

	<p align="center">Meeting Title 25 January 2024</p>
	<p align="center">Report from the Corporate Director of Children and Young People</p>
<p align="center">Early Years National Funding Formula (EYNFF) 2024/25</p>	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
List of Appendices:	Appendix 1 – The Under 5s nursery panel information
Background Papers:	None.
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	<p>Olufunke Adediran Head of Finance – CYP 0208 937 1196 Email: Olufunke.Adediran@brent.gov.uk</p> <p>Folake Olufeko Senior Finance Analyst – CYP 0208 937 2179 Email: Folake.Olufeko@brent.gov.uk</p>

1.0 Executive Summary

- 1.1. Following the confirmation of the provisional DSG Early Years' (EY) Block funding for Brent, this report seeks Schools Forum endorsement of the local EY Funding Formula for 2024/25.
- 1.2. The 2024/25 EY Block funding for Brent is £35.2m, an increase of £10.6m from 2023/24 allocations.

2.0 Recommendations

- 2.1 The Schools Forum is asked to endorse Brent's EY Funding Formula for 2024/25, as supported by the EY Funding Subgroup. The following updates have been applied to the Early Years National Funding Formula (EYNFF):
 - a) A universal base rate for Brent providers for 3 and 4-year-old funding of £5.39 per hour. This represents an 11.4% increase of £0.55p from £4.84 in 2023/24.

- b) An allocation for deprivation supplement of 10% and quality supplement of 2% for 3 and 4-year-old funding.
- c) A base rate of £9.54 to pay Brent providers for the disadvantaged 2-year-old entitlement. This represents a 40% increase of £2.70 from £6.84 in 2023/24.
- d) A base rate of £9.41 to pay Brent providers for the 2-year-old working parent entitlement.
- e) A base rate of £12.87 to pay Brent providers for children aged 9 months up to 2 years.
- f) A 5% centrally retained funding by the local authority from the 3 and 4-year-old funding.
- g) Following the DfE's extension of the 95% pass-through requirement to the disadvantaged 2-year-old entitlement and the new working parent entitlement from 2024/25, a 0.5% centrally retained funding by the local authority from this cohort.
- h) Additional funding for some 3 and 4-year-olds, extended to 9 months to 3-year-olds and based on local eligibility, to be allocated to the Under 5s Nursery Panel, and both PVI and maintained providers can apply for this to ensure the funding continues to be targeted at vulnerable children. This follows the DfE's expectation that local authorities have special educational needs inclusion funds (SENIFs) for all children with special educational needs (SEN) eligible for or taking up the new and existing entitlements, regardless of the number of hours taken.
- i) In line with the DfE's proposal to roll the teachers' pay and pension grant into the EYNFF from 2023/24 and with the increase in the planned value of supplements to no more than 12% (from 10% previously), it is proposed that the additional 2% continues to be used as a quality supplement to the 3 and 4-year-old funding allocated to providers.

2.2. Schools Forum is asked to note the requirement for local authorities to have a disadvantaged 2-year-old rate that is at least equal to the rate for 2-year-old children of working parents.

2.3 Schools Forum is requested to agree a change to the current approach whereby all 2-year-olds, whether applying for the disadvantaged two-year entitlement or the two-year entitlement for working families, access their entitlement the term after their 2nd birthday, in line with the timing of the government's funding.

3.0 Contribution to Borough Plan

- 3.1 This report is linked to the Council's Borough Plan which aims to support babies, children and young people get the best start in life, by working in partnership with schools and other partners to make sure access to education is fair and equal.

