

SCHOOLS FORUM – 14th December 2016

Early Years funding – Changes to funding for 3 to 4 year olds – Government Consultation response

1. PURPOSE

The purpose of this report is to advise School Forum Members of the Government's response to the recent consultation on the proposed changes for Early Years funding.

2. GENERAL FINDINGS

The recent consultation generated considerable interest with over 3,000 responses received and over 1,000 representatives attended consultation events.

Proposals to distribute funding in a clear transparent manner reaching front line providers were positively received.

All Councils will receive a minimum funding rate of at least £4.30 per hour for the existing 15 hour entitlement plus the additional 15 hour entitlement from September 2017. This will give Local Authorities the scope to pay providers an average rate of funding of at least £4 per hour.

Additional funding for maintained nursery schools to continue until at least the end of this Parliament (2019-20).

Introduction of a new national Disability Access Fund to support access for disabled children.

Local Authorities must establish a SEN inclusion Fund.

An EYNFF will allocate funding to LA's. It will consist of a base rate, an uplift for additional needs based on a measure of FSM, Disability Living Allowance as well as EAL.

All LA 's to be on Formula by 2019-20.

Pass through rate of 93% in 2017-18 rising to 95% in 2018-19 and beyond.

LA's will be able to use a limited set of funding supplements, with a total cap set at 10% of the total budget allocated to providers. The permitted supplements are for deprivation (mandatory), rurality / sparsity; flexibility, quality (workforce qualifications) and EAL.

Disability Access Fund of £615 per child per year. Fund will be for 3 to 4 year olds who are taking up their free entitlement and receipt of DLA.

Local Inclusion fund will be established in law and LA's will need to include this in their Local Offer.

Early Years Pupil Premium (EYPP) will continue. In the future the government will review the delivery mechanism for the EYPP alongside the DAF.

Governments commitment to increase the average hourly rate to LA's for 2 year olds from £5.09 to £5.39. There are no other proposed changes to the current 2 year old formula.

3. **The Way Forward**

Officers will continue working through the detail of the documents and will be project planning the implementation of the EYNFF. Such plans will include stakeholder and regular feedback to the Schools Forum.

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12th December 2016