

TO: SCHOOLS FORUM
DATE: 8 DECEMBER 2016

ADDITIONAL INFORMATION AND REPLACEMENT RECOMMENDATIONS TO BE TABLED AT THE MEETING

CONSULTATION ON PROPOSALS FOR 2017-18 EARLY YEARS FUNDING Director of Children, Young People and Learning

1 PURPOSE OF REPORT

- 1.1 To present an update to the Schools Forum on the funding arrangements to be put in place for Early Years (EY) provisions from 2017-18 in order to reflect important funding announcements made by the Department for Education (DfE), after the publication of the original paper.
- 1.2 The report also confirms a new EY representative on the Schools Forum at this important time for the sector.

2 RECOMMENDATIONS

- 2.1 **To AGREE the distribution of the EY funding consultation document and supporting papers at Appendices 1 and 2 of the original report, after making the changes set out in this report, subject to any further amendments agreed by the Schools Forum.**
- 2.2 **To NOTE following a nomination process, Michelle Tuddenham has been appointed as the new EY provider representative on the Schools Forum (paragraph 6.3 of the original report).**

3 REASONS FOR RECOMMENDATIONS

- 3.1 To seek comments from the Schools Forum on the EY funding arrangements proposed to be implemented from April 2017, in advance of a formal consultation with providers and other interested parties.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 These are set out in the supporting information of the original paper.

5 SUPPORTING INFORMATION

Why is this additional information paper required?

- 5.1 On 1 December the DfE published details of the government's consultation response to Early Years funding changes for 3 and 4 year olds of which the key changes and decisions from those already detailed in the original Schools Forum report are set out

below, with a comment in **bold italics** where relevant to highlight any anticipated impact in BFC:

National funding matters

1. There would be supplementary funding of £55m per annum for maintained nursery schools for the duration of this Parliament. ***There is no direct impact from this in BF as there are no maintained nursery schools in the borough.***
2. This means hourly funding rates (national average) paid to LAs will increase from £4.56 to £4.94 for three- and four-year olds (including the Early Years Pupil Premium, the Disability Access Fund (DAF), and supplementary funding for maintained nursery schools, and quality and expertise funding), an increase of 8.3% rather than 7%. ***As there are no maintained nursery schools in the borough, there is no change to the previously reported £4.66 hourly rate to be paid to BFC.***
3. The formula will include a minimum funding rate of £4.30 per hour for LAs that should ensure a minimum provider hourly funding rate of £4.00.
4. There would be a new Disability Access Fund (DAF) to support disabled children to access the free entitlements, equivalent to £615 per child per year to support access to the free entitlement. ***The original expectation was that the funding rate would be around £500.***
5. The Early Years Pupil Premium (EYPP) will continue, although the delivery mechanism will be reviewed, alongside that of the DAF.

Impact on the local EY Funding Formula

6. In respect of the rurality / sparsity supplement, LAs are now permitted to use this supplement as they see fit, rather than having to take into account a distance measure. ***The BFC consultation proposals do not include implementing this supplement, so no impact.***
 7. The use of an efficiency supplement will not be permitted. ***The BFC consultation proposals do not include implementing this supplement, so no impact. Reference to this option at paragraph 45 of the consultation document will be removed.***
 8. The use of a supplement for the delivery of the 15 hours will not be permitted. ***The associated proposal at paragraph 46 of the BFC consultation document, to allocate 1.25% of EY Funding Formula resources through this supplement, will need to be removed.***
 9. The use of a quality supplement will now be permitted. ***As this comprises the most significant supplement in terms of funds allocated in the current BF Early Years Funding Formula, proposals to continue with a modified quality factor are set out below in paragraphs 5.7 to 5.11.***
 10. The use of an English as an Additional Language (EAL) supplement will now be permitted. ***There is no proposal from BFC to implement this supplement but rather to continue with a centrally funded EAL support service. See paragraphs 5.12 and 5.13.***
- 5.2 Clearly, there are some significant changes between the original consultation proposals and the final decisions of the government, some of which have an impact on the initial BFC consultation proposals for the local delivery of the free entitlement. These now need to be reconsidered.

Changes now proposed to the initial BFC EY funding consultation

Reconsideration of the deprivation supplement

- 5.3 The original BFC consultation document proposed that the current deprivation supplement was slightly amended and would in future operate on the basis of allocating funds to providers where they had more than 1 in 5 children from a deprived background, as determined through the Income Deprivation Affecting Children Index (IDACI). There was proposed to be a weighting applied in the supplements so that settings with at least 1 in 3 children from deprived families would receive 3 times the base rate funding at £0.61, those with at least 1 in 4 would receive 2 times the base rate at £0.40, and those with at least 1 in 5 would receive base rate funding at £0.20. The deprivation factor would allocate around 5% of all funds.
- 5.4 Reflecting on this proposal, with a particular need to narrow the attainment gap between those on Pupil Premium funding and those not, and also considering how other LAs in similar positions are approaching deprivation funding, BFC now considers funding allocations should also reflect the number of children eligible to EYPP.
- 5.5 A revised proposal is now being made to allocate 2.5% of funds through the IDACI measure, as described above in paragraph 5.3. which would mean each of the quoted hourly funding rates would reduce by half to £0.30, £0.20 and £0.10 respectively. The remaining 2.5% of deprivation related funds would be allocated through reference to children eligible to the EYPP. Based on the actual number of registered eligible EYPP children in calendar year 2016, this would equate to an hourly rate of around £0.60 per eligible child. This would be in addition to the £0.53 per hour providers receive for these children through the actual EYPP payment, so in total, an additional £1.13 per hour.
- 5.6 An added benefit of this approach, with additional funds allocated to EYPP eligible children, is the expectation that providers would ensure that all eligible children are promptly registered. Current numbers of EYPP children registered with providers are around 60% the number estimated as being eligible by the DfE.