4.0 Funding from central government

- 4.1 At the Spring Budget 2023, the Government said it would provide additional funding to increase the hourly funding rate for the existing childcare entitlements. £204m provided in 2023/24 (paid from September 2023 via the Early Years Supplementary Grant (EYSG)) and £288m will be provided in 2024/25.
- 4.2 There will be further investments to enable schools and local providers to set up wraparound childcare provision so that parents of school age children can access childcare in their local area. This could include provision of activities that fall outside of school hours, such as breakfast clubs and after-school clubs.
- 4.3 The reforms include changes to the Early Years Foundation stage (EYFS) requirements to improve flexibility for providers and support the workforce. This includes changes in staff child ratios and the introduction of childminder grants to support childminders.
- 4.4 The government expects to spend an additional £4.1bn by 2027/28 to fund 30 hours of free childcare per week (38 weeks per year) for children over the age of 9 months. At the introduction of the new entitlements from 2024/25, the average funding rate for local authorities for under 2-year-olds will be around £11 per hour.
- 4.5 The government consulted on the EY funding formula which ran from July 2023 to September 2023. The outcome of the consultation has now been published below is the summary of revised policy decisions:
- 4.5.1 For 2024/25, a new national funding formula for both the existing 2-year-old entitlement for disadvantaged children and the new working parent entitlements for 2-year-olds and under will be introduced.
- 4.5.2 There will be 3 separate hourly funding rates: 2-year-olds, which will be the same for both the disadvantaged and the working parent entitlements; 9-month-old up to 2-year-olds for the new working parent entitlement; and 3 and 4-year-olds for the universal and additional hours entitlements.

4.5.3 The Early year Pupil Premium (EYPP) and the Disability Access Fund (DAF) will extend to eligible children aged 2 and under in receipt of a free entitlement place from 2024/25.

5.0 Implications of government funding for Brent

5.1 The 2024/25 Brent EY Block funding has increased by £10.6m to £35.2m compared to 2023/24. Of the £10.6m increase, £6.8m is allocated to for free childcare entitlements for working parents with children under the age of 3. There have been increases to the funding rates allocated to Brent for the existing 2-year-old, and 3 and 4-year-old provisions.

5.2 The Early Years supplementary grant increased the EYNFF hourly rate for 3 and 4-year-olds from £5.93 to £6.29 in 2023/24 for September 2023 to March 2024 period. This represented a 6.1% increase of £0.36p from £5.93 in 2023/24.

5.3 The EYNFF hourly rate for 3 and 4-year-olds has increased from £6.29 in 2023/24 to £6.59 in 2024/25. This represents a 4.8% increase of £0.30p from £6.29. Table 1 sets out the key figures.

5.4 Table 1: EYNFF funding rates

3 and 4-year-olds	2022/23	2023/24	2024/25
Universal 15 hours allocation	£14.6m	£16.0m	£17.6m
Additional 15 hours allocation	£3.6m	£4.0m	£4.6m
Hourly rate before central spend	£5.68	£5.93	£6.59
Maximum % for central spend	5%	5%	5%
Hourly rate after central spend removed	£5.40	£5.63	£6.26
Maximum % for deprivation	10%	10%	10%
Maximum % for quality supplement	0%	2%	2%
Maintained Nursery Schools Supplementary Funding	£0.732m	£0.778m	£0.915m
2-year-olds			
2-year-old disadvantaged funding allocation	£2.9m	£3.4m	£4.9m
2-year-old working parents funding allocation	n/a	n/a	£4.0m
Hourly rate for 15 hours allocation	£6.29	£6.84	£9.59
Under 2-year-olds			
Under 2-year-old working parents funding allocation	n/a	n/a	£2.8m
Hourly rate for 15 hours allocation	n/a	n/a	£13.07

6.0 A universal base rate for Brent providers for 3 and 4-year-old funding

6.1 The 3 and 4-year-old funding will be distributed to providers as a universal base hourly rate plus additional allocations for deprivation and quality supplement, after the 5% reduction for central spend. The universal base rate to providers has increased from £4.84 in 2023/24 to £5.39 in 2024/25 as shown below:

a) Overall hourly rate received from DfE	£6.59
b) Remove central spend of 5%	£6.26
c) Allocate to Specialist Nursery Panel (0.13p)	£6.13
d) Reduce by allocation for deprivation (£6.13 x 90%)	£5.52
e) Reduce by allocation for quality supplement (£5.52 – (£6.13*2%))	£5.39

6.2 Funding supplements are amounts of funding paid to providers in addition to the base rate to reflect local needs or policy objectives. The DfE requires local authorities to use a supplement to recognise deprivation in their areas. In Brent, the maximum 10% allowable for supplements is applied to deprivation and it is proposed to continue to apply this rate for 2024/25. This equates to £0.61p per hour.

