

LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	SCHOOLS FORUM 18 September 2013	Agenda Item	7
Report Title	Update on Issues Affecting Early Years and the 3-4 Year old Funding		
Decision/ Discussion/ Information	For Discussion and Information		
Report Author/ Contact details	Raina Turner Head of Finance 0208 496 3520 raina.turner@walthamforest.gov.uk		
Appendices	Appendix A: Task and Finish Group - Project Initiation Document		

1. SUMMARY

- 1.1** This report updates School Forum on the final 2012-13 payments to settings following receipt of their Spring 2013 Head Count data in April 2013 and the use of carry forward balances.
- 1.2** The Early Years Task and Finish Group is expected to meet between October 2013 and January 2014 to discuss the following issues:
- In- year changes to the Quality Element of the 3-4 Year Old Formula for 2013-14;
 - The new SIMS format introduced for schools for the collection of the Summer 2013 Head Count;
 - Proposals to change the formula for 2014-15, considering the DFE report "More Affordable Childcare", published on 16 July 2013 and the subsequent new statutory guidance for Local Authorities for early education effective from September 2013.

2. RECOMMENDATIONS

Schools Forum is asked to note:

- 2.1** A net sum of £517,000 was paid in 2013-14 for the final 2012-13 settlement from brought forward DSG balances.
- 2.2** The Task And Finish Group will have its first meeting on Thursday 3 October at 5.15 at the Town Hall and continue through to January 2014.

Schools Forum is asked to confirm:

- 2.3** Which members wish to attend the Early Years Task and Finish Group.

3. 2012-13 BUDGET UPDATE

- 3.1** The Early Years Budget allocation for 2012-13 was based on a formula using head count data from April 2011, October 2011 and Spring 2012. During 2012-13 settings' allocations were amended to reflect head count data for Summer and Autumn 2012. The January to March head count data can only be accounted for in 2013-14.
- 3.2** The budget for 2012-13 was £12.108 million including £260,000 for the SEN Excellence Centre. Settings received payments totalling £11.634 million up to March 2013. Following the receipts of the Spring Head Count data in April 2013 the 2012-13 budget was recalculated to be £12.152 million. During the summer settings have received the balance of their funding totalling £517,000. See Table below.
- 3.3** A sum of £714,000 (£474,000 from 2012-13 and £240,000 from 2011-12) was carried over to meet this cost in 2013-14. See the School Forum report on DSG Outturn for 2012-13.

Table setting out the 2012-13 Budget and Actual Figures

	Original 2012-13	Excellence Centre	Original Allocation 2012-13	Final 2012-13 based on all Actual Head Count data	Actual Payments up to March 2013	Underspend Carried Forward into 2013-14	Balance of Payments in relation to 2012-13 paid in 2013-14
	Ai	Aii	Aiii	B	C	D (Aiii- C)	E(B-C)
	£	£	£	£	£	£	£
School	8,027,300	260,000	8,287,300	7,889,600	7,589,900	697,400	299,700
PVI	3,821,490		3,821,490	4,262,500	4,045,098	-223,608	217,402
Total	11,848,790	260,000	12,108,790	12,152,100	11,634,998	473,792	517,102

(A iii Original allocation as per the Budget Book 2012-13 page 4.Appendix A)

4 EARLY YEARS TASK AND FINISH GROUP

- 4.1** The Early Years Task and Finish group is due to have its first meeting in October. The draft PID is attached as **Appendix A**.
- 4.2** At the time of writing the report, further members were needed to complete the group.
- 4.3** During the early part of 2013 it was agreed to change the basis of The Quality Supplement. A working party of current FEEE providers was held and determined that the evidence/documentation to judge this would comprise of four components. However, on 16 July 2013 the government published its report "More Affordable Childcare" and subsequent new statutory guidance for local authorities for early education effective from September 2013.
- 4.4** Local authority officers meeting as the Early Years Improvement Group have reviewed the previous consultation outcome and confirmed that the final evidence/documentation to go into the calculation of the quality supplement would comprise just three components:
1. Quality Assurance scheme accreditation/participation

2. Ofsted Inspection Outcome; and
3. Quality of Workforce

4.5 The first and third indicators required information to be submitted to LBWF by FEEE providers by the end of the Summer Term 2013. This information has now been collated. One of the first tasks of the Task and Finish Group will be to review the financial implications of the changes to the Quality Supplement.

5 CONSULTATION

5.1 Task and Finish Group will be set up to consider the local funding formula issues and DFE reports. Settings will also be consulted during November to December on any formula changes for 2014-15.