Annex 1 sets out the text proposed to be included in the BFC EY Funding Consultation in respect of a deprivation supplement **which the Forum is recommended to agree is added to the BFC consultation document.**

Inclusion of a quality supplement

- 5.7 As set out above, this is the most significant supplement in terms of funds allocated in the current BF Early Years Funding Formula and contrary to original DfE consultation proposals, will now be a permitted top up supplement. It was established for use in the BF EY Funding Formula through the provider costing survey undertaken in 2010 which recognised the different salaries being paid and resulted in three different top up bandings being implemented, with the relative weightings reflecting the higher salaries being paid as follows:
- 1) Grade B: Level 4 or above leading the Early Years Foundation Stage and 35% of staff with a level 3 or above. Base rate at £0.21 per hour.
 - 2) Grade C: Graduate (level 5 or 6) leading the EYFS Practice and 60% of staff at level 3 or above. Base rate plus 30% at £0.27 per hour.

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- 3) Grade D: Qualified Teachers on Upper Pay Scale 2 or higher cost with 75% of staff at level 3 or above. Base rate plus 130% at £0.48 per hour.

- 5.8 The quality supplement is used to incentivise providers to recruit high quality staff through the allocation of additional funds. It meets a local and national priority and also creates an additional cost to providers which are all criteria used by BFC to determine the need of each supplement in the local EY Funding Formula.
- 5.9 With the deprivation supplement remaining the highest funding priority for BFC, and with the amount of funds that can be paid through the uniform base rate set at a minimum 90% of the total to be distributed, there will need to be a reduction in 2017-18 in the proportion of funds allocated through the quality supplement. It is therefore proposed that funds allocated through the quality supplement are reduced from 5.5% to 3%.
- 5.10 Reviewing current and recent rates of supplement paid to providers, in the last 3 years, only one provider has met the highest Grade D banding. Supplements should apply to a range of providers and due to the narrow application of this rate, it is proposed to be removed. Grade B banding relates to Level 4 qualifications and these are now below the level that the government consider should attract funding as evidenced in *Getting it Right First Time - Ofsted 2013*. Therefore Grade B is also proposed to be removed.
- 5.11 For Grade C, it is proposed to split this into two, so that a Level 5 Foundation Degree led setting receives core hourly funding of £0.14, with Level 6 Graduate led settings and above receiving the core hourly rate plus 30% at £0.18.

Annex 2 sets out the text proposed to be included in the BFC EY Funding Consultation in respect of a quality supplement **which the Forum is recommended to agree is added to the BFC consultation document**

English as an Additional Language (EAL) supplement

- 5.12 The October 2015 school census indicates that 6.2% of pupils have EAL and have been in school for no more than 3 years. These children are considered those most likely to need additional support for reasons of language and a similar proportion can be expected of children in early years settings. Providing for these children is likely to result in additional cost requirements. Using the criteria set by the council to indicate the need for a supplement, the additional cost impact does support a top up, however, there is no objective data available that can be used to accurately allocate funds to providers for EAL children.
- 5.13 The council currently meets the language needs of these children through a contract with the Pre-School Learning Alliance that includes EAL support to settings and families that matches delivery to need. It also includes translation of the most prevalent languages, provides training and conferences for staff and families and assists with the settling in process and transition to school. In the absence of suitable data to allocate funds to providers, **it is recommended to continue with a centrally managed service to support children with EAL.**

Annex 3 sets out the text proposed to be included in the BFC EY Funding Consultation in respect of support to EAL children **which the Forum is recommended to agree is added to the BFC consultation document.**

Impact of proposed changes on the uniform base rate

- 5.14 The DfE requires the uniform base rate to allocate a minimum of 90% of the funds allocated through the local EY Funding Formula. Making the changes proposed in this update report results in around 91% of funds being allocated through the uniform base rate rather than the 92.75% originally proposed. The impact on the actual hourly rate is a £0.08 reduction to £4.00. Appropriate changes to the wording in the uniform base rate section of the consultation document to reflect the impact of changes to the supplements will be required.

