

ITEM 2

Sufficiency Paper

Schools Forum – 2 December 2024

Summary (highlighting is from steering group)

Recommendations

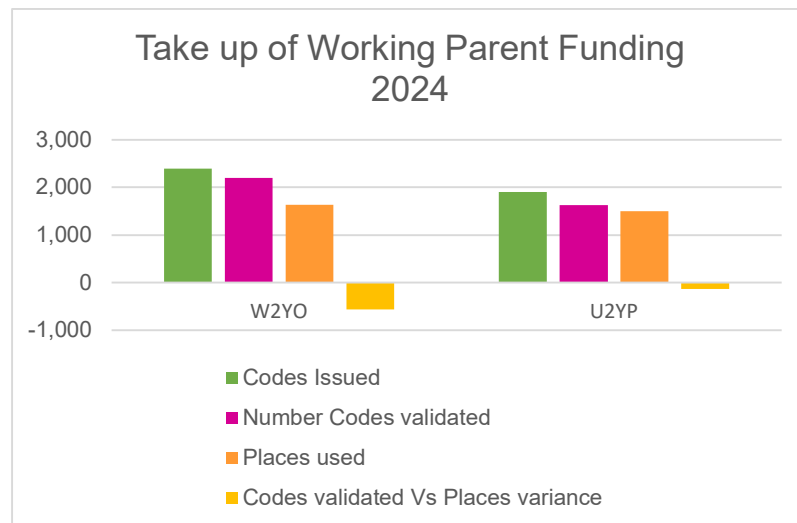
The Schools' Forum is asked to:

- Note the validation rates for under two's (U2) and two-year-old funding (W2YO) for working families.
- Note the number of funded disadvantaged two-year-olds (D2YO), the number of universal three-and-four-year-olds (U3&4) and the number of three-and-four-year-olds accessing additional 15 hours (30H3&4).
- Note the Early Years Budget Grant amount and the proposed distribution method.
- Receive an update on the Childcare Reforms and note areas in the borough that have been identified as having a shortfall of places from September 2025.

1. Take up of funding

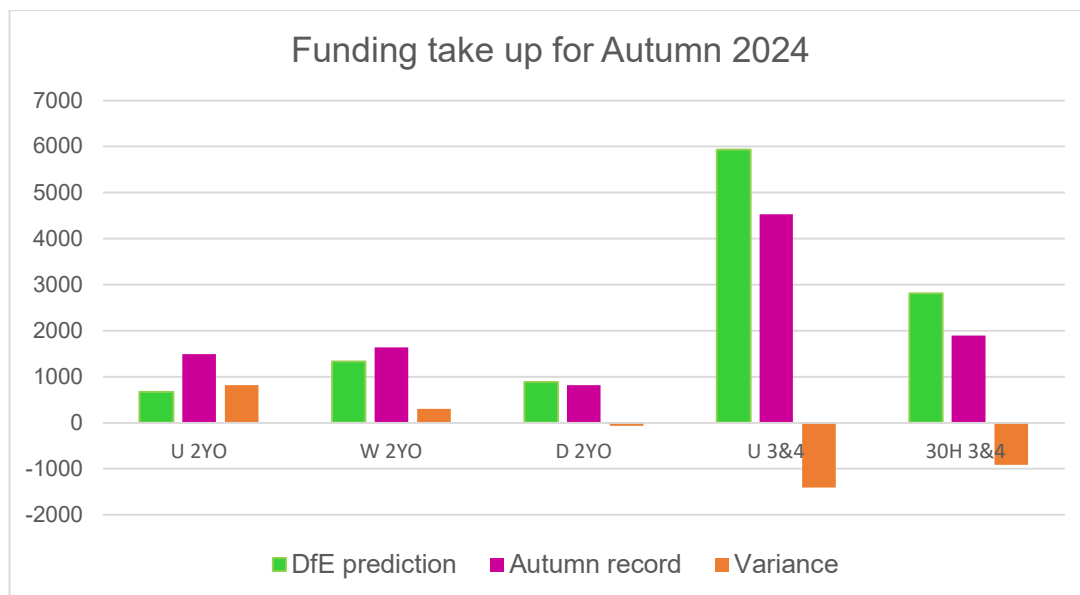
- 1.1 September 2024 brought the introduction of 15 hours funded childcare for children of working families with children aged U2YO, which is the next step in the childcare reforms. Chart 1 shows the number of codes issued, the number of codes validated, and the number of places currently taken up in Croydon for W2YO and U2YO.

Chart 1 – The Take Up of Working Parent Funding 2024



- 1.2 Chart 2 provides an update on the take up of D2YO, U3&4YO and 30H 3&4YO funded places so far for autumn 2024 in comparison with DfE predictions. The take up of places is likely to change slightly as the adjustment headcount has yet to close at the time of writing this report. The autumn term is the quietest in relation to take up of funded places and demand usually increases in the Spring and again in the Summer. The data shows that at present there are less U3&4YO and 30H3&4YO than predicted, there is roughly the same D2YO, and more U2YO and W2YO than the DfE predict. We will closely monitor these figures termly against updated DSG when it is released.

