**Oxfordshire County Council**

**Schools Forum – 7 February 2024**

**Early Years Funding Formula 2024-25**

|  |  |
| --- | --- |
| **Settings** | **Sector** |
| Academies | ü | Foundation Stage | ü |
| Maintained Schools | ü | Primary | ü |
| PVI Nurseries | ü | Secondary | ü |
| Special Schools |  | Special |  |
| Local Authority | ü | 16+ |  |
| Schools Forum | ü | High Needs | ü |

**1. Items for Information:**

## For Schools Forum to note.

**2. Purpose of Report**

2.1 The purpose of this report is to update Schools Forum on the funding arrangements for early years for Financial Year (FY) 2024-25 which shall directly impact the funding for Private-Voluntary-Independent settings (PVIs), Private Nurseries, Nursery classes in Schools, Childminders.

2.2 The Early Years Entitlements Operational Guide 2024-25 states that Schools Forums must be consulted on changes to local early years funding formulas, including agreeing central spend by 29 February 2024, although the final decision rests with the local authority. The structure of the local formula for Oxfordshire reflects the 2024-25 requirements of the Operational Guide.

2.3 Feedback from the Early Years Consultation (23rd December 2023 – 21st January 2024) with Early Years providers on the newly introduced expanded working entitlements for 2yrs and under (See Section 5)

**3. Recommendations**

3.1 School Forum is asked to note:

1. Comment on the Early Years Funding Formula for 3- and 4-year-olds for Oxfordshire for FY 2024-25, including agreeing the Early Years centrally retained funding.
2. Note the funding rate for two-year old, disadvantaged entitlement.
3. Note the introduction of two new entitlement provisions for “2yrs olds” & “9-months to 2 years old” working entitlements:
4. the 15 hours entitlement for eligible working parents of 2-year-old children (**new entitlement from 1 April 2024**).

2 - the 15 hours entitlement for eligible working parents of children from 9-months to 2 years old **(new entitlement from 1 September 2024)**

1. the provisional published Dedicated Schools Grant (DSG) figures for Early Years Pupil Premium, Disability Access Fund and Maintained Nursery Schools Supplementary Funding (**Published on 19th December 2023**)

**4. Background and overview**

4.1 In 2017-18, the Department for Education (DfE) introduced the Early Years National Funding Formula (EYNFF). This sets out the hourly funding rates that each Local Authority (LA) is paid to deliver the universal and additional entitlements for 3- and 4-year-olds. There is a separate formula which sets out the hourly funding rates for expanded 2-year-olds funding provision. The DfE published ***the Early Years Entitlements: local authority funding Operational Guide 2024-25 on 29 November 2023*** and this sets out the overall framework and expectations on LAs regarding the EYNFF for 2024-25.

4.2 The key elements of the 3- and 4-year-olds formula are as follows:

1. The formula relates to both the universal 15-hour entitlement for all 3 and 4-year-olds and the additional 15 hours for 3 and 4-year-olds of eligible working parents (the 30-hour childcare policy).
2. A minimum amount of funding to be passed through to providers –The pass-through requirement is intended to ensure the maximum amount of funding allocated to local authorities by the DfE reaches providers. The pass-through funding level is an official DFE benchmark of 95% however Oxfordshire are proposing a passthrough rate of 97% with a centrally held fund of 3% (£2.17m) which shall be outlined in section 8.3 below.
3. A local universal base rate for all types of providers – Local Authorities are required to set a universal base rate in their local single funding formulae, meaning there must be a base rate the same for all types of providers. This underlying base rate excludes Supplements, the SEN Inclusion Fund allocations, and any agreed upon Contingency fund(s).
4. A mandatory supplement for Deprivation. LAs have the freedom to choose the appropriate metric for allocating deprivation funding. LAs are free to choose the metric used however funding rates are set by the DFE. Following earlier consultation, the method for allocating deprivation funding was agreed as an enhancement on top of the Early Years Pupil Premium (EYPP). The EYPP rate has increased from 62p in the current year to 68p in FY 2024-25. The deprivation supplement was set at 47p per hour in FY 2023-24, There is no change to that rate in FY 2024-25. (The 47p supplement also applies to additional hours, although EYPP can only be paid on universal 15 hours).
5. A quality supplement to distribute the additional funding LAs receive because of the mainstreaming of the teachers’ pay and pensions grants. As from the current Financial Year 2023-2024, the separate teachers’ pay grant and teachers’ pensions employer contribution grant are no longer being paid directly to school-based nurseries. (The maintained nursery school portion of the teachers’ pay, and pensions grant funding has been rolled in to MNS supplementary funding).
6. A special educational needs (SEN) inclusion fund. LAs are required to have SEN Inclusion Funds for all 3- and 4-year-olds with SEN who are taking up free entitlements. This is to target funding at children with lower level or emerging SEN.
7. A contingency fund.