Disability Access Fund (DAF)

- 5.15 The DfE have provided more information on the mandatory, ring-fenced DAF. LAs must fund providers at £615 for each child in receipt of a Disability Living Allowance provided they receive the free entitlement. Note four-year olds in primary school reception classes will not be eligible to DAF funding. This would be paid as an annual lump sum rather than an increase to hourly funding rates with providers then responsible for making decisions about what the funding should be spent on.
- 5.16 DAF funding will be allocated to providers once a year. Full £615 funding will be received irrespective of the number of hours free entitlement taken by eligible children. Where eligible children split their free entitlement between providers, parents will need to nominate the main setting which will then receive all of the funding. If children move settings in year, the funding remains with the initial provider and the new provider does not receive any DAF. LAs are responsible for funding providers in their area for DAF eligible children, irrespective of where they live i.e. even where they live in other LAs.
- 5.17 Early Years providers are responsible for identifying eligible children. The parent declaration form template, due to be published alongside the Model Agreement in early 2017 will enable collection of the required information. BFC will require a copy of the child's disability living allowance award letter to verify eligibility and authorise the payment

This new information on the DAF provides clarity on its operation and **the Forum is recommended to agree that this wording is be added to the consultation document** to ensure providers are fully aware of DfE requirements.

Other changes made to the BFC consultation document

- 5.18 A number of other minor changes will need to be made to the BFC consultation document to incorporate the DfE decisions that have now been made, rather than being outstanding, which the wording currently reflects. This includes updating some of the national hourly rate figures.

Summary impact on provider funding rates and supplements

- 5.19 If all of the proposals in the BFC consultation are accepted, including the above amendments, taking account of the assumptions used in generating the financial information, the following highlight changes are expected in provider funding rates:
1. 10 (16%) providers receive up to a 5% increase in hourly rate
 2. 34 (53%) providers receive at least a 10% increase in hourly rate
 3. 20 (31%) providers receive at least a 15% increase in hourly rate

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4. 15 (23%) providers receive at least a 20% increase in hourly rate

The average provider funding rate increase remains unchanged at 14.1% and equates to £4.39 per hour.

Annex 4 sets out the revised estimated hourly funding rates by provider which will also be used to update the BFC consultation document.

- 5.20 Table 1 below sets out a summary of the proposed elements of the EY Funding Formula. It shows the original proposals and the changes now being put forward:

Table 1: Summary of the proposed BF Early Years Funding Formula (EYFF)

EYFF Element	Original consultation proposals	Revised consultation proposals
Deprivation Supplement	5% of EYFF via IDACI scores where more than 1 in 5 children from low income families. Top up funding increase where 1 in 4 and again where 1 in 3 children are from low income families.	2.5% of EYFF via IDACI scores where more than 1 in 5 children from low income families. Top up funding increase where 1 in 4 and again where 1 in 3 children are from low income families. 2.5% of EYFF via child eligibility to EY pupil premium.
Quality Supplement	Not included as not initially permitted by DfE.	3% of EYFF via setting leadership qualification above Level 5 with 30% funding addition where above Level 6.
Delivery of the additional 15 hours Supplement	1.25% of EYFF via flat rate £0.30 per hour supplement for each hour delivered to individual children over the core 15 hours entitlement.	Not included as no longer permitted following responses to the national DfE consultation.
Flexibility Supplement	1% of EYFF via a range of flexible measures e.g. extended day, weekend or, school holiday provision to attract additional funds.	No change. 1% of EYFF via a range of flexible measures e.g. extended day, weekend or, school holiday provision to attract additional funds
EAL support	Not included as not initially permitted by DfE.	Area wide support arrangements to continue via external contract, paid from funds centrally managed by BFC
Uniform base rate	92.75% of EYFF and balancing amount after deduction of funds for supplements.	91% of EYFF and balancing amount after deduction of funds for supplements.

Year end review

- 5.21 As set out in the BFC consultation document, a year end review will be undertaken to establish the effectiveness of the new BF EY Funding Formula and to determine whether any changes are required from April 2018.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal implications are addressed within the main body of the report.

Borough Treasurer

- 6.2 The anticipated financial implications are set out in the supporting information. Final proposals made by the Forum to the Executive Member will need to be affordable within the anticipated level of resources.

Equalities Impact Assessment

- 6.3 The DfE has completed an EIA on the impact of these proposals.

Strategic Risk Management Issues

- 6.4 The most significant issue anticipated from the proposals is failure to deliver the number of additional free hours required by parents. This is being mitigated by the expectation that provider funding rates will increase by an average of 14.1%.
- 6.5 However the majority of provision within the private, voluntary and Independent sector will only receive between 5% and 10% and it is possible that a number of providers will struggle to be sustainable particularly as they will not be able to charge for the additional hours above the 15 hours free entitlement as they currently do. This could result in some providers opting out of the scheme. Most schools could receive the full amount available, and many have the capacity to extend, but currently many are not keen to change their model.
- 6.6 There is also the possibility that with a new funding formula, funds allocated to providers will exceed the budget. This could be as a result of additional hours needing to be paid, or providers becoming eligible to higher rate top up payments than those currently anticipated. There could also be additional cost pressures to support children with SEN. These will be managed through the £0.085m contingency and High Need Block budgets.
- 6.7 Many providers operate in community/church halls where it may not be possible to expand provision. There is a lack of available space in the borough for providers to rent.
- 6.8 There will be added pressure to recruit additional, qualified, staff at the appropriate levels as there is already a shortage.
- 6.9 If the capital bid to the EFA is unsuccessful we will lose a current provider who has been given notice to leave the school site in July 2017. There is no other capital fund currently available for this purpose.

