

Meeting:	<b>Schools Forum</b>
Date:	16 January 2024
Subject:	<b>Item 6: Early Years Funding Proposals 2024-25</b>
Responsible Officer:	Jo Frost, Finance Business Partner – Children’s Services

## Summary

1. This report provides an update on Early Years funding for 2024-25 which includes changes to funding rates, methodologies, and the expansion of Early Years entitlements.
2. Schools Forum is required to:
  - Note the changes to Early Years Funding
  - Note the expanded Early Years entitlements
  - Discuss and comment on the draft Early Years Funding 2024-25 Proposal Consultation document at Appendix A.

## Early Years Funding 2024-25

3. **In 2024-25 the Early Years entitlements will be as follows:**
  - the 15 hours entitlement for eligible working parents of children from 9 months to 2 years old (new entitlement from 1 September 2024)
  - the 15 hours entitlement for eligible working parents of 2-year-old children (new entitlement from 1 April 2024)
  - the 15 hours entitlement for disadvantaged 2-year-olds
  - the universal 15 hours entitlement for all 3 and 4-year-olds
  - the additional 15 hours entitlement for eligible working parents of 3 and 4-year-olds

4. The entitlement hours are up to 15 hours of childcare a week over 38 weeks of the year (equivalent to a maximum 570 hours a year) or, for 3 and 4-year-olds, up to 30 hours of childcare a week over 38 weeks of the year for qualifying children of working parents (equivalent to a maximum 1,140 hours a year).
5. From September 2025, eligible working parents of children aged 9 months and above will be able to access 30 hours (over 38 weeks a year) from the term following their child turning 9 months to when they start school).
6. The provisional Early Years Block for 2024-25 is shown at Table 1

**Table 1 – provisional Early Years Block 2024-25**

Entitlement	Hourly Rate to LA	Pupil PTE Estimate	Funding
3- & 4-year-old entitlement - universal 15 hours	£6.60	3,872.86	£14,569,700
3- & 4-year-old entitlement - additional 15 hours	£6.60	1,184.95	£4,457,782
2-year-old entitlement - disadvantaged	£9.38	400.17	£2,139,549
2-year-old entitlement - working parents	£9.38	723.66	£3,869,121
Under 2s entitlement - working parents	£12.77	366.65	£2,668,809
EY Pupil Premium - 3- & 4-year-olds			£84,121
EY Pupil Premium - 2-year-olds			£51,733
EY Pupil Premium - under 2s			£2,586
Disability Access Fund - 3- & 4-year-olds			£70,980
Disability Access Fund - 2-year-olds			£29,120
Disability Access Fund - under 2s			£4,550
Maintained Nursery Schools Supplementary Grant			£185,136
<b>Provisional Early Years Block 2024-25</b>			<b>£28,133,187</b>

7. There are no proposed changes to the funding mechanism or Early Years Single Funding Formula for 3- and 4-year-olds. However, there are changes to the current distribution of funding for disadvantaged 2-year-olds which requires a funding formula as well as the introduction of the two new entitlements which also require funding formulae.
8. More details on the entitlements and funding proposals is set out at Appendix A which is a draft consultation document
9. Local authorities must determine their funding formulae before the beginning of the financial year and it must first consult with its schools' forum, maintained schools and early years providers. The final decision on the funding formulae, following any consultation, rests with the local authority
10. All funding changes as a result of the consultation will be implement from 1 April 2024.

### **Section 3 – contact details**

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