4.3 Additional funding streams for eligible 3- and 4-year-olds are as follows:

1. The disability access fund (DAF) – The DAF was introduced in April 2017 to support disabled children’s access to the entitlements for 3- and 4-year-olds. 3- and 4-year-olds are eligible for the DAF if they are in receipt of child disability living allowance (DLA) and receive free early education. LAs must fund all types of settings providing a place for DAF-eligible children at an annual rate of £910 in FY 2024-25
2. Early Years Pupil Premium (EYPP) – The EYPP gives providers additional funding to support disadvantaged 3 and 4-year-old pupils, where their family meets specified criteria, they are being looked after by a LA or have left care through specified orders. The national rate is 68p per hour per eligible pupil up to a maximum of 570 hours (£387.60 per year) in FY 2024-25. The Operational Guide indicates that “Where a child is also eligible for the additional 15 hours entitlement for working parents, EYPP is paid on the universal 15 hours only, up to a total of 570 hours in the year”.
3. Supplementary funding for maintained nursery schools(MNS). The stated aim of the DfE was to enable local authorities to protect their 2016-17 funding rates for MNS (that is, the rates that existed before the EYNFF). Further details, and changes for 2024-25, are outlined below. It is to be noted that this funding does not cover the whole operational costs that nurseries are currently incurring due to funding still falling short of actual costs.

**5. Consultation with Early Years Providers**

5.1 The Oxfordshire Early Years consultation ran from 23rd December 2023 to 21st January 2024.

5.2 Providers have been consulted on:

* The funding principles for 3- and 4-year-olds under the Early Years National Funding Formula (EYNFF).

Proposed adjustments to increase the base rate of funding for 3–4-year-olds and to maintain a robust Deprivation, Special Educational Needs (SEN) Inclusion & Contingency Fund, with the introduction of the expanded working entitlements for “2yrs old” & “9-month-under 2yrs”.

* + - 65% of EY Settings responders agree with the continuation of the Teachers’ Pay and Pension element through the Quality Supplement
		- 70% of EY Settings responders do not agree to further discretionary supplement’s introduction that will affect the base rate per hour provision.
		- 86% of EY Setting responders agree with the proposal to fund 2-year-old entitlements (disadvantaged and working parents) at a single hourly rate.
		- 90% of EY Settings responders agree with the proposal to hold a contingency budget to support the SENIF funds due to growth in need in 3-and 4-Year-old early years provision.
		- 20 EY Settings responders were supportive of the requirement to fund emerging SEN needs for two-year-olds (disadvantage & working parents) and under 2yrs olds.
		- 64% of EY Settings responders agree with the proposal to fund the Deprivation supplement from the expanded 2-year-old entitlement funding and under 2’s entitlement funding.
		- 9 EY Settings responders agree with the requirements to introduce EYPP funding for the expanded 2-year-old entitlement & under 2’s entitlement provision.

5.3 The consultation & Response Results is set out in Appendix A2.

**6. Changes for 2024-25**

6.1 The main changes from the 2023-24 financial year (following the DfE consultation of July 2023, and as outlined in the Technical Guide 2024-25) are:

* The hourly rates for each 3 and 4-year-old formula factor have been updated.

in addition to the increased funding secured for 2024 to 2025 in the Spring Budget of July 2023, and additional funding to reflect teachers’ pay and pensions and National Living Wage (NLW) increases.

* the ACA factors have been updated for new data, where possible
* Year-to-year protections and funding floors have been updated for 2024 to 2025, a +1% year-to-year protection and +5.0% gains cap have been applied before rounding the hourly funding rates to the nearest penny.
* Introduction of a new entitlement provision for children aged 9 months up to (and including) 2-year-olds working parents (As from 1 Sept 2024)
* Extension of the 2-year-old entitlement provision into two separate cohorts of:

a) - 2-year-old disadvantaged parents’ entitlement and

b) - 2-year-old working Parents entitlement.

* The extension of EYPP and DAF to cover eligible children aged 9 months up to (and including) 2-year-olds, regardless of which entitlement they are accessing.

6.2 The EYNFF hourly funding rate that Oxfordshire receives from the DfE to deliver all elements of the formula for 3- and 4-year-olds has increased by 80p from £5.00 to £5.80 in FY 2024-25, including 7p relating to the Teachers Pay & Pension Grant (TPPG), so a 73p increase excluding TPPG.

***Please note*** *- the rate for 3- and 4-year-olds was increased from* ***£5 to £5.51 (51p increase) part way during this current financial year 2023-24.*** *Oxfordshire shall await any updates from the DFE in reference to another increase part way in financial year 2024-25.*

6.3 Following the new introduction of the working parents 2-year-old provision with the 2-year-old disadvantage entitlement, both will be funded at a same new hourly rate. The EYNFF hourly rate that Oxfordshire receives from the DfE for these 2-year-olds has increased by £1.94p from £6.21 in the current financial year to £8.15 in FY 2024-25.

6.4 The Introduction of the new “9 months – 2-year-old provision” by the DFE shall be funded at the EYNFF hourly rate for Oxfordshire at £11.06p per hour.