6.3 The DfE took the decision to mainstream the teachers' pay and pensions grant into the 2023/24 EYNFF. Several local authorities have raised concerns that schools-based nurseries will no longer receive the teachers' pay and pensions grant as a separate grant. To address these concerns, the government has increased the total planned value of funding supplements to no more than 12% of the total value of planned formula funding to providers, compared to 10% in 2022/23. This would allow local authorities the flexibility to use the additional 2% to fund pressures that some providers might face from, for example, addressing the need to pay contributions to the teachers' pension scheme.

6.4 Local authorities are not required to use this additional flexibility. However, to ensure that schools continue to have visibility of this funding, it is proposed to continue to use the quality supplement to apply the additional flexibility to replace the previous teachers' pay and pensions grant that was paid by the DfE. The quality supplement would apply to Brent school-based nurseries and PVI's that meet the criteria and equates to £0.12p per hour.

6.5 Maintained nurseries will be excluded from the quality supplement to avoid double funding as the maintained nursery supplementary funding has been revised to an hourly funding rate that is inclusive of the teachers' pay and pensions grant.

6.6 The Early Years Funding Subgroup was consulted on the proposed methodology for the quality supplement, and it was agreed to use the 'qualified

teacher status' data from census returns as the criteria for eligibility. The January 2024 census data will be used as the basis of funding for FY 2024/25, given this would be the latest published information available.

- 6.7 Deprivation is allocated based on an index called Income Deprivation Affecting Children Index (IDACI), which allocates a score according to postcodes. The index was updated by the DfE based on 2019 data, as prior to 2020/21, 2015 data was being used. Similarly, to the last financial year, the 2019 IDACI scores will be used to allocate deprivation funding for 2024/25.

7.0 Base rates for Brent providers for 2-year-old funding for 2024/25

- 7.1 The 2024/25 disadvantaged 2-year-old provisional allocation is £4.9m, an increase of 44% from the last financial year.
- 7.2 The DfE's provisional funding estimates are based on the January 2023 census data and as expected, the actual funding allocation for 2024/25 has increased, reflecting the increase demand for childcare for 2-year-olds compared to January 2022 figures.
- 7.3 The EYNFF rate for 2-year-old funding will increase from £6.84 per hour in 2023/24 to £9.59 per hour.
- 7.4 From April 2024, the 2-year-old funding will extend to working parents of 2-year-olds to access 15 hours care entitlement per week, over 38 weeks per year.
- 7.5 The government mandates local authorities to have a disadvantaged 2-year-old rate that is at least equal to their rate for 2-year-old children of working parents. It also recognises the expectation that local authorities have SENIFs for all children with SEN. In line with this, the proposal to distribute this rate to providers is as set out below:

Base rate for the disadvantaged 2-year-old entitlement:

- | | |
|--|-------|
| a) Overall hourly rate received from DfE | £9.59 |
| b) Allocation for central spend (0.5%) | £9.54 |

Base rate for the working parents of 2-year-olds' entitlement:

- | | |
|---|-------|
| a) Overall hourly rate received from DfE | £9.59 |
| b) Allocation for central spend (0.5%) | £9.54 |
| c) Allocate to Specialist Nursery Panel (0.13p) | £9.41 |

8.0 Proposed change in access to the 2-year-old free entitlements

- 8.1 The 2-year-old entitlement to free 15 hours of early education for eligible children was rolled out in Brent in 2013, following participation in the

government's pilot for this. The statutory guidance stated that children could access their entitlement the term after their 2nd birthday. Take-up of this entitlement amongst eligible families as well as the number of providers willing to offer this entitlement was low, both during the pilot and full implementation.

