

BRIEFING NOTE TO SCHOOLS FORUM

Sufficiency of Childcare and Early Years Funding

This briefing note provides updates on childcare sufficiency, the Wraparound Childcare Programme, Early Years funding rates, and the Early Years Financial Incentive Pilot.

In the government's spring 2023 budget, the Chancellor announced transformative reforms to childcare for parents, children, the economy, and women. There were two main programmes within the announcement: one for Early Years and the other for primary-aged wraparound childcare. These new offers will empower parents, allowing them to progress their careers and support their families. The new entitlements will be introduced in phases.

Expansion of Early Years Entitlements (EYE)

- From April 2024, all working parents of 2-year-olds can access 15 hours funded childcare per week.
- From September 2024, all working parents of children aged 9 months up to 3-years-old can access 15 hours funded childcare per week.
- From September 2025, all working parents of children aged 9 months up to 3-years-old can access 30 hours funded childcare per week.

Wraparound Childcare (WAC)

- From September 2024, the national wraparound childcare offer will be rolled out for primary-aged children.
- From September 2026, all primary schools should offer wraparound childcare, either alone or in partnership with other providers.

Current Supply of Childcare Places

EYE:

Projections show that there are enough childcare places across the borough for 0–4-year-olds. However, these places are not always in the right place or for the right age range. There is a need to develop more places for the under threes in order to meet the increased demand for childcare.

The FIS and sufficiency team will be responsible for securing sufficient places to meet the new demands so that parents will be able to find the required number of funded hours to enable them to work or train. An additional post has been created to support engagement with parents and providers around the expanded entitlements.

WAC

Early indications show that almost all local primary schools have some WAC available. However, only 11 of the 47 schools currently have the full 8 am to 6 pm offer, available either on or off site. The expectation that every school will have a wraparound childcare offer by September 2026, provided either by themselves or in partnership with another provider, will require significant support from the LA if it is to succeed. A lead officer has

been appointed to oversee the WAC programme and a further post has been created to support engagement with providers.

Funding

North East Lincolnshire Council has been awarded funding to support the expansion of the childcare duty.

EYE	Fin. Year	Amount	Comment
Delivery Support Funding	2023-24	£55,000	3 months funding to support the roll out. Can be carried forward.
	2024-25	Not known	Could be at a similar rate to above
	2025-26	Not known	Could be at a similar rate to above
Capital Funding*	2023-24	£246,397	Can be carried forward

WAC	Fin. Year	Amount	Comment
Revenue Grant	2023-24	£12,559	3 months funding to support the roll out. Can be carried forward
	2024-25	£708,952	
	2025-26	£334,057	Provisional not confirmed
Capital Funding*	2023-24	£61,599	Can be carried forward

*Capital funding is for the expansion of childcare (£307,996) with 80% for EYE and 20% WAC

EY Funding Rates for 2024/25

The consultation to determine the Early Years Single Funding formulae opened on 22nd January 2024 and ran until 11th February 2024. Three information sessions were held to discuss the proposals and answer any questions. A total of 30 providers were represented across the 3 sessions. Of the 124 funded providers, 51 submitted a response (40%). Following support for all proposals put forward, the 2024-25 Early Years funding rates are shown in the table below.

Funding Stream	3 and 4 year olds	2 year olds	Under 2's
Provider Base Rate	£5.06	£7.22	£9.85
Early Years Pupil Premium	£0.68 per hour	£0.68 per hour	£0.68 per hour
Deprivation Supplement (based on EYPP eligibility)	£0.32 per hour	£0.32 per hour	£0.32 per hour
Disability Access Fund	£910.00	£910.00	£910.00
EYIF- total funding available across all age ranges	£449,130.00 (includes £200,000 (44%) from DSG)		

Financial Incentive Pilot - announced January 2024

The government has introduced the Early Years Financial Incentives Pilot to ascertain if providing a financial incentive will lead to an increase in new entrants and/or returners to the Early Years career pathway. A government webinar was held on 25th January to launch the pilot.

40 LAs were invited to take part in the pilot, with 20 allocated funding (the treatment group), the remaining 20 being the unfunded control group. NELC is part of the treatment group.

New recruits, or people returning, to the early years' workforce can receive a £1,000 "golden hello". The provider receives £1,350 which covers tax and NI contributions on the £1000 that the recruit receives. This will work via an application to the LA, then funds are passported to the provider.

The LA will receive a grant of up to £111,000 for a potential 60 recruits. 5% of the grant will be retained by the LA to administer this incentive.

The LA's People and Culture team (human resources) and sufficiency officers are working in partnership with providers to develop an effective Early Years Practitioner recruitment strategy incorporating the Incentives Pilot. A recruitment event is booked to raise the profile of the sector as a career choice at the Town Hall, March 23rd. 10 settings are currently involved in the recruitment campaign and more are expected to join. The event is open to anyone interested in working in the sector. Training providers will be attending, as well as settings with current vacancies and childminders. It will encourage all providers to recruit to vacant posts. Local intelligence tells us that some settings are currently capping places due to lack of staff.

The proposal is to have 1 application, 1 shortlist, 1 interview panel for numerous vacancies across the 10 providers. The providers themselves have co-produced, developed and agreed a generic job description to be used. Candidates will be given a conditional offer (as they meet the criteria produced by the providers). P&C are supporting with safer recruitment and providers have agreed to the robust procedures already in place in the LA.

Recommendations

It is recommended that Schools' Forum notes this report.

Contact Officers

Jenni Steel Interim Assistant Director Education and Inclusion

Wendy Jackson Head of Standards and Effectiveness