Chart 2 – The Take Up of Working Parent Funding 2024



2. Early Years Budget Grant

- 2.1 In September 2024 the DfE announced that it would be providing an Early Years Budget Grant (EYBG) following the recent teachers' pay award. The total grant amount allocated to Croydon is: £167,094 for all providers and an additional £58,188 to the MNS supplement. Table 1 shows the proposed grant distribution with the recommendation that the grant is distributed based on Autumn Actual Headcount numbers and for the additional Maintained Nursery School Grant (MNS) to be distributed based on January 2024 census figures in line with the current MNS supplement distribution.

Table 1

Allocation	Amount	Number of children on roll	Rate per child
U 3&4	£120,702.00	4527	£26.66
30H 3&4	£46,392.00	1962	£23.65
MNS	£58,188.00	350 (Recorded from Census 2024)	£166.25
Total	£225,282.00	N/A	N/A

3. Childcare Reform update

- 3.1 To support the expansion of childcare in early years and wraparound, the DfE have provided the LA with Capital Grant funding, Capacity funding and Delivery Support funding. Table 2 provides a summary of the funding received in 2024/25, the indicative funding for 2025/26 and the use of the funding. The application window is currently open for providers to apply for both the Capital Grant and the Programme Delivery fund. The application window closes at 5pm on 6th December 2024. At present Croydon has sufficient childcare places in Early years. From September 2025 this is not predicted to be the case. Table 3 shows wards where there is predicted to be a shortfall. The allocation of the Capital Grant will prioritise areas where there is predicted need. In addition, the Reforms Lead and Senior Sufficiency Officer are working with providers in these wards to ascertain if they have an interest in expanding their age range and number of places offered. Further work will commence in the new year.

Table 2

Funding	2024/25 amount	2025/26 indicative amount	Funding use
Early Years Capacity funding	*£85,766	£0.00	Staffing and early years training
Wraparound Programme Delivery funding	£636,170	£269,440	Provide grants to support the expansion and or creation of wraparound places
Wraparound Capacity funding	£55,380	£56,440	Reforms Lead staffing costs
Childcare Reforms Capital Grant	*£712,257	£0.00	Grants for capital projects to create early years and wraparound childcare places

*Received in financial year 2023/24 for use in 2024/25

Table 3

Ward	*U2YO	*2YO
South Croydon	1,727	112
Broad Green	1,694	754
Bensham Manor	1,076	167
Selhurst	909	0
West Thornton	855	483
Selsdon Vale and Forestdale	569	75
Park Hill and Whitgift	542	389
New Addington South	459	321
Woodside	427	0
Fairfield	389	0
Kenley	359	0
Waddon	338	0
Sanderstead	255	0
Purley and Woodcote	231	0
Crystal Palace and Upper Norwood	187	0
Shirley North	181	23
Old Coulsdon	165	0
Addiscombe West	122	0
Selsdon and Addington Village	92	0
South Norwood	79	0
Norbury and Pollards Hill	39	0
Norbury Park	3	0

*Data provided is shown in hours.

Appendix A - EARLY YEARS EDUCATION AND CHILDCARE – GLOSSARY OF TERMS - ACRONYMS / TERMINOLOGY / DEFINITIONS

The Early Years Education and Childcare glossary defines terms used in this paper and their meaning.

ACRONYMS / TERMS	WHAT IT STANDS FOR	DEFINITION
EY	Early Years	Under five years old
EYWG	Early Years Working Group	Representative and consultative group of registered Early Years providers to discuss strategic issues and financial matters relating to Early Years; support the delivery of the funded early education and childcare in Croydon; and makes recommendation to Schools Forum for decision.
DfE	Department for Education	Responsible for children's services and education, including early years. Provides local authorities with relevant funding streams which together form the early years block of the dedicated schools grant.
DSG	Dedicated Schools Grant	Ring-fenced specific grant allocated to the Local Authority by the Government to support a range of education related services.
U2YO	Under 2-year-old	Extended entitlement from September 2024 - funding for the 15 hours entitlement for 9-month-old up to 2-year-old children of eligible working parents.
W2YO	Working family 2-year-old	Extended entitlement from April 2024 - funding for the 15 hours entitlement for 2-year-old children of eligible working parents.
D2YO	Disadvantaged 2-year-old	Where families meet the eligibility criteria to receive early years education from the funding period after their second birthday.
EYBG	Early Years Budget Grant	Grant provided by the DfE in response to the Teachers Pay Award.
U3&4YO	Universal 3- & 4-year-old	Funding for the universal 15-hour entitlement for all 3 and 4-year-olds.
30H3&4YO	30 hours 3- & 4-year-old	Funding for the additional 15 hours for 3 and 4-year-old children of eligible working parents.
EYPP	Early Years Pupil Premium	Extra funding to providers to support education for 3 and 4-year-olds, 2-year-olds and under 2s, if the parents are on certain benefits.
DAF	Disability Access Fund	Funding paid for 3 and 4-year-olds, 2-year-olds and under 2s. The national rate for DAF is £910 per eligible child per year.
DEP	Deprivation	Local authorities must use this supplement to recognise deprivation in their areas to support any disadvantaged or vulnerable children.
MNS	Maintained Nursery School	A local authority school that is funded and controlled by the local authority to provide early education and childcare to under 5s.
MNS Supplementary Funding	Maintained Nursery School Supplementary Funding	Additional funding in recognition of the higher costs the MNS face.
Indicative budget		DfE estimation of amount of money that is needed for early years.
Top slice	Centrally retained funds by local authorities	Central retention of funding from early years block. Councils are allowed to top slice this funding by up to 5% to support staffing and other early years support.