

## Response ID ANON-8PBM-MP9Z-7

Submitted to **Early years funding: changes to funding for 3 and 4 year olds**

Submitted on **2016-09-22 15:25:42**

### Introduction

**1 Welcome - would you like to provide your email address?**

**Email:**

anne.jones@halton.gov.uk

**2 Would you like to tell us the name of your organisation?**

**Organisation:**

Halton Borough Council

### About you

**3 We'd like to know which area of the early years sector your answers represent. Which of these categories best describes your role in the sector?**

This is a drop down menu of different categories of respondent - from nursery to local authority:

Local Authority

If you have answered 'other' please provide more details::

**4 In which region do you work?**

A drop-down menu of the 9 regions of England:

North West

**5 If you are not responding as a local authority, which local authority you work in?**

A list of all the local authorities in England:

**6 If you are a childcare provider, do you consider yourself to work in a:**

**7 If you are a childcare provider, how many children can your individual setting offer places to?**

Not Answered

**8 If you are a childcare provider, do you offer the free entitlement to:**

### Page 2 - Early Years National Funding Formula

**9 Should there be an early years national funding formula (to distribute money from Government to each local authority)?**

Yes

**10 Considering a universal base rate of funding which does not vary by local area...**

**Base rate (EYNFF) - Should a universal base rate be included in the early years national funding formula?:**

Yes

**Base rate (EYNFF) - Is 89.5% of overall funding the right amount to channel through this factor?:**

Unsure

**11 Considering an additional needs factor...**

**Add needs - metrics - Should an additional needs factor be included in the early years national funding formula?:**

Yes

**Add needs - metrics - Do we propose the correct set of metrics?:**

Yes

**Add needs - metrics - Do we propose the correct weightings for each metric?:**

Yes

## 12 Considering an area cost adjustment...

ACA - Should the early years national funding formula include an area cost adjustment?:

Yes

ACA - Should that adjustment be based on staff costs (based on the General Labour Market measure) and on nursery premises costs (based on rateable values)?:

Unsure

13 If you have any comments or recommendations for alternative metrics or weightings to be used in the early years national funding formula, please explain here:

This box allows you to write an answer freely:

An area cost adjustment should only be included if it also takes into effect £16 million additional water costs that schools in the North West are charged in comparison to schools in the South East.

14 To what extent do you agree with the proposed funding floor limit, so that no local authority would face a reduction in its hourly funding rate of greater than 10%?

Strongly disagree

## Page 3 - Two technical questions

15 To implement the increased hourly rate for the two-year old free entitlement...

2YO - Should we retain the current two-year-old funding formula?:

Yes

2YO - Should we use the additional funding secured at the spending review to uplift local authorities' allocations based upon this?:

Yes

16 Considering the Dedicated Schools Grant, should the free entitlement be capped at 30 hours for children of eligible working parents and 15 hours for all other children?

Yes

## Page 4 - A high pass-through of local authority funding to providers

17 Should Government set the proportion of early years funding that must be passed on to providers?

Yes

18 Do you think that 95% is the correct minimum proportion of the money that should be passed from local authorities to providers?

Yes, I agree

19 If you would like to explain a response you've submitted on this page in more detail, please do so here:

This box allows you to write an answer freely:

On the basis of the illustrative example there would not be any funding available for Halton to hold centrally as there is no difference between the hourly rate funded to the LA and the hourly rate paid to providers. In Halton improving the quality of early years is a priority so we would need to keep some funding for strategy development / quality / co-ordination / provision.

## Page 5 - How money is distributed from local authorities to childcare providers

20 Should local authorities be required to give the same universal hourly base rate to all childcare providers in their area?

No

21 Considering funding supplements that local authorities could choose to use (above the universal base rate)...

Supplements - Should local authorities be able to use funding supplements?:

Yes

Supplements - Should there be a cap on the proportion of funding that is channeled through supplements?:

Yes

22 If you agree that there should be cap on the proportion of funding that is channeled through supplements, should the cap be set at 10%?

Yes, I agree with a 10% cap

**23 Should the following supplements be permitted?**

**Basket of supplements - Deprivation:**

Yes

**Basket of supplements - Sparsity / rural areas:**

Yes

**Basket of supplements - Flexibility:**

Yes

**Basket of supplements - Efficiency:**

Yes

**Basket of supplements - Additional 15 hours of childcare:**

Yes

**24 When using funding supplements, should local authorities have discretion over the metrics they use and the amount of money channeled through each one?**

**Metrics & amount - supplements - Deprivation:**

Yes - over the metric they use, Yes - over the amount of money

**Metrics & amount - supplements - Sparsity / rural areas:**

Yes - over the metric they use, Yes - over the amount of money

**Metrics & amount - supplements - Flexibility:**

Yes - over the metric they use, Yes - over the amount of money

**Metrics & amount - supplements - Efficiency:**

Yes - over the metric they use, Yes - over the amount of money

**Metrics & amount - supplements - Additional 15 hours of childcare:**

Yes - over the metric they use, Yes - over the amount of money

**25 If you agree that efficiency (efficient business practices that provide excellent value for money) should be included in the set of supplements, do you have a suggestion of how should it be designed?**

This box allows you to write an answer freely:

**26 If you agree the delivery of the additional 15 hours of free childcare should be included in the set of supplements, do you have a suggestion of how should it be designed?**

This box allows you to write an answer freely:

**27 If you think that any additional supplements should be permitted which are not mentioned here, please set out what they are and why you believe they should be included:**

This box allows you to write an answer freely:

A quality or qualification supplement should be retained as in the current formula to recognise the different regulations requiring qualified staff in the maintained sector, and to encourage qualified staff in the PVI sector.

