

REPORT TO: School Forum

DATE: 29th January 2013

REPORTING OFFICER: Senior Finance Officer

SUBJECT: School Funding Reform – Early Years
2013-14

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

1.1 To inform School Forum of the the new School Funding Formula requirements as they affect the Early Years provision for 2013-14.

2.0 RECOMMENDATION: That

(1) the report be noted.

3.0 SUPPORTING INFORMATION

3.1 We are required to change our School Funding Formula for Early Years Provision to meet the new funding arrangements. The Early Years formula is based upon the agreed formula for Primary schools

3.2 The starting point was again to take the current funding formula for Nursery Schools, Nursery Units and the Private, Voluntary and Independent (PVI) sector and identify the basis of the allocation for each element and map that element to the new funding factors.

3.3 The funding has been mapped and the total cash value for each element retained within that element. The elements we are using are as follows:

Basic Per Pupil element

This is a mandatory factor. All current funding allocated on a per pupil basis, which is the majority of funding, has been mapped to this factor.

Deprivation element

This is the second mandatory factor. While we had the option of using a mix of Free School Meals and/or the Income Deprivation Affecting Children Index (IDACI) in the Primary and Secondary sectors we are only able to use IDACI for the Early Years sector. All funding that was previously allocated using the Index of Multiple Deprivation has been mapped to this factor.

Lump Sum

This is an optional factor and can differ between the sectors within Early Years. All funding that doesn't fall within the Basic Per Pupil, Deprivation or LA Rates elements has been mapped to this factor and an average cash value for each sector attained.

LA Rates.

This factor will not change from the current method whereby a nursery school receives funding based on the estimated rates charge and an adjustment will be made at the end of the year as required to meet the actual cost. For nursery units the LA Rates are fully funded through the Primary funding formula. For PVI providers, the LA Rates are funded on a pro-rata basis to the number of hours/weeks they are open.

- 3.4 Early Years budgets are based on the January census data. Modelling has been completed using the January 2012 census data and the 2012-13 Dedicated Schools Grant settlement. When the census data for January 2013 is available the actual budgets for 2013-14 will be calculated. As in previous years, adjustments will be made each term based on the headcount during that term in accordance with the Early Years Single Funding Formula.
- 3.5 Consultation events have been set up for Tuesday 5th February for Nursery Schools/Nursery Units and Thursday 7th February for PVI providers.

4.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
School Funding Reform: Arrangements for 2013-14	Kingsway House	Anne Jones
DSG 2013-14 allocations	Kingsway House	Anne Jones