

Early years census: methodology for calculating PTE places

For 4-year-olds, local authorities may at their own discretion provide an additional 10 hours above core statutory hours for those not eligible for 30 hours childcare. From 2019-20 financial year, all children will be capped at 15 hours for the universal entitlement as we set out in our <u>government response</u> to the early years national funding formula in December 2016. This change will be reflected in local authority funding from 2019-20.

Therefore, we will take two cuts of the January 2019 early years census data so that there will be no impact to funding as a result of capping 4-year-olds at 15 hours for the universal entitlement for the 2018-19 final funding adjustment. Where extended entitlement hours are claimed, the maximum hours are 30 hours, 15 free entitlement hours plus 15 extended entitlement hours.

The total number of eligible 2, 3 and 4-year-old children from the early years census (EYC) to be used in the calculation of the 2019-20 Dedicated Schools Grant (DSG) allocations is calculated as follows and is applicable to both the universal and the extended entitlement:

$$a + b + c + d$$

Where:

a. **2 year olds** : Part-time equivalent (PTE) children aged two at 31 December 2018 (born between 1/1/2016 and 31/12/2016) who meet one of the national eligibility criteria

In calculating the PTE number of children, a child attending 15 hours a week is calculated to be the equivalent of a 1.0 part-time child.

Children funded for fewer than 15 hours are counted pro-rata to the number of hours funded; for example, a child funded for 10 hours a week will be counted as 10/15 = 0.666667 of a PTE child.

The maximum funding available via the DSG for two-year-olds is 15 hours, so all such children will be counted as a maximum of 1.0 PTE.

PTE places = Funded Hours / 15 where Funded Hours is no greater than 15.

b. **3 year olds**: Part-time equivalent (PTE) children aged three at 31 December 2018 (born between 1/1/2015 and 31/12/2015).

In calculating the PTE number of children, a child attending 15 hours a week is calculated to be the equivalent of 1.0 part-time child.

Children funded for fewer than 15 hours are counted pro-rata to the number of hours funded; for example, a child funded for 10 hours a week will be counted as 10/15 = 0.666667 of a PTE child.

The maximum funding available via the DSG for three-year-olds is 15 hours, so all such children will be counted as a maximum of 1.0 PTE.

PTE places = Funded Hours / 15 where Funded Hours is no greater than 15.

c. **Rising fours**: PTE children aged three at 31 August 2018, but four as at 31 December 2018 (rising fours born between 01/09/14 and 31/12/14).

In calculating the PTE number of children, a child attending 15 hours a week is calculated to be the equivalent of 1.0 part-time child.

Children funded for fewer than 15 hours are counted pro-rata to the number of hours funded; for example a child funded for 6 hours a week will be counted as 6/15 = 0.4 of a part-time equivalent child.

The maximum funding available via the DSG for rising 4 year olds is 15 hours, so all such children will be counted as 1.0 PTE.

PTE places = Funded Hours / 15 where Funded Hours is no greater than 15.

d. **Four year olds**: Part-time equivalent children aged 4 as at 31 August 2018 (and 31 December). These are children born between 01/01/14 and 31/08/14.

In calculating the part-time equivalent number of children, a child attending 15 hours a week is calculated to be the equivalent of a part-time child.

Children attending fewer than 15 hours are counted pro-rata to the number of hours attended; for example a child attending 12 hours a week will be counted as 12/15 = 0.8 of a part-time equivalent child.

PTE places = Funded Hours / 15

For the small number of four year olds funded for 25 hours, one cut of data will be taken for the 2018-19 final funding allocations and will be calculated as 25/15 = 1.6667 of a part-time equivalent child.

A second cut of data will be taken for the 2019-20 initial allocations and all children will be capped at 15 hours.

Funding reports in COLLECT will reflect the 2018-19 final funding adjustment, i.e. they will record 4 year olds who receive 25hrs as 1.6667 PTE.