

Committee:	Schools Forum
Meeting Date:	13 January 2022
Title:	Early Years Funding Rates 2022-23
Author:	Christina Lewis
Decision making / consultative / information:	Decision
Who can vote?	All forum members

What is the Forum being asked to decide?

1. To agree the pass through to early years providers of an additional 21 pence per hour for eligible 2 year olds.
2. To agree the pass through to early years providers of an additional 17 pence per hour for 3 & 4 year olds.
3. These are the increases announced by the government in the recent spending review.

Reason for recommendation

4. The proposed increased hourly rates as detailed in the Governments recent spending review represents an increase to providers of 3.8%. With Suffolk's funding settlement from national government being in the lowest band sustainability is an issue. Whilst this increase is welcomed it does not cover the sectors increasing costs. The living wage is increasing by 6.6% and inflation is currently above 5%.

Alternative options

5. No alternative options are being proposed.

Who will be affected by this decision?

6. All Early Years providers who deliver the early education funded entitlements.

Main body of the Report

7. If the pass through is agreed the funding rate for 2 year olds will increase from £5.36 to £5.57 per hour.

8. If the pass through is agreed the funding rate for 3 & 4 year olds will increase from £4.19 to £4.36 per hour.
9. The proposal is to maximise pass through to early years providers.
10. Local authorities are entitled to retain 5%. SCC does not retain this percentage. If the pass through is agreed, from April 2022 SCC will retain 3.6% of the funding received for 3 & 4 year olds. Nothing is retained from the 2 year old funding rate.
11. Early years pupil premium is also increasing by 7 pence per hour per eligible child. This means the rate is increasing from 53 pence to 60 pence per hour.
12. Disability access fund is increasing from £615 to £800. There will be no change for Suffolk as we currently pay more than this (£1,000 per year for every eligible child).
13. Providers can also access deprivation funding, inclusion funding and high needs funding for eligible children.