- 8.2 To increase sufficiency of 2-year provision, thereby making the entitlement more accessible to families and provide quicker access to early education for the most vulnerable children, a decision was made locally in Brent that eligible 2-year-olds could access their entitlement the day after their 2nd birthday. This had the desired effect in increasing the numbers of providers offering 2-year places and take-up increased, albeit slowly. There was also a financial impact of this decision as the additional weeks were not funded by the DfE and absorbed within the Early Years Block. For example, the financial impact during 2022/23 was £0.211m and £0.157m as of December 2023 for the current 2023/24 financial year.
- 8.3 This approach has been in place for the last 10 years, however with the roll-out of the 2-year entitlement for working families in April 2024 which also allows access to the entitlement the term after the child's 2nd birthday, it is timely for this to be reviewed.
- 8.4 If the current approach is not changed, an unsustainable two-tier system would develop with children eligible for the disadvantaged 2-year entitlement being eligible the day after their 2nd birthday and 2-year-olds from working families only able to access the term after their 2nd birthday. This is likely to prove very unpopular with families. Applying the current approach to the new entitlement, with all 2-year-olds accessing the day after their 2nd birthday, will increase the financial impact in terms of number of additional weeks funded and therefore not be tenable for the local authority.
- 8.5 Schools Forum is therefore requested to agree a change to the current approach whereby all 2-year-olds, whether applying for the disadvantaged 2-year entitlement or the 2-year entitlement for working families, access their entitlement the term after their 2nd birthday. In consideration of the feedback from the EY sub-group, it is proposed that this change would take effect from 1 September 2024.

9.0 A base rate for Brent providers for under 2-year-old funding

- 9.1 From September 2024, working parents of children aged 9 months up to 2-year-olds can access 15 hours care entitlement per week over 38 weeks per year.
- 9.2 For 2024/25, the EYNFF rate for under 2-year-old funding is £13.07 per hour.

- 9.3 The local authority proposes to deduct 0.5% from this funding allocation to contribute towards the cost of central services and as with the other free entitlements, deduct £0.13p from the pass-through rate for a contribution towards SENIF. The rate is to be applied as follows:

Base rate for the working parents of 9 months to 2-year-olds entitlement:

a) Overall hourly rate received from DfE	£13.07
b) Allocation for central spend (0.5%)	£13.00
c) Allocate to Specialist Nursery Panel (0.13p)	£12.87

10.0 Retention of funding for Central Spend

- 10.1 The DfE guideline mandates local authorities to pass through 95% of the Early Years funding to the 3 and 4-year-old entitlement as well as extending this pass-through requirement to the disadvantaged 2-year-old entitlement and the new working parent entitlements for central services.

- 10.2 The central spend supports Early Years services as set out below. A significant number of Brent Early Years settings access this support and regard it as highly valued. Services include:

- Providing specialist Early Years advice and guidance to nursery schools, Early Years' settings and Family Wellbeing Centres to improve the quality of early learning.
- Supporting the inclusion of young children who have a range of SEND that may be affecting their learning and progress.
- Expanding supply and take-up of good quality early learning and childcare opportunities for all 3 and 4-year-olds and increasing numbers of 9 months to 2-year-olds from eligible families.
- Administration of the Nursery Education Grant (NEG) and related projects.
- Learning and development for practitioners from all parts of the sector including single and multi-day courses, projects, and annual conferences.

- 10.3 The central spend budget is based upon the DfE estimates for the take-up of provision and is then fixed for the year. The actual income received in year is dependent upon the number of 9 months to school age children who take up free entitlement places in Brent and are counted in the latest January census.

