

Appendix 1b: Worked example of calculating the pass-through rate for the affordable scenarios 10-13 + one LIVE model for the EYRG

	5.47	10.14	7.48	7.48
	6,111,614	626,954	1,237,436	414,590
	3&4 Year Olds Universal & Working	Under 2s Working Parents	2 Years Working Parents	Disadvantaged 2 Year Olds

Option			5.47	10.14	7.48	7.48	
Option 10	A	1	Anticipated budget for base rate (including funding to MNS) for relevant age group	£31,780,393	£6,056,380	£8,909,538	£3,101,129
		2	Anticipated budget for MNS lump sums for relevant age group	£0			
		3	Anticipated budget for supplements for relevant age groups: Deprivation (including funding to MNS)	£200,000			
		4	Anticipated budget for supplements for relevant age groups: Quality (including funding to MNS)	£0			
		5	Anticipated budget for supplements for relevant age groups: Flexibility (including funding to MNS)	£0			
		6	Anticipated budget for supplements for relevant age groups: Rurality (including funding to MNS)	£50,000			
		7	Anticipated budget for supplements for relevant age groups: EAL (including funding to MNS)	£0			
		8	Anticipated budget for relevant age group SEN inclusion fund (top up grant element)	£400,000	£467,737	£75,000	
		9	Anticipated budget for relevant age group contingency	£45,983			£0
			Subtotal =	£32,476,376	£6,524,117	£8,984,538	£3,101,129
	B	10	DFE initial quantum allocation to local authority of MNS supplementary funding	0	0	0	0
	C	11	Planned total base rate hours for universal 15 and additional 15 hours for 3 and 4 year olds	6,245,457	675,374	1,247,853	414,589
	D	12	Equivalent average rate to providers for entitlement hours for 3 and 4 year olds = (A-B) / C = (lines 1+2+3+4+5+6+7+8+9 - 10) / (line 11)	£5.20	£9.66	£7.20	£7.48
	E	13	LA EYNFF hourly rate for 3 and 4 year olds (published alongside this document, or in DSG tables in future)	£5.47	£10.14	£7.48	£7.48
F	14	Test of meeting requirement F = (D / E) * 100 = ((line 12) / (line 13))*100	95.1%	95.3%	96.3%	100.0%	
Option 11	A	1	Anticipated budget for base rate (including funding to MNS) for relevant age group	£31,780,393	£6,050,110	£8,897,163	£3,101,129
		2	Anticipated budget for MNS lump sums for relevant age group	£0			
		3	Anticipated budget for supplements for relevant age groups: Deprivation (including funding to MNS)	£200,000			
		4	Anticipated budget for supplements for relevant age groups: Quality (including funding to MNS)	£0			
		5	Anticipated budget for supplements for relevant age groups: Flexibility (including funding to MNS)	£0			
		6	Anticipated budget for supplements for relevant age groups: Rurality (including funding to MNS)	£50,000			
		7	Anticipated budget for supplements for relevant age groups: EAL (including funding to MNS)	£0			
		8	Anticipated budget for relevant age group SEN inclusion fund (top up grant element)	£450,000	£417,737	£75,000	
		9	Anticipated budget for relevant age group contingency	£64,627			£0
			Subtotal =	£32,545,020	£6,467,847	£8,972,163	£3,101,129
	B	10	DFE initial quantum allocation to local authority of MNS supplementary funding	0	0	0	0
	C	11	Planned total base rate hours for universal 15 and additional 15 hours for 3 and 4 year olds	6,258,658	670,243	1,247,867	414,589
	D	12	Equivalent average rate to providers for entitlement hours for 3 and 4 year olds = (A-B) / C = (lines 1+2+3+4+5+6+7+8+9 - 10) / (line 11)	£5.20	£9.65	£7.19	£7.48
	E	13	LA EYNFF hourly rate for 3 and 4 year olds (published alongside this document, or in DSG tables in future)	£5.47	£10.14	£7.48	£7.48
F	14	Test of meeting requirement F = (D / E) * 100 = ((line 12) / (line 13))*100	95.1%	95.2%	96.1%	100.0%	
Option 12	A	1	Anticipated budget for base rate (including funding to MNS) for relevant age group	£31,780,393	£6,043,840	£8,884,789	£3,101,129
		2	Anticipated budget for MNS lump sums for relevant age group	£0			
		3	Anticipated budget for supplements for relevant age groups: Deprivation (including funding to MNS)	£200,000			
		4	Anticipated budget for supplements for relevant age groups: Quality (including funding to MNS)	£0			
		5	Anticipated budget for supplements for relevant age groups: Flexibility (including funding to MNS)	£0			
		6	Anticipated budget for supplements for relevant age groups: Rurality (including funding to MNS)	£50,000			
		7	Anticipated budget for supplements for relevant age groups: EAL (including funding to MNS)	£0			
		8	Anticipated budget for relevant age group SEN inclusion fund (top up grant element)	£450,000	£417,737	£75,000	
		9	Anticipated budget for relevant age group contingency	£83,271			£0
			Subtotal =	£32,563,664	£6,461,577	£8,959,789	£3,101,129
	B	10	DFE initial quantum allocation to local authority of MNS supplementary funding	0	0	0	0
	C	11	Planned total base rate hours for universal 15 and additional 15 hours for 3 and 4 year olds	6,262,243	670,288	1,247,881	414,589
	D	12	Equivalent average rate to providers for entitlement hours for 3 and 4 year olds = (A-B) / C = (lines 1+2+3+4+5+6+7+8+9 - 10) / (line 11)	£5.20	£9.64	£7.18	£7.48
	E	13	LA EYNFF hourly rate for 3 and 4 year olds (published alongside this document, or in DSG tables in future)	£5.47	£10.14	£7.48	£7.48
F	14	Test of meeting requirement F = (D / E) * 100 = ((line 12) / (line 13))*100	95.1%	95.1%	96.0%	100.0%	
Option 13	A	1	Anticipated budget for base rate (including funding to MNS) for relevant age group	£31,841,509	£6,037,571	£8,872,415	£3,101,129
		2	Anticipated budget for MNS lump sums for relevant age group	£0			
		3	Anticipated budget for supplements for relevant age groups: Deprivation (including funding to MNS)	£200,000			
		4	Anticipated budget for supplements for relevant age groups: Quality (including funding to MNS)	£0			
		5	Anticipated budget for supplements for relevant age groups: Flexibility (including funding to MNS)	£0			
		6	Anticipated budget for supplements for relevant age groups: Rurality (including funding to MNS)	£50,000			
		7	Anticipated budget for supplements for relevant age groups: EAL (including funding to MNS)	£0			
		8	Anticipated budget for relevant age group SEN inclusion fund (top up grant element)	£450,000	£417,737	£75,000	
		9	Anticipated budget for relevant age group contingency	£40,798			£0
			Subtotal =	£32,582,307	£6,455,308	£8,947,415	£3,101,129
	B	10	DFE initial quantum allocation to local authority of MNS supplementary funding	0	0	0	0
	C	11	Planned total base rate hours for universal 15 and additional 15 hours for 3 and 4 year olds	6,253,802	670,333	1,247,896	414,589
	D	12	Equivalent average rate to providers for entitlement hours for 3 and 4 year olds = (A-B) / C = (lines 1+2+3+4+5+6+7+8+9 - 10) / (line 11)	£5.21	£9.63	£7.17	£7.48
	E	13	LA EYNFF hourly rate for 3 and 4 year olds (published alongside this document, or in DSG tables in future)	£5.47	£10.14	£7.48	£7.48
F	14	Test of meeting requirement F = (D / E) * 100 = ((line 12) / (line 13))*100	95.2%	95.0%	95.9%	100.0%	