6.5 The calculations for supplementary funding for Maintained Nursery Schools (MNS) have also been updated reflecting increased funding in the Spending Review and additional funding to reflect National Living Wage increases. The TPPG funding has been rolled in, separately from other TPPG, and a minimum funding floor and cap have been applied. This has resulted in an increase for Oxfordshire from £3.80 in 2023-24 to £4.64 in 2024-25, including 52p relating to TPPG, so 24 pence increase excluding TPPG.

6.6 The changes proposed to Oxfordshire’s Early Years Funding Formula are to be discussed at the schools Forum meeting on 7 February 2024, in the light of the outcomes from the Oxfordshire County Council consultation with providers.

**7. Early Years Block Funding for Oxfordshire**

7.1 The DfE published figures for the initial 2024-25 Early Years allocations on 19 December 2023. These will be updated later in 2024, using data from the January 2024 census.  Final funding allocations to the LA for 2024-25 will be based on 5/12th of January 2024 child numbers and 7/12th of the January 2025 child numbers.  **Final allocations will not therefore be known until July 2025** – after the end of the 2024-25 financial year. This means that there is considerable uncertainty regarding the final level of funding for 2024-25, as in previous years.

7.2 The total allocation (3–4-year-olds universal and additional eligible working parents’ entitlement) published on 19 December 2023 for Oxfordshire is £46,533,637 for 8.023 million hours, at an hourly rate of £5.80. This is inclusive of amounts for central services, supplements (mandatory deprivation supplement and the new quality supplement relating to TPPG equating to 7p per hour), the Contingency and the SEN Inclusion Fund delegated funding.

7.3 The total overall Early Years Block for 2024-25 is £73,221,058 (published on 19 December 2023). It includes:

* + - An initial allocation of **£579,464** for **Early Years Pupil Premium**
		- **£402,220** for the **Disability Access Fund**.
		- **Indicative funding** for **2-year-olds disadvantaged & working entitlements** of **£3,739,070 & £12,346,856** respectively with an hourly rate of **£8.15** each.
		- Maintained Nursery School Supplementary Funding rate which increased from £3.80 hour to £4.64 providing an increase of £57,536. This has increased the allocation to £1,130,573.
		- The 2nd new entitlement of funding for 9 months - 2yrs is **£8,489,236** with an hourly Rate of **£11.06.**

**Table 1 – Early Years Funding 2024-25**

**8. Centrally Retained Funding**

8.1 The EYNFF Operational Guidance outlines the percentage pass-through funding to providers that LAs are required to meet and thereby the level of funding for centrally retained funding. For 2024-25 the rate is set by the DFE to passthrough is 95% with a centrally held fund of 5%. However, based on OCC finance assessment of additional needs to fund setting, the rate of passthrough shall be set at 97%, meaning that 3% shall be retained to be spent centrally on early years support which is £2.17m (Please see table in section 10.1).

8.2 The operational guidance says that the “3%” could include the following:

* centrally retained funding (for central services or services in-kind, including specialist SEND services).
* transfer of any funding to 2-year-olds expanded cohort of disadvantage and working parents.
* transfer of Funding to 9-month – 2yrs old cohort to support any additional funding required.
* any extra hours that local authorities choose to fund in addition to the government entitlement hours for 3- and 4-year-olds.
* any funding movement out of the early years block.

The table below summarises the budgetary retained services functions and further detail is included in the supporting report at Annex 1.



8.3 The four services detailed above will all require increasing and amendment to their service provision as the new entitlements are introduced over the coming two years. For example, 5 new posts have been identified to ensure the statutory duties for Access and Sufficiency can be met as well as the greater number and complexity of claims and payments that will be processed in Managing Early Years. The additional capacity required will be funded by £0.526m

8.4 The planned centrally retained spend is £2.17m. This equates to a pass-through rate of 97%. This expenditure must flex to remain within the 95% limit, depending on actual funding. The pass-through rate will be monitored in terms of future updates to DSG funding and further refinement to meet the compliance requirements of the DfE. The DfE have provided details of how compliance is to be checked. Data will be collected from LAs as part of the returns to the DfE known as Section 251 (s251) returns.

**9. Pressures in the Early Years Budget**

9.1 The main reason for consulting providers on the introduction of expanded entitlement provision which introduces new funding streams was to address the overspends arising from increased demand for the SEN Inclusion Fund and the deprivation supplement.

9.2 The outcomes of the consultation will be reviewed at the schools Forum meeting on 7th February 2024 in the context of these pressures.

9.3 For 2023-24, the contingency of £262k was moved to cover the pressure on SEN.

**10. Early Years Funding Formula for 2024-25**

10.1 If the rate increases for 3- and 4-year-olds, 2-year-old disadvantaged & working entitlement with 2-year-old and under were passed on in full to providers at the 97% pass-through rate, the budget allocations are summarised in the table below, which reconciles to the provisional Early Years DSG Block figures published on 19 December 2023.