- 10.4 It is recommended that central retention of EY funding for the existing and new entitlements for 2024/25 is as set out in the table below.

10.5 Table 2: Local funding allocation for central expenditure

Entitlements	Retention %	2023/24 (£)	2024/25 (£)	Increase (£)
15 and 30 hours for 3 and 4-year-olds	5	1,001,265	1,109,600	108,335
15 hours for the most disadvantaged 2-year-olds	0.5	n/a	24,435	24,435
15 hours for 2-year-olds of eligible working parents	0.5	n/a	20,288	20,288
15 hours for children aged 9 months to 2 years of eligible working parents	0.5	n/a	14,009	14,009
Total		1,001,265	1,168,331	167,066

10.6 The above percentages have been set in acknowledgment of both the increase in administration of the expanded entitlements as well as the DfE's plans to increase the pass-through rate to 97% once the new entitlements have been successfully implemented. This change is expected within the next year or two and the full 3% will need to be applied across all entitlements to continue delivering the current level of central services.

10.7 The proposed central retention equates to £1.168m, compared to a £1.001m equivalent in 2023/24; an increase of £0.167m from the previous financial year.

10.8 The budget requirement for delivery of the current level of central services and the training offer as set out in paragraph 10.2 is £1.058m. This provision will ensure continued delivery of support and training which has been acknowledged by the Early Years Funding subgroup as a required service and is valued by providers.

10.9 This leaves a surplus of £0.109m. The expanded entitlements will increase workload for the teams involved due to the increased numbers of children accessing free entitlements, both in terms of administration and working with providers and parents to ensure smooth implementation across the dates set by the DfE and high awareness amongst families to enable as many eligible families as possible access their entitlements. It is proposed that this surplus is used to fund additional resources to facilitate this implementation.

11.0 Specialist Nursery Panel

11.1 This is a multi-agency panel allocating funds for children with Special Educational Needs and Disability (SEND) or Children in Need (CIN), based on eligibility criteria to assist with their successful inclusion in their setting.

- 11.2 The HNB allocation of £1.09m contributes to the costs associated with the children with SEND. A disapplication to the single national funding formula regarding funding for additional 15-hour places for some 3 and 4-year-olds based on local eligibility criteria was allowed by the DfE in January 2017 and applied until the summer term of 2018. This equated to £0.13p from the 3 and 4-year-old funding rate. In January 2018, Schools Forum agreed to release this funding (approximately £0.4m in 2018/19) to this panel for allocation to ensure the most vulnerable children receive some additional support. The contribution for the 3 and 4-year-old funding equates to £0.438m for the next financial year. The principle remains that children with the most complex needs will be supported to attend one of the specialist nurseries where appropriate.
- 11.3 In line with the DfE's expectation that local authorities have SENIFs for all children with SEN eligible for or taking up the new and existing entitlements, it is proposed to include a contribution from the new free entitlements for children of working parents aged 9 months to 3-years-old, at the same rate of £0.13p which equates to £83k.
- 11.4 **Action 89** arising from the last Schools Forum requested details of the Early Years Panel funding decision making criteria to be shared with Forum members. This can be found in Appendix 1 of this report.
- 11.5 For 2024/25, the total value of the Early Years Inclusion fund from the EY Block is £0.521m.
- 11.6 Table 3: DSG Specialist Nursery Panel Budget

Proposed income	2023/24	2024/25
Income	£	£
DSG High Needs Block (HNB)	(1,089,160)	(1,089,160)
Early Years Block	(439,003)	(520,650)
Disability Access Fund	(119,232)	(163,800)
Total Income	(1,647,395)	(1,773,610)
Expenditure		
Early Years Inclusion Fund for specialist nurseries	724,988	724,988
Inclusion fund for 3 & 4-year-olds in non-specialist early years provision	294,172	294,172
Staff member for EY Inclusion team	70,000	70,000
CIN for specialist nurseries	288,000	288,000
CIN/2-year-olds in non-specialist early years provision	94,753	0
Inclusion fund for 9 months to 3 years-olds in non-specialist early years provision	0	142,650
Quality Assurance staff (1.5 post)	0	90,000
Transport	39,627	0
Additional one-off funding	16,623	0

Disability Access Fund	119,232	163,800
Total Expenditure	1,647,395	1,773,610

12.0 EY funding based on DfE's provisional allocations

12.1 Table 4 outlines the Early Years' budget based on draft allocations from the DfE and the recommendations from this paper.