Option LIVE	A	1	Anticipated budget for base rate (including funding to MNS) for relevant age group						
		2	Anticipated budget for MNS lump sums for relevant age group	£0					
		3	Anticipated budget for supplements for relevant age groups: Deprivation (including funding to MNS)	£200,000					
		4	Anticipated budget for supplements for relevant age groups: Quality (including funding to MNS)	£0					
		5	Anticipated budget for supplements for relevant age groups: Flexibility (including funding to MNS)	£0					
		6	Anticipated budget for supplements for relevant age groups: Rurality (including funding to MNS)	£50,000					
		7	Anticipated budget for supplements for relevant age groups: EAL (including funding to MNS)	£0					
		8	Anticipated budget for relevant age group SEN inclusion fund (top up grant element)	£450,000	£417,737	£75,000			
		9	Anticipated budget for relevant age group contingency				£0		
			Subtotal =			£700,000	£417,737	£75,000	£0
	B	10	DfE initial quantum allocation to local authority of MNS supplementary funding	0	0	0	0		
	C	11	Planned total base rate hours for universal 15 and additional 15 hours for 3 and 4 year olds	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		
	D	12	Equivalent average rate to providers for entitlement hours for 3 and 4 year olds = (A-B) / C = (lines 1+2+3+4+5+6+7+8+9 - 10) / (line 11)						
	E	13	LA EYNFF hourly rate for 3 and 4 year olds (published alongside this document, or in DSG tables in future)	£5.47	£10.14	£7.48	£7.48		
F	14	Test of meeting requirement $F = (D / E) * 100 = ((\text{line } 12) / (\text{line } 13)) * 100$	0.0%	0.0%	0.0%	0.0%			

The pass-through rate needs to be calculated for each of the funding streams and be compliant in each.

The local authority is passing on over 95% of the EYNFF hourly rate they received from central government for Under 2, 2 year olds and 3 and 4 year olds to providers, the local authority will meet the policy requirement.