School Forum: July 2022

Agenda Item : 4 - Early years Funding and Arrangements

## Introduction

The Childcare Sufficiency team are required to meet its statutory duty of childcare sufficiency, to ensure that there are sufficient childcare places for early years children across Medway.

## Statutory duties

2.1 [Childcare Act 2006](https://www.legislation.gov.uk/ukpga/2006/21/contents)

[Section 6](https://www.legislation.gov.uk/ukpga/2006/21/section/6) to secure sufficient childcare for working parents

[Section 7](https://www.legislation.gov.uk/ukpga/2006/21/section/7) to secure Early Years provision free of charge

[Section 12](https://www.legislation.gov.uk/ukpga/2006/21/section/12) to provide information, advice and assistance to parents and prospective parents

[Section 13](https://www.legislation.gov.uk/ukpga/2006/21/section/13) to provide information, advice and training to childcare providers

## Childcare entitlements

The Medway Family Information Service, who are part of the sufficiency team, are committed to supporting as many families as possible to take up the offer of funded childcare places.

Funded childcare is divided into the following categories:

* 15 hours of childcare for eligible disadvantaged two-year olds. (*2-year-old children from areas of high deprivation/families in receipt of benefits. Colleagues in social care identify families to the service who would benefit from this offer).*
* 15 hours of universal childcare for all three and four-year-olds.
* In addition to the 15 hours universal offer, there are some families who are eligible for a further 15 hours childcare as a result of their status as working parents, or parents who are studying or training for employment, this is known as the 30 hour offer.

3.1 Currently there are **248** Early Years settings in Medway, this is not a static figure as it changes throughout the year due to some childminders who may have periods of time without any children.

Private, Voluntary and Independent: **91 providers**

Nursery classes in schools and academies: **41 schools**

Childminders: **116** *(childminders are often able to offer a more flexible approach to meet parents needs with childcare).*

3.2 The total number of full-time registered childcare places offered across Medway is approximately **6,200** and there are approximately **10,729** children aged 2, 3 and 4 years of age in Medway. This is broken down as **3,448** children aged 2 years of which approximately 44% (**1517**) will be eligible for a funded childcare place and **7,281** children aged 3 and 4 years of which approximately **2,100** will be eligible for a 30 hour place, however the Government expect an 80% take -up which equates to 1,680 children

The remaining 5,181 children aged 3 and 4 years of age are all eligible for a funded universal 15 hour part-time childcare place.

The table below shows Medway’s sufficiency.

|  |  |
| --- | --- |
|  category | children |
| Potential requirement of full-time equivalent (FTE) places for children aged 2 years | 758 |
| Potential requirement of 30 hour places for children aged 3 and 4 years | 1,680 |
| Potential requirement of FTE universal offer places for children aged 3 and 4 years | 2,590 |
| Total FTE places required to meet sufficiency | 5,028 |

There are 1,172 vacant full-time equivalent childcare places in Medway. Medway Council’s Early Years Sufficiency team and the Family Information service have not received any communications from parents / carers stating that they are unable to find a universal or extended funded early education place for their child, therefore supporting the data that there is full sufficiency of places which is helpful at this time within Medway as we welcome refugee children into Early Years Settings.

3.3 **Commissioned work undertaken by Medway Early Years Ltd includes:**

* Facilitating early years foundation stage briefings.
* Regular provider support meetings in conjunction with the EYST
* Providing a package of support for Private, Voluntary and Independent settings and Childminders that have an Ofsted inspection rating of “inadequate” or “requires improvement”
* Providing support and guidance for any new EYFS provision or any EYFS expansions including schools, PVI settings and Childminders.
* Face to face and online tutorials and training and individual advice and guidance around safeguarding, welfare requirements and quality.

## Medway Council’s early years funding formula – 2022/23

* 1. Every year the DfE allocates Medway Council’s early years a block of funding from the dedicated schools grant (DSG).

Medway has a budget of circa £2.3 million for two-year-old funding, £13.7 million for three-and four-year-old funding, £124,000 for Early Years Pupil Premium (EYPP) and £76,000 for Disability Access Funding (DAF).

The early years grant is then allocated to funding streams with the following rates:

* the 15 hours entitlement for disadvantaged two-year-olds - £5.60 per hour;
* the universal 15 hours entitlement for all three- and four-year-olds - £4.80 per hour;
* the additional 15 hours entitlement for eligible working parents of three- and four-year-olds - £4.80 per hour;
* EYPP - £0.60 per hour; and
* DAF - £800 per year.
	1. It is a statutory requirement that at least 95 per cent of this grant is delegated to providers using a flat rate for two year-olds, and local authorities using their own early years funding formula for three and four year-olds. For this financial year, after top slicing 1 per cent to SEND, the two year-old hourly rate is £5.27 and the three and four year-old hourly rate is £4.51. There are increases this year for EYPP and DAF. The Medway early years funding formula is as follows:

|  |  |
| --- | --- |
| category | funding |
| DfE allocated 2 year-old rate | £5.60 |
| Fixed rate at 95 per cent and after the 1 per cent top slice for SEND | £5.27 |
| DfE allocated 3/4 year-old rate | £4.80 |
| Rate at 95 per cent and after 1 per cent top slice for SEND | £4.51 |
| Medway early years funding formula |  |
| 1. Base rate – 90 per cent
 | £4.06 |
| 1. Disadvantage/additional need – 8 per cent
 | £0.36 |
| 1. Leadership – 1 per cent
 | £0.05 |
| 1. Ofsted – 1 per cent
 | £0.05 |
| Total (this is a rounded figure) | £4.51 |

* 1. Using the data providers submit in the January early years census, the supplements are calculated, and the funding rates are allocated. The first supplement is the base rate which all providers receive. The second, disadvantage / additional need supplement uses the postcodes of all children submitted in January which are then linked to the income deprivation affecting children index (IDACI) scores. Leadership is allocated if a provider has a ‘qualified’ member of staff working with the children (a qualified member of staff is a level 6 graduate including either Qualified Teacher Status, Early Years Professional or Early Years Teacher Status). The Ofsted supplement is allocated if a provider has either a good or outstanding grade.
	2. When the funding rates were calculated for 2022/23 we had 248 individual providers and the average rate using the Medway early years funding formula was £4.42. This is still the average rate and we now have 250 providers.

The report intention was to give an overview of the Sufficiency position of early years providers and how the funding is allocated and passported through to providers.

To conclude-:

All childcare providers must register with and be inspected by Ofsted, who give them an overall grade for the quality of their provision.

|  |  |  |
| --- | --- | --- |
| type of provision | total number of providers inspected | % achieving good or outstanding |
| Childminders | 90 | 96% |
| Nursery classes in schools | 41 | 95% |
| Private and voluntary nurseries | 79 | 95% |

Childcare provision throughout Medway continues to be of a high standard. Good quality early years settings have a positive impact on children from disadvantaged backgrounds giving them access to resources and experiences they might not have at home. Quality settings can reduce gaps in development for children and support all children in being ready for school.

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