12.2 Table 4: Proposed Early Years block budget

Income	2023/24 £' (000)	2024/25 £' (000)
Universal allocation for 3&4-year-olds	15,995	17,626
Additional hours for 3&4-year-olds	4,030	4,566
Allocation for 2-year-olds	3,484	4,887
Allocation for 2-year-olds with working parents	n/a	4,058
Supplementary funding for MNSs	778	915
Disability Access Fund for 3 to 4-year-olds	119	128
Disability Access Fund for 2-year-olds	n/a	25
Disability Access Fund for under 2-year-olds	n/a	11
Early years pupil premium for 3 to 4-year-olds	93	109
Early years pupil premium for 2-year-olds	n/a	66
Early Years Pupil Premium for under 2 years old	n/a	3
Total Income	24,499	35,196
Expenditure	2023/24 £' (000)	2024/25 £' (000)
Distribute to providers for 3&4-year-olds universal offer	14,845	16,397
Distribute to providers for 3&4-year-olds children with working parents (additional 15 hours)	3,740	4,247
Central spend	1,001	1,168
Additional panel funding	439	521
Distribute to providers for disadvantaged 2-year-olds	3,484	4,863
Distribute to providers for 2-year-olds children with working parents	n/a	3,982
Distribute to providers for under 2-year-olds	n/a	2,760
Supplementary funding distributed to maintained nursery schools	778	915
Disability Access Fund for 3 to 4-year-olds	119	128
Disability Access Fund for 2-year-olds	n/a	25
Disability Access Fund for under 2-year-olds	n/a	11
Early years pupil premium for 3–4-year-olds	93	109
Early years pupil premium for 2-year-olds	n/a	66
Early Years Pupil Premium for under 2 years old	n/a	3
Total Expenditure	24,499	35,196
Funding gap	0	0

13.0 Additional funding for maintained nursery schools (MNS)

- 13.1 Local authorities with MNS will continue to receive supplementary funding for the 2024/25 financial year. The provisional allocation for Brent is £0.915m compared to £0.778m in 2023/24. This represents an increase of 17.6%.
- 13.2 In response to the consultation on the early years funding, from 2023/24 the distribution of the MNS supplementary funding has been reformed to ensure that it is being shared more evenly across all local authorities with MNSs. A minimum and a cap on the hourly funding rate that local authorities can receive for their MNSs has been introduced and all providers must be paid the same hourly base rate. The government has also mainstreamed the funding that MNSs previously received through the teachers' pay and pensions grants, so it has now been rolled into each local authority's supplementary funding allocation.
- 13.3 This supplementary funding applies to the council's four MNSs and was previously allocated on an agreed local formula i.e., based on business rates, a lumpsum and estimated hours. The proposal is to continue to distribute this funding to the MNS based on an hourly rate for 2024/25, in line with the DfE's change in local authority fundings to an hourly rate basis.
- 13.4 The MNS supplementary hourly rate, inclusive of Teachers' Pay Additional Grant has increased from £5.47 to £6.27 per hour: an increase of 15%.

