

#### **Directorate of Children's Services**

Appendix A

# Consultation on Early Years Single Funding Formula for Two Year Olds

'Putting children and young people first in Dudley'

Monday 26th November 2012

Jane Porter
Director of Children's Services

Dudley Metropolitan Borough Council Directorate of Children's Services Westox House 1 Trinity Road Dudley West Midlands DY1 1JQ



#### **Directorate of Children's Services**

#### **Consultation Document**

**Consultation on:** Early Years Single Funding Formula for 2 Year Olds

Summary: To inform and consult on the Department for Education's

proposal to introduce an Early Years Single Funding formula

for 2 year olds effective from 1 April 2013.

Deadline: All responses must be received by 18<sup>th</sup> January 2013

Public Access Consultations, plans and policies will be published as follows:

**Public Libraries** 

Dudley MBC website www.dudley.gov.uk

Westox House

Responses to: CONSULTATION RESPONSES

**Executive Support Team** 

Directorate of Children's Services

Westox House
1 Trinity Road

Dudley DY1 1JQ

director.children@dudley.gov.uk

Your responses will be co-ordinated by this team.

Any responses will be provided by the appropriate responsible

officer for this consultation.

All responses may be published. A **large print version**, and translation into other languages is available on request to the above address.

Jane Porter
Director of Children's Services



Consultees:

Chairs of Governors (LA maintained schools)

Chairs of Governors (Academies)

Children's Centres

Councillors

Private, Voluntary, and Independent Providers of Early Years Education Worcester Diocesan Board of

Education

Headteachers (LA maintained schools)

Headteachers (Academies) Roman Catholic Diocesan Schools

Commission

Unions and Professional

Associations



#### **Glossary of Abbreviations**

DfE Department for Education DSG Dedicted Schools Grant

DSLT Directorate Strategic Leadership Team EYSFF Early Year's Single Funding Formula

HTCF – BWG Head teachers Consultative Forum- Budget

**Working Group** 

LA Local Authority

PVI Private, Voluntary and Independent Provision

SEN Special Education Needs



## Consultation on Early Years Single Funding Formula (EYSFF) for Two Year Olds.

#### Purpose of EYSFF for Two Year Olds Consultation

- 1. Local Authorities (LAs) will be required to fund providers of free early education for two year olds through an Early Years Single Funding Formula (EYSFF) from September 2013. The necessary Department for Education (DfE) changes to the Schools and Early Years Finance Regulations are now in draft and will give effect to the changes from 2013/14.
- 2. This consultation seeks responses to the proposed funding mechanism in respect of the EYSFF for two year olds.
- 3. Two year old places will be delivered by the private and voluntary childcare sector in close partnership with the network of children's centres across Dudley localities.

#### Proposals for the Dudley EYSFF for Two Year Olds.

- 4. The LA is responsible for developing an EYSFF for two year olds to allocate funding to providers.
- 5. Since 2009 to date, the Two Year Old Offer known as 'Time for Two's' in Dudley, has funded over 1000 places of free early years education provision for less advantaged two year olds, meeting both the mandatory (economic disadvantage) and local (Looked After Children, children with child protection plans and children with significant additional needs) criteria. Funding has been allocated to providers in respect of 15 hours per child over three terms, commencing the term after the child's second birthday in order to enable a smooth transition into the three and four year old entitlement.
- 6. In order to establish the cost of provision for two year olds, an exercise has been undertaken whereby cost of provision data has been obtained from current providers. The response rate was low with responses received from 9 Childminders and 34 Private and Voluntary providers out of a total of 280 providers. Analysis of this data has shown that the cost of provision of early education for two year olds varies significantly from £1.77 per hour to £4.54 per hour.
- 7. In order to support the reported actual cost of provision a theoretical cost model has been produced based on actual staffing ratios at average salary points and including average costs of overheads. Theoretical model costs range from £3.85 per hour for Private and Voluntary providers to £3.91 per hour for Childminders.
- 8. Therefore the proposal for Dudley EYSFF for two year olds is to fund at an hourly rate that reflects the cost of provision for early education and supports the relevant staff: child ratios of 1:4.

- 9. As the free entitlement for early education for two year olds will only be directed to those less advantaged children then it is not proposed to fund deprivation as an additional supplement at this stage.
- 10. In the light of the outcomes of the cost analysis exercise it is proposed to fund early years provision for two year olds at a basic rate **of** £4.00 per hour for all providers.

