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# Early Years Entitlement Changes

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**Report being considered by:** Schools' Forum on 4<sup>th</sup> December 2023

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**Item for:** Information **By:** All Forum Members

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## 1. Purpose of the Report

1.1 To provide the Forum with an overview of the new Early Years Entitlements and the timeline for introduction.

## 2. New Entitlements and related funding

2.1 In the government's spring budget, the Chancellor announced transformative reforms to childcare for parents, children, the economy, and women.

2.2 This new offer will empower parents, allowing them to progress their careers and support their families. The new entitlements will be introduced in phases:

2.3 From April 2024, all working parents of 2-year-olds can access 15 hours per week.

2.4 From September 2024, all working parents of children aged 9 months up to 3-years-old can access 15 hours per week.

2.5 From September 2025, all working parents of children aged 9 months up to 3-years-old can access 30 hours free childcare per week.

2.6 Our reforms mean the government expects to spend an additional £4.1 billion by 2027 to 2028 to fund 30 hours of free childcare per week (38 weeks per year) for children over the age of nine months, a funding increase, increasing the supply of wraparound care, and wider market reforms.

## 3. Timeline

3.1 The Starting from April 2024, existing childcare support will be expanded in phases. By September 2025, most working families with children under the age of 5 will be entitled to 30 hours of childcare support.

3.2 The changes are being introduced gradually to make sure that providers can meet the needs of more families. This means that:

3.3 From April 2024, eligible working parents of 2-year-olds will be able to access 15 hours childcare support.

3.4 From September 2024, 15 hours childcare support will be extended to eligible working parents of children from the age of 9 months to 3-year-olds.

3.5 From September 2025, eligible working parents of children under the age of 5 will be entitled to 30 hours of childcare a week.

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- 3.6 The government will invest £289m over two academic years, from September 2024, to enable schools and local areas to set up wraparound childcare provision.
- 3.7 This funding will be for schools and local authorities to **introduce or expand childcare provision** on either side of the school day and enable them to **develop flexible ways** of providing childcare and **gather evidence** of what works.
- 3.8 The funding will be allocated in the following ways:
- 3.9 Capacity funding: Funding for local authorities to use to build their internal capacity to deliver. This could include paying for a designated wraparound lead if one does not already exist.
- 3.10 Programme funding: Funding for local authorities to deliver programme objectives, including to distribute to providers to set up new provision or expand existing provision.
- 3.11 Capital funding: Funding for local authorities to support new / extended wraparound provision, including distribution to childcare providers. For capital projects only.

## 4. Conclusion

- 4.1 West Berkshire Early Years Team have initiated a programme of work to ensure that the service, the sector, and parents are prepared for these substantial changes.
- 4.2 As the detail of the changes develops, we will ensure that the Forum is kept fully informed.

## 5. Appendices

- 5.1 Appendix A - West Berkshire Early Years Inclusion Support Funding (EYISF) Budget

## Appendix A

### West Berkshire Early Years Inclusion Support Funding (EYISF) Budget

#### What is EYISF?

<https://www.gov.uk/government/publications/early-years-funding-2022-to-2023/early-years-entitlements-local-authority-funding-of-providers-operational-guide-2022-to-2023>

#### 5.3 Special educational needs inclusion fund (SENIF)

*Local authorities are required to have SENIFs for all 3 and 4-year-olds with SEN who are taking up the free entitlements, regardless of the number of hours taken. These funds are intended to support local authorities to work with providers to address the needs of individual children with SEN.*

In West Berkshire, EYIS funding can be used to support a child's inclusion during the parental entitlement to 15 or 30 hours of free early years' education per week, for up to 38 weeks per academic year. It is for eligible two, three and four year-olds.

#### How it is allocated

EYISF is allocated specifically to support the inclusion of a named child. All funds must be spent on that purpose.

Applications are made on a termly basis by settings and reviewed at a panel meeting (The panel consists of the four advisory teachers from EDIT, the LSS manager, an advisory teacher from the Early Years Team, plus representatives from the EP Service and SEN Team).