10.2 Any budget changes made within the Supplements, SEN Inclusion Fund or Contingency do not affect the pass-through calculation percentage as they are all within the delegated element.

**11. Equivalent average rates to providers**

11.1 The pass-through requirement for 3- and 4-year-old funding is that the equivalent average rate to providers must be equal to or greater than 95% (OCC EY team to issue 97% to providers in FY 2024-25) of the EYNFF hourly rate published by the DfE (£5.80 for Oxfordshire). ***This therefore needs to be at least £5.51 (£5.80 x 95%).*** This requirement is met in the table above, with an equivalent average rate to providers of £5.60 (£5.30 underlying provider hourly rate plus averaged allocations for other delegated elements).

11.2 When the Supplements funding, SEN Inclusion funding and Contingency funding are deducted, the underlying provider base rate is £5.30 up from £4.58 in the current year (this as stated is more familiar to providers when comparing with prior year rates). Table 2 below sets out the rates to our providers.

**Table 2- Average Provider rates: 2024/25**



***Please note -*** *that there was an additional budget supplement of 52p issued by the DFE in July 2023 which brought the rate to £5.10p from £4.58 for 3- and 4-year-old funding. However, Oxfordshire shall have to wait for updates from the DFE in Summer 2024 to see if an additional hourly supplement will be issued again to increase the rate issued to providers.*

**12. Risks and uncertainties**

12.1 There are significant risks in setting the EYNFF for 2024-25 due to the final funding being set on census data as of January 2023 and January 2024 data. There is therefore a risk that eventual DSG funding and payments will not match. Final funding allocations will not be known until July 2025.

12.2 The levels of actual take up throughout the financial year, compared to the snapshot January censuses for funding, affects the final outcomes. This can also impact on the pass-through calculation and the Retained funding amount.

12.3 The Contingency fund is held in response to these risks. In previous years, the contingency has been reviewed and, on occasions, reduced to support increases in the provider rate where there has been no rate increase from the DfE. For 2024-25, following the outcomes of the consultation, the Contingency can be further reviewed (March 2024), in the light of the significant risks on the demand led budgets and the ongoing uncertainty regarding census data.

12.4 The majority of funding is allocated out on an hourly basis so is proportional to take up, on a participation model. In contrast elements of the formula are fixed, such as the SEN Inclusion Fund and Deprivation supplement, and these do not therefore move proportionally to take up. If take up for the SEN Inclusion Fund and the Deprivation supplement are higher than the fixed funding, this can affect the pass-through rate achieved. Demand in the current year continues to be high for both elements (Current SEN Places – 569 in FY 2023-24) and this needs to be reviewed in the context of the outcomes of the consultation.

**13. Maintained Nursery Schools (MNS) Supplementary Funding**

A figure of £1,130,573 was published for MNS Supplementary funding on 19 December 2023. This is a separate grant stream and is calculated on universal hours only, and not on additional hours. It was initially designed to protect 2016-17 funding rates for the universal 15-hour entitlement. For 2024-25, the incoming grant rate has been increased by 84 pence per hour, from £3.80 to £4.64, including 52p per hour for the TPPG - so a 32 pence per hour increase excluding TPPG.

**14. Two-Year-Old Funding**

It is proposed that with the introduction of the expanded 2-year-old cohort (Disadvantaged & Working Parent) the rate for expanded 2-year-olds be set in line with a designated pass-through rate of 97% which is £7.83 per hour with supplement of Deprivation & contingency in FY 2024-25. ***For 2-year-old funding expanded cohort entitlement, there is a mandatory pass-through rate as the DfE expects LAs to continue with the existing practice of high pass-through to providers as set with the 3–4-year-old entitlement.*** There are no mandatory supplements for providers and no requirement to establish a SEN Inclusion Fund (SENIF) as there are for the risks and uncertainties as relating to 3- and 4-year-old funding. However, in anticipation of take up and roll out of the entitlement it is Oxfordshire prudent decision to make provision for core supplements i.e. Deprivation & Contingency.

**15. Financial and Staff Implications - centrally and for providers**

 This paper already deals with the financial implications of the EYFF and other Early Years DSG funding streams for 2024-25, so no further comment is made.

**16. Equal Opportunities Implications and Impact on Equality Groups**

Where the LA continues to have discretion in funding decisions, it will continue to give priority to the needs of vulnerable children.

**17. Conclusions**

This paper updates and consults with Schools Forum on the proposed funding arrangements for early years for 2024-25.

**18. Contact Details of Lead Officer/Author**

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| If you have any queries or comments in advance of the schools Forum meeting about this report, please contact: Name: Ohaz Ikedionu, Accountant – EducationEmail Address: ohaz.ikedionu@oxfordshire.gov.ukName: Danny Doherty, Finance Business Partner, Children’s ServicesEmail Address: danny.doherty@oxfordshire.gov.uk |

**Annex 1: Early Years Funding Formula 2024-25 Retained funding.**

# Introduction

## This report includes the additional detail on expenditure requested by School Forum Schools & High Needs Sub-committee in 2020.

