

2020-21 Early Years Local Funding Formula Consultation

1. Purpose of the Report

To provide the proposals for the 2020-21 Early Years local funding formula consultation.

2. 2020-21 Early Years Funding Announcement

On the 31 October 2019 the Early Years 2020-21 funding announcement was received and the hourly rate for 2, 3 and 4 year olds is to be increased by 8p and the new rates for Nottinghamshire are as below:

Early Years Block	2019-20	2020-21
	£	£
2 Year Olds	5.23	5.31
3 and 4 Year Olds	4.30	4.38

3. Implications for the 2020-21 Consultation Proposals

The Early Years consultation proposals were agreed at September's School Forum meeting, however in light of the recent funding announcement the proposals have been reviewed and updated.

The questions now reflect a proposed increase of 8p to the base hourly rate for 2,3 and 4 year olds and a 'top up' linked to the projected underspend on Early Years funding due to the dip in take up during the autumn term which has been observed for the last 2 years. The 'top up' values will only be affordable whilst this trend continues and will need to be reviewed annually as part of the consultation process. The table below details the basic hourly rates and the increases to be proposed.

Current and Proposed Hourly Rates

Factor	2019-20 Factor Values	2020-21 Proposed Factor Values		
		Basic Increase	Temporary Top-Up	Total
2 year olds PVI & Schools	£5.23 per hour (38 weeks per annum)	8p per hour	5p per hour	£5.36 per hour (38 weeks per annum)
3 - 4 year olds PVI & Schools Universal and working parents	£4.17 per hour (38 weeks per annum)	8p per hour	10p per hour	£4.35 per hour (38 weeks per annum)

Current and Proposed Funding Supplements

Supplement	2019-20 Factor Value	2020-21 Proposed Factor Values
3 & 4 year olds deprivation - LAC, CIN & CPP	£406 per meeting*	£406 per meeting
3 & 4 year olds deprivation - Based on EYPP criteria	£0.00	£0.10 per hour
2 year olds deprivation - LAC, CIN & CPP	£0.00	£406 per meeting

* CIN and CPP only

3 and 4 year olds

- Do you agree with an increase in the hourly rate for funded 3 & 4 year old children from £4.17 to £4.35 (£0.08 + £0.10 per hour) given that this may be reduced in coming years?
- Do you agree with the proposal to extend the existing criteria for the Deprivation Fund to include all 3 and 4 year old Looked After Children (LAC) as well as those identified as a Child in Need (CiN) and those on a Child Protection Plan (CPP)?
- Do you agree with the proposal to extend the criteria of the Deprivation Fund to 3 & 4 year olds eligible for Early Years Pupil Premium at an hourly rate of £0.10 per hour?

2 year olds

- Do you agree to increase the hourly rate for all eligible 2 year olds from £5.23 to £5.31 to reflect the increased funding to be received by NCC?

Please answer yes to either question e) or question f)

- Do you agree with the proposal to extend the existing criteria for the Deprivation Fund to include 2 year olds who are LAC/CIN/ CPP? This would be funded from the forecast 3 & 4 year olds underspend.

Or

- Do you agree to increase the hourly rate for 2 year olds who are eligible for Free School Meals by a further £0.05? This would be funded from the forecast 3 & 4 year olds underspend.

A separate consultation will be carried out in tandem to the schools consultation as it was for last year.

4. Recommendation

That the Schools Forum consider and agree the proposals to be included in the 2020-21 schools funding consultation.

For any enquiries about this report please contact:

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