14.0 Stakeholder and ward member consultation and engagement

- 14.1 A discussion took place with the Early Years Sub-group of the Schools Forum on the 9th of January regarding the hourly rates and central retention from the Early Years funding allocation, taking into consideration the requirements of the expanded entitlements, including the application of central retention and SENIF across all the entitlements. Members of the group agreed with the proposals to retain 5% from the 3- and 4-year allocation, and 0.5% from the under-two and two-year allocations for central support services.
- 14.2 The initial findings and draft proposals following the review of Early Years SEND Inclusion funding were shared with the group. The group acknowledged the value and quality of the specialist nurseries and the important part these play in providing high quality inclusive provision in the borough. A discussion followed on the proposals for the HN contribution to the EYIF and on preparations for the imminent changes considering the expansion of the entitlements, resulting in an even younger cohort of children with SEND being eligible for SENIF. Further discussions will be had with members of the group before Schools Forum to agree their preferred options.

- 14.3 The proposal to change access for two-year-olds eligible for the disadvantaged two-year entitlement from the day after their second birthday (a Brent local decision) to the term after their second birthday as per the requirements of statutory guidance was discussed by the group. While the group acknowledged the rationale behind the request for change, both in terms of parental response to differing approaches for different cohorts of two year olds as well this not being affordable for the local authority, they felt strongly that this change should not happen both from a financial sustainability perspective for providers in that the additional funding was valuable and that vulnerable two year olds would miss out on the opportunity to access their entitlements earlier. Members of the group also fed back that the current system allowed for a gradual entry of two-year-olds into provision as they turned two rather than larger groups of two-year-olds starting together at the beginning of term, and that this was a practical benefit for settings in supporting these children.
- 14.4 Following feedback from the EY funding sub-group, modelling on the impact of the change to the providers has taken place and this indicates that approximately 7% of the total two-year cohort in any year start before the term time after their second birthday with 93% starting at the DfE funded dates. This equates to a yearly average cost of £2.8k per setting. It is anticipated that this financial impact will be offset by the increased number of two-year-olds taking up places through the two entitlements for working families. Furthermore, in consideration of the group's feedback, it is proposed that this change for the next financial year commences from 1 September 2024, to allow settings a transitional term to prepare.
- 14.5 As providers will be receiving a higher hourly rate for children accessing the two-year entitlement for disadvantaged two-year-olds compared to two-year-olds from working families, it is anticipated that there will continue to be a financial incentive for offering places for the most vulnerable two-year-olds in the borough.
- 14.6 The group was also consulted as on the requirement within the Statutory guidance 'Early education and childcare (applies from 1 April 2024) Updated 1 January 2024' for providers to be paid monthly. The group were presented with the following three options:
- 1) Continue with the existing system of an initial estimate, a Headcount 1 for adjustment against the estimate and a final Headcount 2 towards the end of term. This option is aligned to Schools Census dates and gives 3 payment points in a term.

- 2) Move to a system of monthly payments, with no estimates, no alignment with School Census dates but with similar payment points as above, except for the summer term with a possible 4 payment points.
- 3) Adopt a new system of estimates at the beginning of term and a final headcount at the end of term. This would offer 2 payment points and would not be aligned with Schools census dates.

Members of the group voted unanimously to retain the existing system, which they said worked extremely well and would not add the additional administration burden that would be the case with option 2.

15.0 Financial Considerations

15.1 The financial implications have been detailed in the body of this paper.

16.0 Legal Considerations

16.1 This report has been drafted with due consideration of the Early Years Foundation Stage (EYFS) statutory framework which sets the standards that all early years' providers must meet to ensure that children learn and develop well and are kept healthy and safe.

17.0 Equality, Diversity & Inclusion (EDI) Considerations

17.1 Not applicable.

18.0 Climate Change and Environmental Considerations

18.1 Not applicable.

19.0 Human Resources/Property Considerations (if appropriate)

19.1 Not applicable.

20.0 Communication Considerations

20.1 All School Forum papers are published, and all schools will have access to them. The final 2024/25 EY budget allocation for each school will be published on Best Brent.

Report sign off:

Nigel Chapman

Corporate Director of Children and Young People

