

Early Years Funding Information

March 2018

Two Year Old Funding paid for 2017-8 @ £5.20:

Total Budget: £85,800

Summer Term 2017: 35 x Children

Autumn Term 2017: 41 x Children

Spring Term 2018: 34 x Children

Rutland County Council has paid out a total of £106.393 a deficit of £20,593 – need to understand why we have overspent by so much when funding is based on eligible pupils

Three and four Year old Funding paid for 2017-8 @ £4.40:

Total Budget: £1,702.900

Summer Term 2017: 659 x Children

Autumn Term 2017: 417 x Children

Spring Term 2018: 509 x Children

Rutland County Council has paid out a total of £1,500,414 with a current credit of £202.486 – not yet calculated whether any of this funding will be clawed back by the ESFA in 2018/19

Two Early Years Providers have closed during this financial year, with a further Provider currently consulting on their proposed closure at the end of the academic year. Two of the above are closing for financial reasons and have stated that they are no longer viable to operate. Rutland Early Years Providers have had their base rate cut from:

- 2016-17: £4.60
- 2017-18: £4.40
- 2018-19: £4.25 TBC

A Schools Forum, Early Years Working Party, has been established to ensure that, moving forward, the 'Early Years Base Rate' for 3 and 4 year olds is set at rate to enable Providers to remain viable while remaining affordable within the Early Years Block of the DSG.

The above group met on the 29th January 2018 and made a strong recommendation that the deficit is paid back over a 7 year period rather than a 5 year period, as initially proposed, to prevent the Base Rate falling below £4.25.

There is concern that funding is being reduced as costs are increasing. Staffing, food and utilities bills are making it increasingly difficult for settings to offer high quality, sustainable provision for our pre-school children. Additional activities are being cut due to the reduced funding e.g. MFL. Some settings are charging a higher rate for additional hours.

The 30 hour offer has added an additional strain as the Early Years Base Rate applies for the full 30 hours which means that income is lower although some settings are charging a higher rate for any additional hours taken. There is also concern over the number of places available following the introduction of the 30 hour offer.

The long term impact of the above is that quality, and indeed the number of children able to access pre-school places will fall and children will not be as well prepared as they begin their learning journey. This is likely to have a knock on effect in schools and the future of our young people.

The Early Years Working Party met to discuss solutions and how providers can work together, and with the Local Authority, to ensure that settings can remain viable and that high standards continue. Staff training and preparation for GDPR are being discussed as well as support on business development and marketing. Mrs Sally Hickman is taking a lead on a five year plan to assess the needs going forward and we are also monitoring similar Local Authorities and how they finance and support providers in this sector.