#### Question 1- Do you agree with the proposal for Dudley's EYSFF for two year olds to be based on a single hourly rate payable to providers?

- 11. The final decision in respect of the rates payable for two year old provision will be based on the outcomes of this consultation and the level of funding provided by the DfE through the Dedicated Schools Grant in respect of this provision. The Director of Children's Services will then make a final decision based on this information.
- 12. Indicative funding allocations will be notified to providers at 31<sup>st</sup> March 2013, however actual funding paid to providers will be based on actual take up and paid on a termly basis under the same process that is currently in operation for Nursery Education Funding for three and four year olds.
- 13. Local authorities will continue to be responsible for funding Academies for their early years provision.

#### **Outcomes of the Consultation**

- Consultation will close 18<sup>th</sup> January 2013.
- Provisional outcomes will be reported to Headteachers Consultative Forum - Budget Working Group (HTCF-BWG) on 6th February 2013 and to Schools Forum on 12th February 2013
- The Director of Children's Services will formalise decisions at Directorate Strategic Leadership Team (DSLT) on or before 31<sup>st</sup> March 2013.

#### **Consultation on School Funding Reform**

Please return this form to:

CONSULTATION RESPONSES
Westox House
1 Trinity Road
Dudley
West Midlands DY1 1JQ

Email: director.children@dudley.gov.uk

Fax: 01384 814202 Name: ...... Organisation: ..... If you wish to receive an acknowledgement of receipt for your response please provide an email or postal address: Contact address ..... Question 1 – Do you agree with the proposal for Dudley's EYSFF for two year olds to be based on a single hourly rate payable to providers? Yes No opinion No **Comments** 

### Customer Service feedback on the consultation for School Funding Reforms

We are grateful to your comments on the consultation.

To help us ensure that our community engagement and consultation process is working correctly and effectively we would be grateful if you would respond to the questions below and return with your consultation response.

Thank you for your help.

1. Did you find the information about community engagement easy to understand?						
Yes		No				
2. Was the consultation document and any appendices easy to understand?						
Yes		No				
3. If applicable, were the staff who dealt with your enquiry polite, friendly and helpful?						
Yes		No				
4. Were you satisfied with the overall process?						
Yes		No				

5. Do you have any further comments to make about the Council's Community Engagement and Consultation Process?



## Equality monitoring of DMBC consultations

The information you give on this form will be used to enable Dudley Council to assess the impact of its policies on all sections of the community.

The details you provide will be treated confidentially and will be used to ensure that the views of a wide range of groups and individuals are included in the consultation process and given the opportunity to shape Council policies.

If you are completing this form on behalf of an organisation please try to answer the questions in general terms about the people your organisation represents.

1. Please indicate whether you are responding as an individual or on behalf of an

organisation:		
Individuals response Organisations response ethnic group/s represented to		y ethnic group, or the
ASIAN OR ASIAN BRITISH		
Bangladeshi	Indian	Pakistani
Any Other Asian backgroun	nd	
BLACK OR BLACK BRITISH		
African	Caribbean	Any Other Black Background
CHINESE OR OTHER		
Chinese	Other	
MIXED		
Asian & White	Black African & White	Black Caribbean & White
Any Other Mixed background	nd	
<u>WHITE</u>		
British	Irish	Any Other White Background
RANGE OF ETHNICITIES		

represented by my organisation as:						
Buddhist	No Religion					
Christian	Sikh					
Hindu	Other					
Jewish	A range of religions/beliefs					
Muslim	Unknown					
4. My gender or the gender of the people my organisation represents is:						
Female	Male					
Mixed						
5. My age or the age range of the people my organisation represents is:						
Under 5 years old 26 –	35 years old					
·	45 years old					
11 – 16 years old 46 – 3	55 years old					
17 – 19 years old Over	56 years old					
20 – 25 years old A ran	ge of ages					
6. I consider myself or many of the people my organisation represents to be:						
Disabled	Not disabled					
<b>Note:</b> The Disability Discrimination Act, 1995 defines a "disabled person" as having "a physical or mental impairment which has a substantial or long term adverse effect on their ability to carry out normal day to day activities".						
Thank you for completing this form.						
Please return this form with your consultation response						