**28 Finally, for this page, if you want to explain a response you've submitted on this page in more detail, please do so here:**

This box allows you to write an answer freely:

There should be different hourly rates per sector as currently it means that our maintained nursery schools would not be sustainable, but it has been proven that they outperform other types of settings and provide a higher level of provision. We need to be looking at an increase of funding and standards across all of the sectors. Applying the universal base rate would not provide that, in fact we may need to close our maintained nursery schools.

**Page 6 - Funding for disabled children**

**29 Should there be a Disability Access Fund to support disabled children to access their free entitlement?**

Yes

**30 Should eligibility for the Disability Access Fund be children aged 3 or 4 which are a) taking up their free entitlement and b) in receipt of Disability Living Allowance?**

Yes

**31 When it comes to delivering the funding for the Disability Access Fund, is the most appropriate way the existing framework of the Early Years Pupil Premium?**

Yes

**32 If you want to explain a response you've submitted on this page in more detail, please do so here:**

**This box allows you to write your answer freely:**

The EYPP is currently paid on a termly basis which would fit best for Halton providers in terms of the Disability Access Fund

## **Page 7 - Funding for children with special educational needs**

**33 To what extent do you agree that a lack of clarity on how parents / childcare providers can access financial support results in children with special educational needs not receiving appropriate support? (We mean children who do not already have an Education, Health and Care Plan)**

Not Answered

**34 When it comes to establishing an inclusion fund...**

**SEN - inclusion fund - Should local authorities be required to establish an inclusion fund?:**

Agree

**SEN - inclusion fund - Would an inclusion fund help improve the supply of appropriate support children receive when in an early years setting?:**

Agree

**35 If you envisage any barriers, arising from existing practice or future proposals, to introducing a new requirement on local authorities to establish an inclusion fund, please tell us what they are and how they might be overcome:**

**This box allows you to write an answer freely:**

Halton has already identified High Needs DSG funding to support children with additional needs in early years settings and see no reason that this shouldn't continue.

**36 When it comes to the SEN inclusion fund, should local authorities be responsible for deciding...**

**SEN - local authority role - The children for which the inclusion fund is used?:**

Yes

**SEN - local authority role - The value of the fund?:**

Yes

**SEN - local authority role - The process of allocating the funding?:**

Yes

**37 Where specialist SEN or SEND services are delivered free at the point of use, should they be considered as funding passed directly to providers for the purposes of the 95% high pass-through?**

Disagree

**38 If you want to explain a response you've submitted on this page in more detail, please do so here:**

**This box allows you to write an answer freely:**

Halton does not understand why the proposal in question 37 is being made as it mixing up early years and high needs funding. The specialists that would go out are currently funded via high needs, and changing them to early years funding would reduce the amount we are able to devolve to early years settings.

## **Page 8 - Transitions to a new funding system**

**39 To what extent do you agree with the transition approach proposed for the Early Years National Funding Formula (money distributed from Government to local authorities)?**

Agree

**40 To what extent do you agree with the transition approach proposed for the high pass-through of early years funding from local authorities to providers?**

Agree

**41 To what extent do you agree that our proposals on the high pass-through of funding from local authorities to childcare providers makes the existing Minimum Funding Guarantee for the early years unnecessary?**

Disagree

**42 To what extent do you agree with the transition approach proposed for introducing the universal base rate for all providers in a local authority area?**

Neither agree nor disagree

**43 If you want to explain a response you've submitted on this page in more detail, please do so here:**

**This box allows you to write an answer freely:**

Question 39 - there is a lack of clarity as to why Halton is losing funding on the illustrative hourly rate and we are therefore concerned about the impact this will have on all of our early years providers.

Question 40 - This does not work well for Halton as under the illustrative figures provided we will not be left with any funding to hold back to continue to provide central services.

Question 41 - Halton is concerned about the lack of MFG protection. Using the new formula we are likely to be receiving less money which means the amount passed through to settings will be lower. This will have significant impact on the individual providers. MFG should be kept as an additional factor that could be used at individual LA discretion.

Question 42 - In theory a universal base rate is supported however it is based on the assumption that all providers work to the same regulations and requirements. As maintained nursery schools have different regulations regarding qualified staff we do not see how a universal base rate can be applied and maintained nursery schools sustained.

## **Page 9 - Equality Assessment**

**44 Please provide any representations and/or evidence on the impact of our proposals for the purposes of the Public Sector Equality Duty (Equality Act 2010). The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race (including ethnicity); religion or belief; sex and sexual orientation.**

**This box allows you to write your answer freely:**