

FUNDING ARRANGEMENTS FOR CHILDCARE SETTINGS

Report By: George Salmon – Head of Commissioning & Improvement – Schools & Services

Comparison of Funding Arrangements of 3 and 4 year old places in Local Authority Nurseries and in Private and Voluntary Settings.

Purpose

To advise the Partnership of the different funding arrangements for Local Authority Nurseries and Private and Voluntary Settings.

Background

There are differences in the funding arrangements in Local Authority Nurseries and Private and Voluntary Settings which reflect their different roots, and differing constraints under which they operate.

In schools which serve the 3 to 4 age range, as part of their statutory provision, allocations are made as part of the overall school budget on the basis of £2,517 per place for 190 days in the year. This is equivalent to £419 per child per term.

Voluntary and Private providers receive £552 per term per child to a maximum of £1656 per year i.e. 190 days. In cash terms the NEF funding is 31% higher than the amount received by a school for the increased cost of a nursery class

The major difference is that the schools receive funding per place provided whereas private and voluntary providers receive funding only if children are occupying that place.

This reflects the statutory background. Schools with Local Authority nurseries have no choice over the number of places on offer, or whether the places are filled or not. Any change to the 26 or 13 places has to be subject to a statutory notice, public consultation, and until now the decision of the School Organisation Committee.

Private and Voluntary providers cannot exceed the number for which they are registered, but within this can choose the level to which they operate.

The staffing levels in schools are set at a maximum rate of 26 children per 2 adults, 1 of whom is a fully qualified teacher, the other having a minimum level 3 qualification. Staff are subject to teacher national terms and

Further information on the subject of this report is available from George Salmon, Head of Commissioning and Improvement, on 01432 260802

conditions. In private and voluntary provisions the staffing rate is at 8 children per 1 adult, where level of qualification can vary, and other than the need to provide the maximum age there is no legal constraint on levels of pay.

From the Council's standpoint it is acknowledged that funding arrangements are different, and it could be argued either way which are the more favourable. It is not clear what changes could be made which would not risk significant detriment to the various sectors.

The views of Partnership members are welcome on this point.

RECOMMENDATION

THAT: The Partnership considers if any particular aspects of the funding arrangements should be changed.