be measured and funded as follows:

- Outstanding 10p an hour
- Good 5p an hour
- Satisfactory No payment.

The financial implications of both elements are shown in Table 4 below.

Table 4: Impact of Revised Quality Supplement

Quality Supplement	Quality Staff	Quality Staff Hourly Rate	Quality Ofsted	Quality Ofsted Hourly Rate	Quality Overall
Total Primary Schools	104,196	0.10	75,383	10p and 5p	179,579
Total Nursery Schools	24,966	0.10	8,892	10p and 5p	33,858
Total PVI's	37,525	0.10	31,148	10p and 5p	68,673
Grand Total	166,687		115,423		282,110

Flexibility Supplement

5.12 Flexibility supplement will be paid where a provider meets the following requirements:

- Providers are able to offer the 15 hours over a minimum of 3 days per week
- Providers are able to offer flexibility to parents over start/finish times, i.e. not tied to rigid session times
 - Schools offering extended school services would be able to include these start and finish times as part of delivery of the EY provision
- Providers are able to accommodate parents seeking Early Years provision for just 15 hours per week
- Providers are able to offer a maximum of 10 hours and minimum of 2.5 hour sessions.

5.13 The proposed hourly payments are:

- Fully flexible: Meeting all four conditions 30p an hour
- Partially flexible: Meeting any three out of four 15p an hour.

It is accepted that for now schools would have difficulty in being able to trigger the partial payment and experience elsewhere will be monitored over the coming year to see how other councils have dealt with this supplement. The

annual review process would look to revise this supplement based on best practice elsewhere.

5.14 The financial implications of the proposals are shown in Table 5 below.

Table 5: Impact of Revised Flexibility Supplement

Flexibility Supplement	Flexibility	Flexibility Hourly Rate
Total Primary Schools	0	0.30 and 0.15
Total Nursery Schools	37,449	0.30 and 0.15
Total PVI's	235,403	0.30 and 0.15
Grand Total	272,852	

Overall Financial Implications

5.15 The overall financial implications of the proposals are shown in Table 6 below.

Table 6: Overall Financial Impact

Single Funding Formula	Total Funding
Total Primary Schools	6,846,943
Total Nursery Schools	1,803,252
Total PVI's	3,795,052
Grand Total	12,445,246

5.16 If all providers were to receive the maximum in quality and flexibility supplements then the cost would increase by £200,000 in a full year. This can be contained within the overall £13.3m budget (see paragraph 5.18).

5.17 Table 7 sets out the final proposed elements of the EYSFF in a summarised form. The SF has been presented with initial benchmarking data showing proposed EYSFF hourly rates from a number of other local authorities. This is set out in Appendix C

Table 7: Single Funding Formula Elements

Elements	
Basic Hourly Rate	
Deprivation Supplement (average across all providers)	
Quality Supplement: Staff	Enhanced Standard
Quality Supplement: Ofsted	Outstanding Good Satisfactory
Flexibility	Fully flexible Partially
Hourly Rate Impact	Maximum Minimum

5.18 Had the EYSFF been universally applied by all local authorities from April 2010 it was anticipated that DCSF would have provided funding through the DSG. If the Council is successful with its pathfinder application it is expected that additional funding will continue to be provided through the Standards Fund. Adding the current EY DSG provision and Standard Fund grant for the 15 hour pilot creates an overall budget of £13.3m. The cost of implementing the EYSFF from April 2010 is estimated at £12.5m (Table 6) therefore based on the assumptions used in the financial modelling there would be sufficient budget provision for 2010/11 including a contingency.

Transitional Protection

5.19 The proposal for transitional protection offers the following:

- Losers: would incur the following proportions of their overall loss
 - Year 1 25%
 - Year 2 50%
 - Year 3 75%

- Year 4 100%
- Gainers: would receive the following proportions of their overall gain
 - Year 1 25%
 - Year 2 50%
 - Year 3 75%
 - Year 4 100%

5.20 In addition to the above is the intention to offer PVIs a minimum funding guarantee that will ensure that no provider would receive less than the equivalent of the current Nursery Education Grant rate of £3.52 an hour during the three year transitional protection period.

5.21 Appendix E illustrates the impact of implementing the EYSFF including transitional protection showing potential 'winners' and 'losers'. It is based on historic hours of take up and will need to be reassessed using the January 2010 census data when that becomes available.