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- 6.10 We are working closely with all providers offering business and practice advice, support and guidance and encouraging collaborative working between providers. This may mitigate some of the above risks.

7 CONSULTATION

Principal Groups Consulted

- 7.1 This report presents part of the consultation process that will also include a formal written consultation with all providers. To date, consultation has only included CYPL Departmental Management Team.

Method of Consultation

- 7.2 Written report.

Representations Received

- 7.3 Included in body of the report.

Background Papers

Government response to the EY funding consultation.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/574040/Early_years_funding_government_consultation_response.pdf

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Deprivation supplement wording for BFC consultation document

Deprivation

42. In terms of assessing this supplement against the 4 key questions:

1. **Is there a need for this supplement?**

LAs must include a deprivation factor in their local EY Funding Formula, so there is no choice. The DfE require this as a considerable portion of funds at national level (8% of the national EYNFF) are being channelled for children with disadvantage and low-level special educational needs. Supporting these children is also a high priority for BFC.

2. **Are suitable measures available to allocate funds?**

The DfE will permit LAs to use any measure of deprivation they chose. The most common measures available are Income Deprivation Affecting Children Index (IDACI) which is a geographical measure at post code level of deprivation calculated by the government from data on families on low income, Index of Multiple Deprivation, which uses 7 different measures of deprivation - Income, Employment, Health and Disability, Education, Housing, Living Environment and Crime - to determine an aggregate score for an area and commercially available products, such as ACORN or MOSAIC that classify postcodes into types based on census and other information using cluster analysis and various statistical methods to arrive at a deprivation rating. **The current BF EY Funding Formula uses IDACI and this is proposed to continue.** Annex 4 from the list of Annexes document provides more information on the available measures and their advantages and disadvantages and why IDACI is recommended to continue.

With the advent of the Early Years Pupil Premium (PP), more LAs are using this data as a measure of deprivation and a factor in their EY Funding formula. The main eligibility criteria to the EYPP are that the family are on income support or other income based benefits or the child is or has been looked after. Taking account of the emergence of this data **it is also proposed to use EYPP eligibility in the BF EY Funding Formula.**

3. **How much money should there be allocated through this factor?**

It was agreed through the consultation when the current BF EY Funding Formula was established that around 3% of funds should be allocated through a deprivation measure. Table 1 above at paragraph 31 shows that over time, the percentage has increased to 3.2% with the movement generally accounted for as hours of free entitlement delivered by providers in the most deprived areas have increased at a higher rate than providers in less deprived areas.

There is little meaningful objective data available to base the appropriate proportion of funds that should be allocated through a deprivation measure. However, there is substantial evidence available that confirms children from the most deprived areas need additional support to achieve the same levels of attainment as those from less deprived areas. The 2016 Early Years Foundation Stage profile judgements in BF show an

average points score difference of 22.3 between the disadvantaged and non-disadvantaged.

With the government requiring this supplement, and distributing 8% of national funds through this measure, and with supporting disadvantaged children a key priority for BFC, the expectation must be for a relatively high percentage. **The recommendation is therefore to increase the proportion of funds distributed through the deprivation factor from 3.2% to 5%, with 2.5% to be allocated through the IDACI measure and 2.5% through eligibility to EYPP.**

4. **Should the hourly top up rate be a fixed amount or variable?**

As with all supplements, the intention is to target resources rather than pay them to all providers as the base rate provides for general costs that all providers are expected to experience, including those arising from relatively low levels of deprivation. Therefore, with the mandatory deprivation supplement, a decision needs to be taken on how to target resources.

In respect of the IDACI measure, the current EY funding formula only resources 60% of providers; those assessed as delivering the free entitlement in settings with the greatest concentration of deprived children. Furthermore, the hourly top up rate varies so that the top 10% are funded at 3 times the basic rate (Band 3), the next 25% at 2 times the basic rate (Band 2) and the final 25% at the basic rate (Band 1). Using this approach can move providers between top up rates purely as a result of changed scores at other providers, so in some instances, providers will move to a lower or higher top up rate when their average deprivation score is unchanged.

A more appropriate measure is considered to have IDACI scores as the funding threshold. In this way, a provider's rate would only change if their score, and therefore deprivation measure changes, and would not be impacted by changes in deprivation occurring at other providers.

As the recommended IDACI deprivation measure scores geographical areas by relative severity, this provides a sound basis to vary the hourly top up rate as those with the highest scores will generally be facing the highest costs. In addition, the higher the concentration of children with deprivation in a setting, the greater impact on additional support needs as spare capacity to support more needy children is quickly absorbed. For these reasons, **a variable hourly rate is recommended to continue to be paid.**

IDACI provides a deprivation score for each post code area of between 0 where the probability of families receiving low income is zero, to 1, where there is a 100% probability of a family having low income, and a score in the middle at 0.5 indicating a 50% probability that the family is receiving low income, and so on. **It is recommended that IDACI scores of 0.33, 0.25 and 0.2 are used to allocate 3 times the basic rate (Band 3 at £0.30), 2 times the basic rate (Band 2 at £0.20) and the basic rate (Band 1 at £0.10) respectively.** This equates to a setting having approximately 1 in 3 children from deprived families, 1 in 4 and 1 in 5 respectively. Providers with higher ratios would not receive top up funding.