# Centrally Retained Funding

## The main report sets out the statutory context.

## The operational guidance says that the “5%” could include the following:

* centrally retained funding (for central services or services in-kind, including specialist SEND services)
* transfer of any funding to 2-year-olds
* any extra hours that local authorities choose to fund in addition to the government entitlement hours for 3- and 4-year-olds.
* any funding movement out of the early years block

## The table below summarises the retained services functions.



# Early Years Centrally Retained expenditure and Outcomes.

## **Central LA Services – Early Years Quality Improvement Advisory Team – January 2024**

### The Early Years Quality Improvement Team provides advice, support and challenge for schools, settings, childminders and wrap around childcare, to ensure the highest quality early education and care for Oxfordshire’s families. [Welcome to Oxfordshire Early Years](https://www.oxfordshireearlyyears.co.uk/) The team consists of 6.2 (FTE) highly experienced advisory teachers and 3.6 (FTE) officers who provide strategic and operational advice and guidance, training, information as well as face to face visits to settings to over 900 providers across Oxfordshire. The team works closely with multi agency professionals and partners including Ofsted, the Department for Education (DfE), Early Years Entitlements, Health and the voluntary sector.

### The team takes the strategic lead for the School Readiness Strategy for Oxfordshire working with early years providers and stakeholders/partners including Oxfordshire Public Health, BOB, LCSS. This work has, in the light of the pandemic, focused strategically on communication and early language - training Language Leads, providing WellComm universal language screening tool for all nursery providers (including 74 schools with nursery classes), a parent/ carer App (50 things to do before you're 5 link). In addition, targeted programmes across the county include working with providers and, in some cases families, in the most deprived wards to make a difference and improve outcomes.

### In addition to working with the birth to 5 sectors, the team provides training, support and guidance for the teaching of phonics and early reading up to and including key stage 1 and conducts annual statutory monitoring of the phonics screening tests in all schools (Academies and Maintained). Training is also provided for those staff carrying out statutory assessments in the early years including support with moderation of judgements at the end of the EYFS.

### Through communications, including Schools News; EY newsletter; webpages, online toolkits and social media; briefings and forums; meetings and networks, providers are updated to ensure compliance with the EYFS statutory Framework, OSCB policies and procedures, KCSIE and other national legislation and initiatives e.g., the Covid Recovery Programme. The Team is currently engaged in leading the implementation of the national Wraparound Care Program and supporting providers in implementing the new Early Entitlements.

### As a training provider the EYs team are recognised by University College London (UCL) , the team provides a range of training [via Education Services](https://educationservices.oxfordshire.gov.uk/Training), both online (including web based Bite Size CPD) and face to face in an engaging and hands on early years classroom environment at Hill End. The training base, funded through traded income, showcases good early years practice including the importance of outdoor learning for health, wellbeing and climate action [(See Oxfordshire’s strategic plan).](https://www.oxfordshire.gov.uk/council/our-vision-0#:~:text=Our%20nine%20priorities%20are%3A%20Put%20action%20to%20address,and%20improve%20access%20to%20nature%20and%20green%20spaces.) The team also play an important role as members of the safeguarding trainers for the OSCB ‘training pool’, supports delivery of Early Help Strengths and Needs training, the neglect strategy, and works closely with the LADO/ESAT and Ofsted on compliance and safeguarding concerns. They also fulfil and important school improvement role in the 7 maintained nursery schools.

# EYFS Profile outcomes 2023:

## 69.2% of children in Oxfordshire attained a Good Level of Development (GLD), 2.2.% above the national which was 67%. The gap narrowed between all pupils and those identified as eligible for FSM. Rising by 6% from 43% in 2022 to 49%. The gap however remains a strategic priority for the team to support providers. Nationally 52% of FSM children attain a GLD thus there is still a need to prioritise this cohort of children.

**Ofsted Outcomes:** Childcare providers and inspections as at 31 August 2023 - GOV.UK (www.gov.uk)

|  |  |  |  |
| --- | --- | --- | --- |
| **Overall Ofsted outcome** **for 695 providers** |  **%****Oxfordshire** |  **%**  **National** |  **%** **South-East** |
| **Outstanding** |  **12** |  **14** |  **15** |
| **Good** |  **85** |  **83** |  **82** |
| **Good / outstanding** |  **97** |  **97** |  **97** |
| **Requires improvement** |  **2** |  **2** |  **2** |
| **Inadequate** |  **1** |  **1** |  **1** |

# Early Years Access and Sufficiency update – January 2024

## Under Section 6 of the Childcare Act 2006 (as amended), Oxfordshire County Council has a statutory duty to ensure that there are sufficient early education places so that families can take up entitlements, and to ensure that sufficient childcare places are available to support the needs of working families. Sufficient childcare means securing the right type and volume of provision, so far as is reasonably practicable, for working parents or those undertaking training with the intention of returning to work, for children aged 0-14 (up to 18 for a disabled child). The aim is to ensure parents are supported to be economically active.

