

EARLY YEARS DEPRIVATION FUNDING 2026-2027 CONSULTATION

Purpose of the Report

1. To agree the proposed changes to the use of Deprivation Funding for Early Years Children for 2026-2027.

Information and Advice

2. The Local Authority has been calculating the indicative Early Years budgets for the financial year 2026-2027 and considering national and local implications. We have sought the views of Early Years Providers across the county before finalising the allocations.
3. The consultation was carried out digitally and targeted all early years providers which includes schools and private voluntary and independent (PVI) providers. In addition, practitioners were consulted face to face at Provider Engagement Networks.
4. In total, 93 providers provided a response. This is a return rate of less than 1%.
5. Proposals

We asked:

We intend to remove the £0.05 per hour EYPP uplift, as EYPP has recently risen from £0.68 to £1.00, and redistribute it in one of these three alternative options:

- a. Retain the current CIN/ CPP/ LAC plan and Communication and Language support supplement at current rates plus create an additional supported 2 year olds premium paid as a lump sum to all providers who receive funding for supported 2 year olds. This would be an approximate 10p per hour increase on the hourly rate for a maximum of 15 hours per week for supported 2 year olds.
- b. Retain the current CIN/ CPP/ LAC plan and increase the 3 & 4 year old Communication and Language support supplement element from £50 to £80
- c. Retain the current CIN/ CPP/ LAC plan and 3 & 4 year old Communication and Language support supplement at current rates, but extend the Communication and Language support supplement element to include 2 year olds.

Payment of options B and C are subject to tracking data returns being received from settings.

Option A and Option C both attracted 31% of the views given. Option 2 attracted 26% with 12% undecided.

As Option A and Option C were both selected equally, Option C can be implemented in full, and Option A can be implemented with an hourly rate of 7p, rather than the estimated 10p per hour. This will benefit the most vulnerable 2 year olds by allowing providers to target resources

whilst retaining existing Deprivation Funding for 3 and 4 year olds, and those children known to Social Care.

The Local Authority therefore proposes that from 1st April 2026 the following shall apply:

Current Deprivation Funding element 2025-2026	Per term (Su/Au/Sp)
Child in Need Plan, Child Protect Plan or Looked After	£135 / £136 / £135
3 and 4 year olds who were previously a supported 2 year old who are reported as Emerging on Communication & Language tracking returns	£50
Supported 2 year olds who are Emerging on Communication & Language tracking returns	£50
Supplementary payment of 7p per hour on the hourly rate for Supported 2 year olds (Families receiving additional support)	£0.07p per hour

RECOMMENDATIONS

That the Schools Forum:

Agree the proposed changes to the use of Deprivation Funding for Early Years Children for 2026-2027.

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