EYISF is allocated within the bands shown below in line with free entitlement of 15 or 30 hours and the child's support need (frequency of intervention needed).

Band	Frequency of intervention guide	2021-22
1	Low 1 to 7 hours	200
2		500
3	Medium 8 to 20 hours	800
4		1000
5		1200
6	High 21 to 30 hours	1600
7		2000

### How it has been used over the past couple of years

Previously the amount of funding allocated has reflected the number of hours a child attends the setting from their free entitlement (15 or 30 hrs) and the level of support needed e.g. low / medium / high. In this way the EYISF could support settings to provide targeted interventions for children with lower level or emerging SEND as well as a high level of support for those with more complex needs.

The Managers and SENDCos would determine how to use the funding best to support the inclusion of the child within their setting.

The funding could be used flexibly, to ensure the child's additional needs are met. For example, the funding could:

- provide a contribution toward additional staffing. An additional staff member may be recruited by the setting to work with the child, or to provide 'cover' for an experienced member of staff to provide support at given times
- be ear-marked for staff training to support staff in meeting the needs of the child
- be used to purchase equipment or resources to meet the needs of the child

### Pressures on the EYISF budget

The EYISF budget is currently £90,000 per year and has not been increased for a number of years.

Two factors have had significant impact on the funds available to support settings:

1. The introduction in September 2017 of 30 hours free early years' entitlement for working parents.
2. The gradual increase in the minimum wage (this was £7.50 in 2017 and will increase again in April 2023 to £10.43).

Without a designated SEND budget, private, voluntary and independent (PVI) settings rely on EYISF if a child needs a high level of individual support to be included in the setting, or if they are looking to increase ratios to allow for targeted interventions. Although EYISF has always been a **contribution** towards the cost of including a child with SEND, the bandings as they stand provide a minimal contribution. For example, a child attending 30 hours requiring full adult support to be included in a setting would receive a maximum of £2000 per term, this equates to £6.66 per hour.

For the spring term 2023 there were 56 requests. Once assessed and Bands allocated the total amount of funding needed was £32,600, which far exceeded the £22,000 remaining in the budget for the year. The panel had to make some difficult decisions which resulted in only the children with an exceptional level of need (i.e. those for whom a placement would not be possible without full time support) were allocated the full funding (15 children). 24 children were given 50% of their allocated funding and the rest were given no

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funding. This amounted to £24,500 with the deficit having to be found from other budgets that sit within Learning Support.

For comparison:

In spring term 2022 there were 39 requests for funding.

In spring term 2021 there were 25 requests for funding.

### What we forecast might be needed in the future?

The following table shows the last three years of funding:

	No of requests	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7
Spring 2020*	35	8	21	6	0	0	0	0
Summer 2020	39	1	10	4	14	5	1	4
Autumn 2020	19	0	1	9	5	3	1	0
Spring 2021	25	0	2	6	10	5	2	0
£80,900 total 20/21		£200	£6,500	£15,200	£29,000	£15,600	£6,400	£8,000
Summer 2021	30	0	4	6	12	6	2	0
Autumn 2021	22	0	1	7	6	4	4	0
Spring 2022	39	1	8	6	9	8	6	1
£91,700 total 21/22		£200	£6,500	£15,200	£27,000	£21,600	£19,200	£2,000
Summer 2022	55	2	11	16	16	3	6	1
Autumn 2022	32	6	12	5	5	1	2	1
Spring 2023	38	0	12	9	9	5	3	0
£105,500 total 22/23		£1,600	£17,500	£24,000	£30,000	£10,800	£17,600	£4,000

\* Bandings were higher - this was changed for summer 2020 funding onwards

- Autumn term traditionally sees the fewest requests as children transition to school, with summer term having the heaviest demand on the budget.
- The figures show a year on year increase in the number of funding requests made with a greater number of parents taking up their child's full entitlement of 15 hrs (Band 3 or 4) or up to 30 hours, (Bands 5, 6, or 7).
- We are also seeing an increase in the number of children with more complex needs being supported in mainstream PVI settings, who require a high level of individual adult support in order to be included in the setting (those children at Band 3/4 or 6/7).