## Local authorities will be expected to continue with their current responsibilities for the delivery of the expanded early education entitlement as announced at the Spring 2023 budget. The DfE understand that there is likely to be the need for LAs to adjust or increase resourcing to deliver the new entitlements. The Early Years Sufficiency and Access team have developed a project plan to identify what needs to be in place to support this significant expansion in childcare provision.

# Key Priorities 2023-24

* Make every effort across teams to ensure the greatest take up possible of the early education entitlements by vulnerable children.
* Prepare for Childcare reforms implementation. Undertaking countywide sufficiency assessment to inform supply and demand, and capacity building exercises.
* Continually monitor the availability and demand for early education places and childcare at a local level.
* Maintain and expand sufficiency of provision from within existing provider base where possible.
* Ensure that resources are targeted appropriately to areas of need or where there are risks of gaps in early years and childcare provision.
* Engage schools and academies in securing and protecting appropriate early years and childcare places. School-run early years places reflected in Pupil Place Plan
* Support the recruitment and retention of the Early Years sector.
* Communicate new entitlements to parents and support with brokerage of places.
* Implement new software ensuring funding is distributed to providers with limited disruption.

## **Sufficiency of Early Education Places across the County for Autumn Term 2023**

* 106% for 2-year-olds
* 126% for 3 and 4 years

### Take up of places by eligible children- Autumn Term 2023

* 2-year-old funding take up 75%
* 3- and 4-years universal funding take up 98%

### Open/closed providers in Oxfordshire since April 2023

* 15 early years group provider closures
* 9 new early years group providers opened.
* 3 mergers
* 35 childminder closures
* 43 new childminder registrations

### Overall closures have not presented significant new gaps early years in provision. We are aware that some settings that have closed will reopen under new management / ownership in 2024. The closure of Rutland Childminder agency had an impact in 2023. Included within the 35 childminder closures are the Rutland Childminder Agency registered childminders, majority of which have reopened under new a registration and therefore included in the registration figures. Some however did decide to leave the profession.

## **Sufficiency and Access work 2024-2025 will continue to focus on the extended entitlements readiness.**

###  Next steps for this work include:

* Identify geographic areas that will have the highest deficit of places.
* Develop strategies to encourage and support providers to convert any spare capacity to address the shortfall in under-2 and 2-year-old places.
* Encourage and support schools running school hours and term time only provision to consider arrangements for wrap around care at the beginning/end of the school day and the school holidays to support working families.
* Agree and formalise priorities and criteria for allocating capital grant funding through the County’s governance processes. The recent confirmation of £1,286,300 for Oxfordshire will be added to the existing early years capital of c.£1,572,000 to develop a new programme and refresh priorities.
* Complete a review of all funding and entitlement processes and information to settings and parents.
* Contribute to review of processes for securing developer funding contributions for early years and childcare projects.
* Continue to work with SOAP team on District Council local plans and managing the market with the private, voluntary sector and independent (PVI) sector.  Government place funding and strategies for workforce development will be vital in supporting new growth.
* Work with software provider to ensure IT systems are configured to implement new entitlements funding.

## **Early Years SEND Advisory Team 2024**

### The Early Years SEND Advisory team is part of the Special Educational Needs Support Service (SENSS) and reports to the Head of SEND whilst working closely on the ground with the Early Years Quality Improvement Team, Early Years Access and Sufficiency team and services in health and social care.

### The Early Years SEN team has two main functions:

### **Function 1**

### To support individual children with complex special educational needs and their families. This includes direct support within the home environment (for children not in nursery classes), support for the pre-school and/or nursery class the child attends as well as a focus on helping to ensure good transition planning for children moving into school.

### Children are mainly referred by schools and settings, GPs, health visitors and community paediatricians.

### In 2022 -2023 the team provided direct support to 1,240 children across Oxfordshire (a 28% increase on the year before).

### **Function 2**

To support schools and settings to effectively implement the graduated response for children with SEND by providing.

* EY SEND Training
* EY SENCO networks
* SEND input for early years briefings.
* SENDCO helpdesk for early years queries
* Advice and support to claim EY SEND funding.
* Online resources e.g. EY SEND toolkit.
* EY SEND support strategy for schools and settings currently in Banbury and Didcot partnerships.



 **ABRIDGED VESRION**

SURVEY QUESTIONS & RESPONSES

Please indicate which type of provider you are responding on behalf of:



**The Early Years National Funding Formula (EYNFF) for 3- and 4-year-olds**

Oxfordshire implemented a universal base rate for all types of providers and to maximise the rate, only mandatory supplements i.e., the deprivation supplement was included in the formula.

Introduction of a quality supplement as a mechanism to continue to fund additional costs for teachers’ pay and pension in maintained schools (including academies) for 2023-24 was proposed and agreed. This is primarily a mechanism for ensuring schools receive budget for pay decisions that have been taken nationally. Supplementary funding is received into the LA to fund this.