In respect of the EYPP measure, this is proposed to operate by paying an hourly top up supplement to eligible children. Based on actual head count data from calendar year 2016, this equates to a £0.60 per hour top up.

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This would be in addition to the £0.53 per hour providers receive for these children through the actual EYPP payment, so in total, an additional £1.13 per hour would be received.

The current BFC EY deprivation supplement does not apply to childminders. This is because the low number of children receiving the free entitlement with childminders means an IDACI score from one child can have an undue influence on the average setting score. In light of the government focus on deprivation and the need to narrow the attainment gap, and the fact that childminders will face the same challenges from children from these backgrounds as other providers, childminders are now proposed to be eligible to a deprivation top up.

To reflect the issues set out above, the application of the deprivation factor for childminders is proposed to be applied in the same way as to all other providers to calculate the IDACI score for the setting, but funding will only be allocated when the score is at least 0.33 i.e. 1 in 3 children are considered to live in a low income family. In these circumstances, top up funding will be capped to Band 1, the lowest funding level, estimated at £0.20 per hour. Childminders will therefore only qualify for deprivation top up funding when they have relatively high levels of deprivation on the IDACI score, with the rate of funding paid at the lowest available hourly rate.

In respect of EYPP children, childminders will also receive £0.60 per hour top up.

Quality supplement wording for BFC consultation document

45. In terms of assessing this supplement against the 4 key questions:

1. **Is there a need for this supplement?**

The DfE consultation excluded the option for a quality option, but taking account of free text responses “the government absolutely agrees the importance of ensuring quality and will therefore allow a discretionary quality supplement for workforce qualifications and system leadership”. System leadership is defined as supporting high quality providers leading other providers in the local area.

Table 1 above in paragraph 31 shows that £0.215m is expected to be paid through the BF EY funding formula in 2016-17 for quality, as defined by workforce qualifications, making it the highest existing value supplement. The better qualified staff delivering the free entitlement, the expectation is better quality support to children and they are generally a higher cost to providers. **Therefore, to meet national and local priorities, and to cover a cost increase, a quality supplement is recommended to be included.**

2. **Are suitable measures available to allocate funds?**

Providers will be familiar with the current data collection exercise undertaken to gather information on workforce qualifications, with three bandings as follows.

- 4) Grade B: Level 4 or above leading the Early Years Foundation Stage and 35% of staff with a level 3 or above.
- 5) Grade C: Graduate (level 5 or 6) leading the EYFS Practice and 60% of staff at level 3 or above.
- 6) Grade D: Qualified Teachers on Upper Pay Scale 2 or higher cost with 75% of staff at level 3 or above.

Reviewing current and recent rates of supplement paid to providers, in the last 3 years, only one provider has met the highest Grade D banding. Supplements should apply to a range of providers and due to the narrow application of this rate, it is proposed to be removed. Grade B banding relates to Level 4 qualifications and these are now below the level that the government consider should attract funding as evidenced in *Getting it Right First Time* - Ofsted 2013. Therefore Grade B it also proposed to be removed.

Grade C is proposed to continue, but split into two; for Level 5 Foundation Degree led settings; and for Level 6 Graduate led settings and above.

In terms of system leadership, which is about rewarding high quality providers leading other providers in the local area, this is a new option from the DfE and at this stage, more time is required to consider how this could be measured for effectiveness, and is not therefore proposed to be recognised in the BF EY Funding Formula at this time.

3. **How much money should there be allocated through this factor?**

With the deprivation supplement remaining the highest funding priority for BFC, and with the amount of funds that can be paid through the uniform

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base rate set at a minimum 90% of the total to be distributed, there will need to be a reduction in 2017-18 in the proportion of funds allocated through the quality supplement. It is therefore proposed that funds allocated through the quality supplement are reduced from 5.5% to 3% (£0.131m).

4. **Should there be a uniform hourly top up rate or variable?**

There is generally a link between the amount of pay a worker receives and the qualifications they hold and the quality of provision they deliver. Therefore, to ensure funds are properly targeted to providers facing the highest costs, the following Grades are proposed.

- a) Grade B: Level 5 Foundation Degree led settings. Base rate at £0.14 per hour.
- b) Grade C: Level 6 Graduate led settings and above. Base rate plus 30% at £0.18 per hour.

Annex 2 of the list of Annexes document provides detail on current funding rates. Note Grade A represents lower level qualifications and has a nil value hourly top up amount.

EAL wording for BFC consultation documentEnglish as an Additional Language (EAL)

46 In terms of assessing this supplement against the 4 key questions:

1. **Is there a need for this supplement?**

The October 2015 school census indicates that 6.2% of pupils have EAL and have been in school for no more than 3 years. These children are considered those most likely to need additional support for reasons of language and a similar proportion can be expected of children in early years settings. Providing for these children is likely to result in additional cost requirements. Therefore, the case for a supplement is evident.