6.0 Proposals for the Allocation of Full Time Early Years Places

6.1 The development of the EYSFF provides the Council with an opportunity to review the criteria for the allocation of FT EY places and their funding. The objective is to devise a transparent and common process across all sectors that would allocate a FT place based on need and vulnerability of the child. Currently schools offer FT places based on ad hoc local arrangements that have built up over the last 25 years.

6.2 SF and providers were consulted during the autumn on a proposal that would allocate places using the eligibility criteria currently used for the Government's 2 year old childcare scheme based on:

- Economic deprivation
- Social needs; and
- Medical needs.

Appendix D contains the criteria in full.

Parents would apply centrally for a FT place and demonstrate that they meet the eligibility criteria.

6.3 The main issues and concerns highlighted by the consultation responses covered:

- Any changes should be delayed for a year to allow admissions and eligibility processes to be developed
- Parents need to be consulted and informed of the proposals so they can assess the implications
- Any centrally administered admissions process must have capacity with no detriment to statutory age admissions process

6.4 December SF was subsequently consulted on the following options:

- Option 1: Delay the FT place implementation for a year so that it commences in September 2011
- Option 2: Implement a revised FT place allocations process for September 2010 intake allocating places based on the relative deprivation associated with a child's post code to be administered locally
- Option 3: Implement the original proposal that went out to consultation
- Option 4: Implement a hybrid option of Option 2 funding 80% of the 2009/10 FT places in schools and 80% of the proposed FT places for PVI's in Option 2

6.5 December SF concluded that the move to offering FT places based on need should not be delayed but accepted that an interim approach was the best option to maintain the momentum of change. Options 1 and 3 were rejected with Options 2 and 4 seen as maintaining the momentum of change and transition to the new basis of allocation.

6.6 SF concluded that Option 2 was their preferred option and implementation in September 2010 was feasible if providers managed their own admissions within the guidelines set by Brent.

6.7 Consultation with parents was to begin last month but concerns were expressed at the January 2010 SF by head teachers that there was insufficient time to consult parents on the changes for the September 2010 intake.

6.8 In order to provide flexibility to schools wishing to maintain their FT provision DCSF had promised new regulations that would allow schools to charge for a FT place should parents be willing to pay. This new power would have been an important element of the successful implementation of the new allocation basis for full time places. These regulations have not yet been introduced and there is real uncertainty about them being in place in time for September 2010.

6.9 Arising from the above the Council has received legal advice that would support a delay in implementation until September 2011. A further report will be brought to Executive later in 2010 seeking approval to the admissions and allocations process (see paragraph 6.2) for a FT place from September 2011 following consultation with stakeholders.

7.0 Financial Implications

Overall Financial Impact

7.1 The Director of Finance and Corporate Resources comments that the overall financial impact of the EYSFF indicates that the estimated cost of £12.5m can be accommodated within available resources. There is a prudent contingency of £0.8m available to address any unforeseen consequences or events arising from the EYSFF. There are no General Fund implications.

8.0 Legal Implications

8.1 The Borough Solicitor advises that Section 7 of the Childcare Act 2006 sets out the requirement for local authorities to secure free early years provision for each 3 and 4 year old in their area. Section 7 will also assist with the authorities Section 6 to secure sufficient childcare by delivering the free entitlement to early years provision flexibly and to address the inconsistencies of how this is currently funded.

8.2 Regulations under Section 7 of the Childcare Act 2006 set out the amount and type of free provision and the ages of children to benefit from free provision. As of September 2010 the minimum amount of free provision which a local authority must secure for each eligible child will be 570 hours each year spread over no fewer than 38 weeks of the year. The regulations continue to require local authorities to make Early Years Foundation Stage provision free of charge and in doing so use early years providers who are either:

- a) Early years providers who are required to be registered on the Ofsted Early Years register; or
- b) Maintained schools, approved non-maintained special schools or independent schools which are not exempt from registration.

8.3 Children will continue to be eligible for free provision from 1 April, 1 September or 1 January following their 3rd birthday and will cease to be eligible when they reach compulsory school age.

8.4 The necessary paving legislation for the EYSFF was included in the Apprenticeships, Skills, Children and Learning Act 2009, which has recently completed its passage through Parliament. The primary legislation allows amendments to the Schools Finance Regulations that will formalise the creation of the EYSFF and the statutory deprivation supplement that will be funded from DSG.

9.0 Diversity Implications

9.1 There are no diversity implications arising from the proposals in this report.

10.0 Staffing Implications

10.1 Schools currently offering FT places will need to assess their options for EY provision arising from the proposals set out in this report. Staff implications could arise through:

- PT schools increasing provision from 12.5 hours to 15 hours a week; and
- FT schools changing to PT or mixed provision.