**Question -** Please indicate if you agree or disagree with the continuation of the Teachers’ Pay and Pension element through the Quality Supplement?

**Response – Pie Chart illustrated.**



 **Question -** Would you like to see further discretionary supplements introduced?

*(Noting that other supplements introduced would reduce the hourly rate passed to providers accordingly)*

**Response – Pie Chart illustrated.**



**Further Comments.**

|  |  |
| --- | --- |
| Provider Type  | Comment  |
| Childminder | Don't know. I don't know what other discretionary supplements there. might be. |
| Private day care | There should be a standard rate for funded children that fully covers the cost of childcare. Supplements should not be necessary.  |
| Childminder | Not enough money for 3/4 my rate is more so I am running at loss. Thinking of not taking funding |
| Pre-school | I would like to see discretionary supplements introduced to help fund the cost of pay in the early years' sector e.g. pre-schools, nurseries. |
| Childminder | Childminders as we literally have to provide everything and get no sick or holiday pay. Our expenses as individuals are extremely high |

**Single Rate for 2-year-old funding disadvantaged and working entitlement:**

Due to the expansion of the 2-year-old entitlement to include a working parent entitlement, the DfE has set a single rate of £8.15p per hour for both disadvantaged & working parent entitlements. The DfE has stated that a single rate can be used but if separate rates are used the rate for 2-year-old disadvantaged should not be set below the 2-year-old working parent rate.

**Question -** Please indicate if you agree or disagree with the proposal to fund 2-year-old entitlements (disadvantaged and working parents) at a single hourly rate?

**Response – Pie Chart illustrated.**



**Further Comments**

|  |  |
| --- | --- |
| Provider Type  | Comment  |
| Childminder  | don't know. Should it be higher for disadvantaged? but two rates?could be harder to organise. |
| Private day care  | I would agree if the rate were higher |
| Private day care  | Funding should be paid at the correct rate to cover the rising NMW and inflation, costs etc, counties should be paid fully from central government for admin etc Why are we expanding when we can't get.the 3/4-year-old funding right Childcare is forced into a corner, with the amount being paid Totally unrealistic How much/when and how payment being made You ask for a consultation without giving facts or information |
| Maintained nursery school  | unsure as I do not have enough information on alternatives yet |

**SEN Inclusion Fund 3- and 4-year-olds**

**Question** - Please indicate if you agree or disagree with the proposal to hold a contingency budget to support the SENIF funds due to growth in need in 3-and 4-Year-old early years provision?

**Response – Pie Chart illustrated.**

**Expanded Deprivation Budget**

Due to the expansion of childcare entitlements for working families, there is a need to expand the Deprivation supplement for two-year-olds (disadvantage & working parents’ entitlements) and under 2’s.



Please indicate if you agree or disagree with the proposal to fund the Deprivation supplement from the expanded 2-year-old entitlement funding and under 2’s entitlement funding.

**Response – Pie Chart illustrated.**

**Expanded SENIF Budget**

Due to the expansion of childcare entitlements for working parents there is a requirement to budget for emerging SEN needs for two-year-olds (disadvantage & working parents’ entitlements) and under 2’s.

**Question** - If you have any comments on the requirement to fund emerging SEN needs for two-year-olds (disadvantage & working parents) and under 2’s, please provide them below:

Some Responses

|  |  |
| --- | --- |
| Provider Type  | Comment  |
| Pre School  | It needs to be more readily available |
| Pre School  | Yes, 2s should receive the same SEN funding as 3's |
| Private day care  | It is crucial that this funding is in place for children from 2 years onwards |
| Private day care  | Yes, this should be supported |
| Childminder  | This should be reflective of the numbers needed not speculative surely these children with Sen should already be raised. In addition, most SEN are not diagnosed until 3+ so again this needs to be reflective of the need not a random figure? This shouldn’t come out of income for individual children as this budget is for each child not owned by the LA |
| Private day care  | A child who needs support should be offered a support package regardless of their age or if parents qualify for government funding. We are identifying children's needs at a young age but there is then very little support financially or professionally for those children that attend a nursery. |
| Private day care  | Pay providers correctly They deal with the initial SEN paperwork (which is lengthy) |

**Expanded Deprivation Budget**

Due to the expansion of childcare entitlements for working families, there is a need to expand the Deprivation supplement for two-year-olds (disadvantage & working parents’ entitlements) and under 2’s.

**Question** - Please indicate if you agree or disagree with the proposal to fund the Deprivation supplement from the expanded 2-year-old entitlement funding and under 2’s entitlement funding.

**Response – Pie Chart illustrated.**



**Expanded Early Years Pupil Premium Budget**

Due to the expansion of childcare entitlement for working parents there is a requirement to implement a EYPP fund for 2-year-olds (disadvantage & working parents’ entitlements) and under 2’s.

