

EARLY YEARS WORKING GROUP OF THE BARNET SCHOOLS FORUM

Wednesday 1st April 2009 at 3.15PM
Conference Room 3, Building 2, North London Business Park,
Oakleigh Road South, London N11 1NP

1. EY Formula Funding – DCSF updated guidance

The DCSF has recently issued updated information from those pilot areas that have implemented EY Formula Funding in 2009/10 and has highlighted the following key points:

Base rate (Per pupil amount)

The majority of pilot areas discovered that there is not a huge differentiation in costs between providers, and therefore the average base rate defined by pilot authorities is approximately £3.45 per child per hour. (This matches very closely with the 2009/10 NEF rate paid to PVI's in Barnet of £3.58 per child per hour).

Supplements

Deprivation: It will be compulsory to include deprivation as an additional funding factor or supplement, and IDACI (as used in Barnet) is one of the popular measures used to determine allocations for this factor.

Flexibility: A flexibility factor or supplement will not be a requirement under the new regulations, but there is a strong expectation that this should be incentivised through the new formula.

Budgets, Counting and Adjusting:

Once the EY Formula Funding comes into operation, all providers must have indicative budgets before the start of each financial year, but there is local discretion as to the pupil numbers that can be used for indicative budgets. However, funding must be adjusted to reflect participation of the financial year in question, but again there is local discretion as to when adjustments are applied.

The updated guidance can be obtained using the following link:

<http://www.dcsf.gov.uk/localauthorities/documents/content/1802090003%20single%20funding%20formula.doc>

Additional guidance is likely to be issued in the summer.