2. **Are suitable measures available to allocate funds?**

The DfE uses Key Stage 1 and 2 EAL percentages as a proxy measure for likely numbers of EAL children in EY settings, and resources each LA on this data. However, at this time there is no reliable, objective data available that can then be used to accurately allocate funds to BFC providers through an hourly top up supplement.

The council currently meets the language needs of these children through a contract with the Pre-School Learning Alliance that includes EAL support to settings and families that matches delivery to need. It also includes translation of the most prevalent languages, provides training and conferences for staff and families and assists with the settling in process and transition to school. In the absence of suitable data to allocate funds to providers, **it is recommended to continue with a centrally managed service to support children with EAL**

3. **How much money should there be allocated through this factor?**

The proposal is to continue with the current spend amount of £0.03m.

4. **Should there be a uniform hourly top up rate or variable?**

Not applicable.

Revised estimated hourly funding rates by provider

Ref	Provider	Current Funding Formula				Revised Funding Formula				Change in hourly rate					Ref
		Base rate	Depr-ivation	Quality	Total hourly rate	Base rate	Depr-ivation	Quality	Total hourly rate	Base rate	Depr-ivation	Quality	Total hourly rate	%	
1	Ascot & Cranbourne Pre-School	£3.71	£0.00	£0.27	£3.98	£4.00	£0.10	£0.18	£4.28	£0.29	£0.10	-£0.09	£0.30	7.65%	1
2	Binfield Jocks Lane Pre-School	£3.71	£0.32	£0.00	£4.03	£4.00	£0.95	£0.00	£4.95	£0.29	£0.63	£0.00	£0.92	22.84%	2
3	Binfield Pre-School (Memorial Hall)	£3.71	£0.00	£0.00	£3.71	£4.00	£0.10	£0.00	£4.10	£0.29	£0.10	£0.00	£0.39	10.53%	3
4	Birch Hill Pre-School	£3.71	£0.11	£0.00	£3.82	£4.00	£0.57	£0.00	£4.57	£0.29	£0.46	£0.00	£0.75	19.72%	4
5	Birch Hill Primary School	£3.17	£0.11	£0.27	£3.55	£4.00	£0.03	£0.18	£4.22	£0.83	-£0.08	-£0.09	£0.67	18.80%	5
6	Bramley Wood Day Nursery	£3.71	£0.21	£0.21	£4.13	£4.00	£0.20	£0.14	£4.34	£0.29	-£0.01	-£0.07	£0.21	5.12%	6
7	Busy Bees Montessori School	£3.71	£0.00	£0.21	£3.92	£4.00	£0.00	£0.00	£4.00	£0.29	£0.00	-£0.21	£0.08	2.04%	7
8	Chavey Down Pre-School	£3.71	£0.00	£0.21	£3.92	£4.00	£0.22	£0.18	£4.40	£0.29	£0.22	-£0.03	£0.48	12.18%	8
9	Cherry Town Nursery	£3.71	£0.11	£0.00	£3.82	£4.00	£0.00	£0.00	£4.00	£0.29	-£0.11	£0.00	£0.18	4.71%	9
10	Children's House Day Nursery	£3.71	£0.00	£0.27	£3.98	£4.00	£0.00	£0.18	£4.18	£0.29	£0.00	-£0.09	£0.20	5.09%	10
11	College Town Infant and Nursery School	£3.17	£0.00	£0.27	£3.44	£4.00	£0.10	£0.18	£4.28	£0.83	£0.10	-£0.09	£0.84	24.39%	11
12	College Town Montessori Nursery School	£3.71	£0.11	£0.27	£4.09	£4.00	£0.12	£0.18	£4.30	£0.29	£0.01	-£0.09	£0.21	5.12%	12
13	Crown Wood Primary School	£3.17	£0.11	£0.27	£3.55	£4.00	£0.17	£0.18	£4.35	£0.83	£0.06	-£0.09	£0.80	22.67%	13
14	Crowthorne Village Pre-School	£3.71	£0.00	£0.27	£3.98	£4.00	£0.24	£0.18	£4.43	£0.29	£0.24	-£0.09	£0.45	11.18%	14
15	Dolphin Nursery and Preschool, Bracknell	£3.71	£0.11	£0.00	£3.82	£4.00	£0.10	£0.00	£4.10	£0.29	-£0.01	£0.00	£0.28	7.36%	15
16	Eagle House School	£3.71	£0.00	£0.21	£3.92	£4.00	£0.00	£0.00	£4.00	£0.29	£0.00	-£0.21	£0.08	2.04%	16
17	Footsteps at St Josephs	£3.71	£0.21	£0.00	£3.92	£4.00	£0.27	£0.00	£4.27	£0.29	£0.06	£0.00	£0.35	8.89%	17
18	Fox Hill Primary School	£3.17	£0.21	£0.27	£3.65	£4.00	£0.51	£0.18	£4.69	£0.83	£0.30	-£0.09	£1.04	28.50%	18
19	Garth Under Fives Nursery	£3.71	£0.21	£0.21	£4.13	£4.00	£0.34	£0.00	£4.34	£0.29	£0.13	-£0.21	£0.21	4.98%	19
20	Great Hollands Primary School	£3.17	£0.32	£0.27	£3.76	£4.00	£0.38	£0.18	£4.56	£0.83	£0.06	-£0.09	£0.80	21.24%	20
21	Greengables Day Nursery	£3.71	£0.00	£0.27	£3.98	£4.00	£0.00	£0.18	£4.18	£0.29	£0.00	-£0.09	£0.20	5.09%	21
22	Harmans Water Primary School	£3.17	£0.21	£0.27	£3.65	£4.00	£0.28	£0.18	£4.46	£0.83	£0.07	-£0.09	£0.81	22.27%	22

