

EXECUTIVE SUMMARY

This report updates the Forum on the work of the Early Years Working Group and recent information from the Department for Education.

1. Background

Over the past 18 months a working group from the Schools Forum has met to consider how a single formula for Early Years should best be designed, taking into account guidance from DfE and models operated by pilot authorities. The DfE announced in November 2009 that implementation of the Early Years Single Funding Formula (EYSFF) is to be delayed by one year to April 2011.

2. Update

2.1 The working group met in March and considered the work to be undertaken around nursery schools and the roll out of extension and flexibility.

2.2 Nursery Schools

As previously reported Nursery Schools were critical of the formula proposals. They argued that the formula did not sufficiently recognise the costs or quality of provision and that the transition period is too short. They see the Formula as being detrimental to their future and that the resulting budget reductions (mainly from a move away from place led funding) could not be managed.

2.3 Discussions with Nursery Schools since then have looked at a number of areas.

Adjusting the maximum numbers in schools. Proposals are being considered that will reduce the number of places:

- Brentwood reduce from 80 to 78
- Leasowe reduce from 120 to 91
- Ganneys Meadow reduce from 160 to 130.

These reductions will bring the schools places more in line with actual numbers and the peak in summer term. They also provide a more realistic comparison with the proposed formula

2.4 SEN -There is no element within the proposed single formula for SEN costs. It is proposed to hold amounts within the current nursery formula centrally (totalling £55,000) for this purpose.

2.5 Staffing - Staff pupil ratios are being revised to 1 : 13 (from 1 : 10) and staffing reviewed, with some initial salary protection.

2.6 Adjustments with Children Centre funding have been confirmed (the Children's Centres will contribute to Nursery School shared costs and overheads). Costs associated with the extended and flexible offer are being reviewed to ensure that they can be met from within the proposed formula.

2.7 **Transition**

The proposals for the transition period to move to the new formula will be extended to 3 years and should ensure funding at 90%, 85% and 80% of the current formula.

The measures above will help to remove some of the criticisms of the proposed formula.

2.8 **Extension and Flexibility**

Earlier this month the Secretary of State confirmed his commitment to proceed with the increase in early years entitlement for three and four year olds to fifteen hours from September 2010. All providers have been asked to indicate their readiness to offer the full entitlement.

2.9 A CYPD newsletter sent out earlier this month identifies some of the issues learned from the extended and flexible entitlement pilots, together with the actions that now need to be taken by providers in order to make this provision from September.

3. Financial Implications

3.1 The transition scheme proposed within the formula will be funded from existing Early Years resources.

3.2 Previous discussions regarding the formula have identified the requirement for £200,000 budget growth in 2011-12 to fund the new deprivation formula element.

RECOMMENDATION

That

(1) the Forum note this report and the progress made to implement a single funding formula for Early Years.

Howard Cooper
Director of Children's Services