

**SCHOOLS FORUM – 17<sup>TH</sup> MARCH 2015**

**EARLY YEARS HOURLY RATES 2015-16**

1. **INTRODUCTION**

The purpose of this report is to advise Schools Forum members of the proposed Early Years hourly rates to take effect from the 1<sup>st</sup> April 2015

2. **BACKGROUND**

At the Schools Forum meeting of the 9th December 2014 Schools Forum considered a paper on the Early Years hourly rates. This paper set out the background and context to the hourly rates and agreed some principles to be adopted when allocating any future available funding,

As a reminder to members the following principles were agreed:

- Where NELC EY hourly rates compare favourably with our regional authority's then no increase should be made.
- Going forward any increase in hourly rates should be weighted towards reducing the differential between PVI and school settings.
- No further changes or increases to the deprivation factor should be made.
- Via the SEN Working Party, EY SEN funding should be reviewed and appropriate recommendations made to ensure consistency.

Members also agreed the following recommendations:

- that the report be noted.
- that the principles listed be approved.
- that a further report be brought to the next Forum detailing the increase in rates following further work and announcement of the DSG settlement in December.
- that the funding of Early Years children with SEN be considered by the SEN Working Party.

### 3. WORK UNDERTAKEN

Following the last Schools Forum meeting we have received confirmation of the DSG allocation for 3 to 4 year old funding. The Early Years Block has increased however this is due to an amount of £0.166M being received in respect of Early Years Pupil Premium.

A consultation session was held with Early Years schools providers and Private, Voluntary and Independent providers where the approach, principles adopted and methodology together with the proposed hourly rates were discussed. Feedback was generally favourable however one question posed was in respect of the remaining difference in hourly rate in what is being proposed to be paid to primary and infant schools. It was agreed that officers would look at this and consider the difference further and calculate an equalisation rate.

An equalisation rate of £3.07 was calculated which is just above the proposed primary school rate of £3.06 and £0.09 per hour less than the proposed infant hourly rate of £3.16. The reason for this is down to the numbers of pupils within each setting, there are only 3 infant school settings and significantly more early years children in primary settings. The hourly rates are historic and were set a number of years ago following a significant piece of work which looked at the costs of all settings which then influenced the hourly rates set. Given this additional information officers are reluctant to move to an equalised rate which is not based on evidence and to do this a new exercise would need to be undertaken which potentially considered all settings and just not primary and infant schools. It is not proposed to undertake this exercise at this time.

### 4. PROPOSED RATES

The following early hours are proposed as detailed in the table below:

	<b>Rate</b>	<b>Current</b>	<b>Proposed</b>	<b>Variance</b>	<b>% increase</b>
<b>Nurseries</b>	Base	3.80	3.80	0.00	0
<b>Maintained - Infant</b>	Base	2.94	3.16	0.22	7.5
<b>Maintained - Primary</b>	Base	2.79	3.06	0.27	9.7
<b>Academy - Infant</b>	Base	2.94	3.16	0.22	7.5
<b>Academy - Primary</b>	Base	2.79	3.06	0.27	9.7
<b>PVI</b>	Base	3.32	3.43	0.11	3.3

Following the implementation of the new proposed hourly rates a small contingency to fund new children entering the system of £30k will remain. This equates to full time funding for 16 additional children.

5. **RECOMMENDATIONS**

It is recommended that:

- Schools forum note the report, and
- The proposed hourly rates be adopted

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