Unrestricted

Ref	Provider	Current Funding Formula				Revised Funding Formula				Change in hourly rate					Ref
		Base rate	Depr-ivation	Quality	Total hourly rate	Base rate	Depr-ivation	Quality	Total hourly rate	Base rate	Depr-ivation	Quality	Total hourly rate	%	
23	Holly Spring Infant and Nursery School	£3.17	£0.11	£0.27	£3.55	£4.00	£0.22	£0.18	£4.41	£0.83	£0.11	-£0.09	£0.86	24.09%	23
24	Jennetts Park Primary School	£3.17	£0.32	£0.48	£3.97	£4.00	£0.37	£0.18	£4.56	£0.83	£0.05	-£0.30	£0.59	14.74%	24
25	Kids Inc Day Nursery	£3.71	£0.00	£0.00	£3.71	£4.00	£0.00	£0.00	£4.00	£0.29	£0.00	£0.00	£0.29	7.82%	25
26	Little Acorns Montessori Ltd (Priestwood)	£3.71	£0.32	£0.27	£4.30	£4.00	£0.75	£0.14	£4.89	£0.29	£0.43	-£0.13	£0.59	13.76%	26
27	Little Acorns Montessori Ltd (Winkfield)	£3.71	£0.00	£0.27	£3.98	£4.00	£0.02	£0.18	£4.21	£0.29	£0.02	-£0.09	£0.23	5.72%	27
28	Little Blossoms Childcare Harmanswater	£3.71	£0.21	£0.00	£3.92	£4.00	£0.42	£0.00	£4.42	£0.29	£0.21	£0.00	£0.50	12.82%	28
29	Little Blossoms Childcare Holly Spring	£3.71	£0.21	£0.21	£4.13	£4.00	£0.60	£0.00	£4.60	£0.29	£0.39	-£0.21	£0.47	11.28%	29
30	Little Blossoms Childcare Jennett's Park	£3.71	£0.32	£0.00	£4.03	£4.00	£0.43	£0.00	£4.43	£0.29	£0.11	£0.00	£0.40	9.82%	30
31	Little Sandhurst Nursery Group	£3.71	£0.00	£0.00	£3.71	£4.00	£0.07	£0.00	£4.07	£0.29	£0.07	£0.00	£0.36	9.78%	31
32	Meadow Vale Primary School	£3.17	£0.32	£0.27	£3.76	£4.00	£0.27	£0.18	£4.45	£0.83	-£0.05	-£0.09	£0.69	18.39%	32
33	Meadowbrook Montessori School	£3.71	£0.00	£0.21	£3.92	£4.00	£0.00	£0.00	£4.00	£0.29	£0.00	-£0.21	£0.08	2.04%	33
34	New Scotland Hill Primary School	£3.17	£0.00	£0.27	£3.44	£4.00	£0.09	£0.18	£4.27	£0.83	£0.09	-£0.09	£0.83	24.08%	34
35	Newbold School	£3.71	£0.21	£0.27	£4.19	£4.00	£0.27	£0.18	£4.45	£0.29	£0.06	-£0.09	£0.26	6.19%	35
36	Owlsmoor Pre-School	£3.71	£0.11	£0.27	£4.09	£4.00	£0.42	£0.18	£4.60	£0.29	£0.31	-£0.09	£0.51	12.59%	36
37	Owlsmoor Primary School	£3.17	£0.11	£0.27	£3.55	£4.00	£0.14	£0.18	£4.33	£0.83	£0.03	-£0.09	£0.78	21.84%	37
38	Paws Nursery School	£3.71	£0.00	£0.21	£3.92	£4.00	£0.00	£0.00	£4.00	£0.29	£0.00	-£0.21	£0.08	2.04%	38
39	Plus Three Nurseries at Farley Wood	£3.71	£0.00	£0.27	£3.98	£4.00	£0.52	£0.18	£4.70	£0.29	£0.52	-£0.09	£0.72	18.17%	39
40	Plus Three Nurseries at Martin's Heron	£3.71	£0.21	£0.00	£3.92	£4.00	£0.48	£0.00	£4.48	£0.29	£0.27	£0.00	£0.56	14.24%	40
41	Plus Three Nurseries at Newell Green	£3.71	£0.00	£0.00	£3.71	£4.00	£0.22	£0.00	£4.22	£0.29	£0.22	£0.00	£0.51	13.78%	41
42	Rectory Lane Nursery	£3.71	£0.21	£0.27	£4.19	£4.00	£0.36	£0.18	£4.54	£0.29	£0.15	-£0.09	£0.35	8.34%	42
43	Sandhurst Nursery School	£3.71	£0.11	£0.27	£4.09	£4.00	£0.10	£0.18	£4.28	£0.29	-£0.01	-£0.09	£0.19	4.73%	43
44	Sandhurst Station Nursery RMA	£3.71	£0.00	£0.21	£3.92	£4.00	£0.00	£0.14	£4.14	£0.29	£0.00	-£0.07	£0.22	5.60%	44