**Question** - If you have any comments on the requirements to introduce EYPP funding from the expanded 2-year-old entitlement funding and under 2’s entitlement funding, please add them below:

|  |  |
| --- | --- |
| Provider Type  | Comment  |
| Pre School  | Agree this is needed |
| Private day care  | You can’t get EYPP without going through hopes, that takes months and months (if you lucky) otherwise years Why Expand when we can’t solve the issues now |
| Pre-school  | Yes, EYPP should now be available to access for children from the age of 2 years. This funding is vital to supporting families who really need it. |
| Pre-school  | This is a good idea and will help us to identify and help those families most in need. |
| Governor run nursery  | consider that the funding for this element needs to be provided via the central government pot not top sliced from any potential funding nurseries are needing to receive |
| Pre-school  | It would be good for 2-year-olds to receive EYPP as this will help with their learning and progress within the setting. |

If you have any further comments you would wish to be considered by the local authority in finalising the Early Years Funding Formula (EYFF) for 2024- 25, please provide them here:

**Some Responses –**

|  |  |
| --- | --- |
| Provider Type  | Comment  |
| Private day care  | Please, let us know as soon as possible what the final real rates being paid are. There is a knock-on ripple effect once these are published and we are already having parents wanting to register children that will qualify for funding and they understandably want to know what the fees they will pay are going to be, so they can know if its affordable or not. |
| Pre School  | The 3/4-year-old funding should not be capped by 5/. The issue will be when funded 2 ye olds turn 3 the drop in income is too huge. Leave 3 and 4 on full 5.81 take the cap from the 2-year-old but if you have to |
| Childminder  | As a childminder I am concerned about the irregular payment dates. I will be unable to offer funded spaces to all who may be entitled to them the way things are. I am a single parent and have bills to pay. We as a group of childminders are concerned about the lack of information available to us regarding this issue, as well as the lack of information available regarding the payment that we would receive. We are self-employed but as things stand are very much in the hands of the local authorities, where our finances are concerned, which is extremely worrying as we have received no updates about the changes that will affect us so much. |
| Private day care  | All funded children should be receiving at least 6.50 an hour to properly find them |
| Childminder  | Payments need to be monthly for providers, this is causing much anxiety and being suppressed as a request. To suggest deducting from funds and asking questions on if we agree or disagree whilst we are still unsure of actual process is quite daunting. There is a clear concern and worry amongst the small business side of early years providers that is critical to be reviewed way before this comes into effect. Oxfordshire needs to start listening to the providers and taking urgent action instead of suppressing those who are working for this money to be available for you to utilise… if we have less providers, you’ll have less income as a county, and you are not being quick enough to action or respond to the key concern your providers have |
| Childminder  | Monthly payments Other las do termly headcounts and still do monthly payments, why can’t we |
| Childminder  | To change to monthly payments. As the current payment scheme will not work if 90% of our income is funding. This is due to having monthly bills and financial commitments. |
| Private day care  | Give Providers the correct facts We have no information to do the consultation No information on who/when/how much will be paid by age group So we can't make an informed decision Central Government should be invoiced directly by Counties including inflation costs for administrating |
| Pre-school  | Needs to be a better-paid amount. Does to sustain for good, qualified staff, low paid sector. The funding rate needs to be universal not set by each county council. It's unfair! |
| Childminder  | Due to safeguarding reasons, you need to split funding equally. Otherwise, more providers will take on more 1-year olds than they can manage. If you split funding equally then you won't have a safeguarding risk. |
| Childminder  | Payments to be changed to monthly so childminders can budget properly. Top ups to be allowed if the hourly rate is lower than what we would charge |
| Childminder  | I have no issue with the new funding coming into place, I think it’s great for working parents! However, my gripes are... Not being able to claim for family! I currently have a niece on my books who is being forced into preschool early due to me not being g able to claim her funding- even though she won't be the only child on my books I claim funding for!! Termly payments- people working for the government would not except 2 payments in every 12 weeks, so why should we aschildcare professionals!!!! And lastly everywhere advertising it as FREE childcare, when in fact it is funded childcare! While the 9month-3-year funding is likely to be above my hourly rate the 3-4 funding is quite below my hourly rate |
| Childminder  | The payment to providers needs to be looked at. Many childminders cannot afford not to be paid monthly. |
| Pre-school  | I'm afraid this increase will not even scratch the surface of what is needed. The increased offer for 2-year-olds is going to leave a lot of families disappointed as settings do not have the space or finances to offer these places for 'free'. With a further 9.8% increase in the NLW this will further cripple the sector who would love to pay their staff better but continue to lose thousands of pounds each year due to insufficient funding. The current support and offer from the O.C.C EY team is.very good. Thank you |
| Governor run nursery  | 3/4-year-old funding needs to be considerably increased to cover the rising costs of professional and experienced staff, premises costs, utility bills and resourcing. If not able to increase, could nurseries be permitted to offer 'funded' rather than 'free' hours and try and cover some of the shortfalls in budgets that this current system is allowing to develop. |