Trade unions have been aware of the proposals in this report through their representation on SF.

Background Papers

- i) Draft Code of Practice on Provision of Free Early Education Entitlement for 3 and 4 Year Olds – September 2009 (DCSF)
- ii) Implementing the Early Years Single Funding Formula Practice Guidance July 2009 (DCSF)

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Appendix A

Written Ministerial Statement 'Early Years Funding'

This government has transformed the provision of early years education and childcare in this country, increasing investment sevenfold since 1997 and creating a universal free offer for three and four year olds.

As a result there is now nearly universal take-up of the 12½ hours of free early learning and childcare available to three and four year olds, and we remain on course to extend the provision to 15 hours per week from September 2010. The commitment and endeavour of early years providers across the country have been crucial to this success.

In 2007 we announced plans to introduce a single local Early Years Single Funding Formula (EYSFF).

This aims to provide greater consistency and transparency in local decision-making concerning the funding of the free entitlement for 3 and 4 year olds.

The necessary paving legislation for the EYSFF was included in the Apprenticeships, Skills, Children and Learning Act 2009, which has recently completed its passage through Parliament. The introduction of the EYSFF was welcomed by members on all sides of both Houses.

Our intention has been that every local authority should implement the EYSFF from April 2010. In anticipation of this many local authorities have been working hard to prepare for this and have engaged positively with local providers.

However, during the summer it became clear that a significant number of local authorities were experiencing difficulty in developing their EYSFF. More recently, parents and providers, from both the maintained and the PVI sectors, have expressed concerns about the potential adverse impact on provision if the EYSFF is introduced now.

In response to these concerns the department acted quickly to survey all local authorities, to establish how much progress they had made. This was completed towards the end of November and found considerable variation in terms of their readiness.

The data and information we have collected now suggests that less than a third of local authorities will be in a secure position to implement their EYSFF from April 2010. While it is difficult to generalise about the underlying reasons it seems clear that some local authorities have experienced serious difficulties in obtaining accurate data from their providers, while others have simply found the task extremely challenging.

I have therefore decided to postpone the formal implementation date for the EYSFF by one year until April 2011.

I have asked my officials to invite all local authorities that are confident they are ready to implement their new formulae in April 2010 and who wish to do so to continue as planned. These local authorities will be able to apply to join a pathfinder programme, which currently involves 9 local authorities but which we will now expand.

This expansion will increase the capacity of the pathfinder programme to develop practice from which other local authorities can learn.

The government remains strongly committed to the introduction of the EYSFF in all areas from April 2011. We believe that it is only through the effective implementation of the EYSFF that all providers across the sector can have confidence in local decisions about funding. This twelve month delay should provide sufficient time for concerns to be addressed, without incurring a risk of drift. It will also allow time for more dedicated support to be offered to those local authorities that need it in order to complete the development of their formula.

Appendix B

Consultation Feedback

Consultation Process

The main emerging issues are summarised below:

Single Funding Formula

- The hourly rates for PVI's was too low
- Deprivation supplement should have a larger overall sum allocated to it
- Flexibility supplement criteria are too difficult to meet
- Quality supplement criteria are aspirational and need to be more realistic

FT place allocations process

- It should be delayed for a year to allow admissions and eligibility processes to be developed
- Parents need to be consulted and informed of the proposals so they can assess the implications
- Centrally administered admissions process for FT places must have capacity to manage the process with no detriment to statutory age admissions process

Consultation Process and Outcomes

Approach

Brent currently has 138 EY providers offering the free entitlement to EY provision made up of:

- Maintained sector
 - 48 primary schools
 - 26 offering FT provision
 - 22 offering PT provision
 - 4 nursery schools offering FT provision
- PVI sector
 - 86 providers offering PT provision

The consultation process involved two elements comprising:

- Information meetings offering further details and clarifications on the proposals; and
- Consultation questionnaire seeking providers views and feedback on the proposals.

Information meetings

Four information meetings were held at the following schools:

- Roe Green Infants
- Oakington Manor
- Granville Plus Children’s Centre; and
- Malorees Infants

Forty-five providers attended the meeting broken down as follows:

- Schools
 - FT place schools 5
 - PT place schools 8
 - Children’s Centres/Nursery schools 5
- PVIs 27

The attendance represented an overall 33% participation rate by all providers.