Unrestricted

Ref	Provider	Current Funding Formula				Revised Funding Formula				Change in hourly rate					Ref
		Base rate	Depr-ivation	Quality	Total hourly rate	Base rate	Depr-ivation	Quality	Total hourly rate	Base rate	Depr-ivation	Quality	Total hourly rate	%	
45	Sandy Lane Primary School	£3.17	£0.11	£0.27	£3.55	£4.00	£0.14	£0.18	£4.32	£0.83	£0.03	-£0.09	£0.77	21.82%	45
46	South Hill Park Pre-School	£3.71	£0.11	£0.27	£4.09	£4.00	£0.28	£0.18	£4.46	£0.29	£0.17	-£0.09	£0.37	9.11%	46
47	Sports Centre Pre-School	£3.71	£0.21	£0.00	£3.92	£4.00	£0.27	£0.00	£4.27	£0.29	£0.06	£0.00	£0.35	9.02%	47
48	St.Michael's School House Nursery	£3.71	£0.21	£0.00	£3.92	£4.00	£0.32	£0.00	£4.32	£0.29	£0.11	£0.00	£0.40	10.18%	48
49	Teddies Nurseries	£3.71	£0.11	£0.27	£4.09	£4.00	£0.10	£0.18	£4.28	£0.29	-£0.01	-£0.09	£0.19	4.73%	49
50	The Teepee Day Nursery	£3.71	£0.11	£0.21	£4.03	£4.00	£0.20	£0.18	£4.38	£0.29	£0.09	-£0.03	£0.35	8.80%	50
51	The Ark Pre-School	£3.71	£0.00	£0.27	£3.98	£4.00	£0.00	£0.18	£4.18	£0.29	£0.00	-£0.09	£0.20	5.09%	51
52	The College Nursery	£3.71	£0.21	£0.27	£4.19	£4.00	£0.59	£0.18	£4.77	£0.29	£0.38	-£0.09	£0.58	13.81%	52
53	The Oaks Creche and Pre-School MMC Ltd	£3.71	£0.32	£0.21	£4.24	£4.00	£0.83	£0.14	£4.97	£0.29	£0.51	-£0.07	£0.73	17.19%	53
54	The Old School Day Nursery	£3.71	£0.00	£0.27	£3.98	£4.00	£0.00	£0.14	£4.14	£0.29	£0.00	-£0.13	£0.16	4.01%	54
55	The Pines Community Pre-School	£3.71	£0.11	£0.00	£3.82	£4.00	£0.31	£0.00	£4.31	£0.29	£0.20	£0.00	£0.49	12.73%	55
56	The Pines Primary and Nursery School	£3.17	£0.21	£0.27	£3.65	£4.00	£0.23	£0.18	£4.42	£0.83	£0.02	-£0.09	£0.77	21.00%	56
57	The Rowans Pre-School	£3.71	£0.11	£0.27	£4.09	£4.00	£0.50	£0.18	£4.69	£0.29	£0.39	-£0.09	£0.60	14.56%	57
58	Uplands Primary School	£3.17	£0.00	£0.27	£3.44	£4.00	£0.01	£0.18	£4.20	£0.83	£0.01	-£0.09	£0.76	21.98%	58
59	Warfield CE Primary School	£3.17	£0.00	£0.27	£3.44	£4.00	£0.04	£0.18	£4.22	£0.83	£0.04	-£0.09	£0.78	22.62%	59
60	Whitegrove Pre-School	£3.71	£0.00	£0.21	£3.92	£4.00	£0.15	£0.00	£4.15	£0.29	£0.15	-£0.21	£0.23	5.85%	60
61	Wildridings Primary School	£3.17	£0.21	£0.27	£3.65	£4.00	£0.46	£0.18	£4.64	£0.83	£0.25	-£0.09	£0.99	27.21%	61
62	Winkfield Montessori	£3.71	£0.00	£0.27	£3.98	£4.00	£0.00	£0.18	£4.18	£0.29	£0.00	-£0.09	£0.20	5.09%	62
63	Wooden Hill Primary and Nursery School	£3.17	£0.21	£0.27	£3.65	£4.00	£0.22	£0.18	£4.40	£0.83	£0.01	-£0.09	£0.75	20.55%	63
64	Child Minders 3 & 4 year olds	£3.85	£0.00	£0.00	£3.85	£4.00	£0.00	£0.00	£4.00	£0.15	£0.00	£0.00	£0.15	3.90%	64

Notes:

Due to the range of rates that could be paid to individual childminders, only base rate funding is shown here. Individual providers can model their likely funding rate on the provider calculator spreadsheet.

Excludes impact of any flexibility supplement as what individual providers will be delivering is not known.