

Title of Report: Early Years Inclusion Fund Consultation Outcome

Report of: Darren Collins, Strategic Director, Resources & Digital

Purpose of the Report

1. To bring to Schools Forum the outcome of the Early Years Inclusion Fund (EYIF) consultation on the use of EYIF to establish early years assessment hubs, and the allocation of the EYIF to settings.

Background

2. This report builds on a report brought to Septembers Schools Forum on the EYIF consultation proposals and the draft consultation document for approval.
3. The EYIF was introduced from April 2017 by the Department for Education (DfE) as part of the Early Years National Funding Formula (EYNFF). The changes required each local authority to have an inclusion fund for children with low and emerging special educational needs and disabilities (SEND).
4. The EYIF formula was last updated for 2021/22, where after consultation with providers, it was agreed that Gateshead's inclusion fund would be the balance of the 5% permitted top slice after the deduction of the costs of the Early Years Team.
5. Due to the extension of early years provision the DfE operational guidance confirmed that it is the 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".
6. The estimated balance of EYIF is £540,238 for 2024/25, and it was proposed that £47,188 of the EYIF for 2024/25 is used to set up 2 early year assessment hubs, with the remainder to be distributed to early years settings.
7. Agreement was also requested for a full year provision for the assessment hubs for 2025/26, an estimated £168,791, with the remainder of the EYIF allocated to settings linked to the Gateshead Thresholds.
8. Over 140 consultation documents were sent out to settings on 20 September 2024, with only 7 being returned by the deadline. 57% or 4 respondents agreed with questions 1 to 3. 71% of respondents agreed with questions 4 and 6 and 100% with question 6. A list of the questions, and table of responses and comments are included in appendix 1.

Proposal

9. For the EYIF for 2024/25 it is proposed that Schools Forum approves:-

- £47,188 of EYIF funding is used to set-up 2 early years assessment hubs.
- £8,500 will be retained centrally to allocate to providers that identify needs of new children moving into the area throughout the year, assessed by Area SENCo.
- The remainder of the EYIF, £484,550 will be allocated using the post codes of the children at providers on the January census to generate the ACORN score. The ACORN score will be multiplied by the summer term actual hours and Autumn term interim hours for all entitlements, to generate the ACORN weighted hours to allocate funding. This is proposed so that settings can be allocated the funding as soon as possible in the Autumn term following the proposed consultation outcome and pending approval from Schools Forum.

10. For the EYIF for 2025/26 it is proposed that Schools Forum approves:-

- £168,791 of funding is used to continue the 2 early years assessment hubs
- A new allocation method be developed using the Gateshead SEND Thresholds to allocate funding to settings for individual children based on need.

Recommendation

11. It is recommended that Schools Forum approves: -

- The proposed use of EYIF to set up 2 early years assessment hubs, £47,188 for the financial year 2024/25 and £168,791 for the financial year 2025/26.
- The retention of £8,500 for 2024/25 centrally for allocation to allocate to providers that identify needs of new children moving into the area throughout the year, assessed by Area SENCo.
- The allocation of the remainder of the EYIF £484,550 using a settings ACORN score, multiplied by the summer term actual hours and the Autumn term interim hours for all entitlements.

For the following reason(s):

- To enable the setup of the 2 early years assessment hubs
- To provide EYIF to all providers in a timely basis to enable them to plan for the effective use of EYIF for their children
- To provide sufficient time for the development of a process to support the embedding of Gateshead Thresholds in early years settings to provide funding based on individual children.

The consultation Questions

Q1 - Do you accept the use of £47,188 inclusion funding for the financial year 2024/25 to set up 2 early years assessment hubs?

Q2 - Do you accept the use of an estimated £168,791 inclusion funding for the financial year 2024/25 to set up 2 early years assessment hubs?

Q3 - Do you accept the top slice of £8,500?

Q4 - Do you accept that the residual amount of £484,550 be used to allocate EYIF to settings for 2024/25?

Q5 - Do you accept using the average ACORN score of each individual setting to calculate funding?

Q6 - Do you accept Summer term and interim autumn hours being used to calculate EYIF for 2024/25?

Summary of Responses

Summary						
Question	Yes	%	No	%	Don't Know	%
1	4	57.14	1	14.29	2	28.57
2	4	57.14	2	28.57	1	14.29
3	4	57.14	2	28.57	1	14.29
4	5	71.43	2	28.57	0	0.00
5	5	71.43	1	14.29	1	14.29
6	7	100.00	0	0.00	0	0.00

Comments made by respondents

Q1	
Provider 3	It would be useful to know how these assessment hubs will work, who will be eligible to access them and how children can be referred to them.
Q2	
Provider 1	There is insufficient funding for 3 and 4 year olds already so adding 2 year olds makes it worse
Provider 7	This will take away essential finances used by nurseries to provide higher level of support to the children and may impact them accessing provisions.
Q3	
Provider 3	I have concerns that £8,500 will not be enough and worry about what will happen once this funding has gone.
Q4	
Provider 1	This is not enough to provide the amount of funding needed for inclusion for 3 and 4 year olds across Gateshead
Q5	
Provider 7	It does not matter if an SEND child is living in a more deprived area, they need the same level of additional support to bridge gap.
Other comments	
Provider 1	If funding is to be provided for 2 year olds it only affects my setting if I already get enough funding for my 3 and 4 year olds.
Provider 2	Inclusion funds has been a big support for our setting in the past and we hope that it continues further to support the children with SEND.
Provider 7	Nurseries do not receive enough financial support to SEND children - offering higher level of support/ 1:1 to scaffold learning and care to help them reach their full potential and keep them safe.