Consultation Questionnaire

The questionnaire was in two parts covering the EYSFF and proposed basis for allocating and funding FT EY places. A number of questions were asked seeking ‘yes’ or ‘no’ answers followed by requests for additional comments in support of the answer. 41 responses were received representing 30% of total providers and their answers are set out below.

Responses to Questionnaire

		Schools		PVI's	
		Yes	No	Yes	No
Single Funding Formula	Question 1: Do you feel the use of different hourly rates to reflect the different costs, particularly staff costs, of providers is a reasonable basis for the hourly rate?	9	2	3	21
	Question 2: Do you feel the amount allocated to the deprivation supplement from the £11m budget should be larger or smaller?	Larger 3	Smaller 5	Larger 16	Smaller 2
	Question 3; Do you feel the proposed measures and payment levels will incentivise providers to offer flexibility?	3	10	12	10
	Question 4: Do you feel the proposed measures and payment levels will incentivise providers to improve quality?	1	12	12	9
	Question 5(a): Do you agree that the proposed qualifications measures should form part of the quality supplement	5	9	18	4
	Question 5(b): Do you agree that the proposed Ofsted measures should form part of the quality supplement	6	7	14	7
	Question 6: Are the thresholds for moving up from 'Basic' to 'High' reasonable and achievable?	4	10	7	17
	Question 8: Do you understand the structure of the proposed single funding formula?	12	1	17	4
Full Time Place Allocation	Question 10: Do you agree that the proposed criteria should be used as a basis for the allocation and subsequent funding of FT places?	7	6	10	11
	Question 11 FT Schools: If you were to lose funding for FT places would you consider switching to PT provision?	5	3	NA	NA
	Question 12 PT Schools: Would you consider offering FT places alongside your PT Provision?	0	4	NA	NA
	Question 13 PVI's: Would you see any difficulties in accommodating a funded FT Child?	NA	NA	9	11
	Question 14: The proposed way forward is for the FT place applications process to be managed centrally. Do you have any views on this proposal?	12	1	14	7
	Question 15: Do you feel the proposed transitional protection offers a reasonable basis for allowing providers to cope with the changes and financial impact of the proposals?	7	5	6	8
	Question 16: Do you understand the structure of the proposed full time place allocations and funding proposals?	13	0	15	4

NB: A number of respondents chose not to answer some questions

Appendix C: Benchmarking with other Local Authorities

	Hourly Rate			Supplements			
Council	Schools	Nursery School	PVIs	Deprivation	Quality	Flexibility	Other
Brent	3.25	3.25	3.25	£1.25m. IMD score for postcode	Staff Quals 0.10p Ofsted: Outstanding 0.10p Good 0.05p	Full 0.30p Partial 0.15p	
Barnet	3.60	3.60	3.60	£439k/ IDACI Units	£194k /NPQICL, NPQH,EYPS	£304k at 2 rates	£304k/£100 per child
Hillingdon	2.99	2.99	2.99	£1.4m/ 20% most dep	£501k / Graduate Leaders	NIL	£702k Premises £300k Protection
Harrow	3.56	3.56	3.56	£53k/Acorn postcodes	£55k/Level 6, £40k/Level 5 £15k/ Level 4	NIL	£290k/ 26 PPA £101k/76 PVIs £638k/Qual Tchrs
Lambeth	3.90	7.80	3.90	2p/funded hour	NIL	Ofsted 18p/hour if o/s 9p/hour if good	NIL
Camden	5.46	6.53	4.98	0.08p/funded hour	NIL	NIL	NIL
Rochdale	3.75	6.16	3.02	N/K	12p /funded hour	34p/funded hour	NIL

Appendix D

Criteria for Allocation of Full Time Early Years Place

Compulsory National Criteria	The family are in receipt of one or more of the following
	Income support
	Income based job seekers allowance
	Child tax credit at a higher rate than the family element
	Extra working tax credit relating to a disability
	Pension credit
	Use IMD to identify those post codes associated with economic deprivation as a proxy for the above
Suggested Local Criteria	Family Characteristics
	Asylum seeking/refugee
	Parental Characteristics
	Teenage parents in FT education
	Those with health issues or disabilities known to social services
	Experience of domestic violence and known to social services
	Experience of substance misuse and known to social services
	Child Characteristics
	Speech and language delay
	In care
	Subject to a child protection plan
	In temporary accommodation
	Involved with Social Care
	Developmental or learning delay
With disabilities	

