

# **Consultation on Early Years National Funding Formula**

**Schools Forum – 15<sup>th</sup> July 2022**

# Introduction to the Consultation

- On 4<sup>th</sup> July 2022 the Department for Education (DfE) published a consultation on changes to the Early Years national funding formula. Full details can be found on the DfE website at the following link:
- [Early years funding formulae - Department for Education - Citizen Space](#)
- The consultation closes on the **16<sup>th</sup> September 2022**

# Proposed Changes

- Base rate for 2 year olds and 3 and 4 year olds to be based on revised formula, rather than uplifts on existing rates
- Free School Meals (FSM), English as an Additional Language (EAL) and Disability Living Allowance (DLA) to be updated to latest data (currently 2015/2016)
- Area Cost Adjustment (ACA) base data to be updated where available.
- Teachers Pay Grant (TPG) and Teachers Pension Employers Contribution Grant (TPECG) to be baselined.
- Maintained Nursery School supplementary funding to be updated – floor and cap to be introduced – TPG/TPECG to be included.

# Proposed Changes

- Minimum Funding Floor for 3 and 4 year old formula to be increased to reflect national changes – should not impact Cambridgeshire.
- Year-to-Year protection to be introduced for 2 year old and 3 and 4 year old formulae at +1%
- Gains Cap – gains to be limited to 4.5% for EYNFF and 8.6% 2 year old formula
- Based on illustrative data increase for Cambridgeshire should be circa 4.4% for EYNFF and circa 8% for 2 year old formula
- *All DfE figures are illustrative at this stage – actual rates payable to providers will differ based on final data and overall available quantum.*