

Equality impact assessment (EIA) form: evidencing paying due regard to protected characteristics

(form updated June 2023)

2027-28 Early Years Funding Consultation

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যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو برائے مہربانی ہم سے پوچھئے۔

Equality Impact Assessments (EIAs) are public documents. EIAs accompanying reports going to County Councillors for decisions are published with the committee papers on our website and are available in hard copy at the relevant meeting. To help people find completed EIAs, we also publish them in our website's Equality and Diversity section. This will help people to see for themselves how we have paid due regard in order to meet statutory requirements.

Name of Directorate and Service Area	Resources – Finance
Lead Officer and contact details	Howard Emmett – Assistant Director – Resources howard.emmett@northyorks.gov.uk
Names and roles of other people involved in carrying out the EIA	Sally Dunn – Head of Finance – Schools, Early Years & High Needs sally.dunn@northyorks.gov.uk
How will you pay due regard? for example, working group, individual officer	The proposal will be subject to an early years' sector wide consultation process from 25 September 2026 to 23 October 2026. This EIA will be updated during and following the consultation responses. The item will be discussed at the North Yorkshire School Forum
When did the due regard process start?	In setting Early Years Budget each year, it is necessary to consider the level of the funding rates paid to early years providers in respect of the funded entitlements for 3 & 4-year-olds, 2-year-olds and under 2-year-olds

	the within the parameters determined by the DfE. This EIA considers this issue in respect of 2027-28 Early Years provider rates.
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Section 1. Please describe briefly what this EIA is about. (for example, are you starting a new service, changing how you do something, stopping doing something?)

The EIA considers the review of early years provider funding rates for the 2027-28 financial year.

The local authority determines the provider funding rates to be paid to early years providers for the delivery of funded entitlements. This covers the funded entitlements for 3 & 4-year-old children, early learning 2- year-old children, the 2-year-old children of working parents and the under 2-year-old children of working parents.

There are three funding streams:

- the 3- & 4-year-old universal (15 hours) and working parents (15 hours) entitlements
- the 2-year-old early learning (15 hours) and working parents (30 hours) entitlements.
- 9 months to 2-year-old working parents (30 hours) entitlement

The funding consists of the provider base funding rates and provider funding supplements.

The determination of the early years provider funding rates is undertaken within the parameters of the funding levels provided by the DfE through the Early Years Dedicated Schools Grant and the associated grant conditions.

In addition to the provision of funding to early years providers, the Early Years DSG can also be used for the provision of an early years Special Educational Needs Inclusion Fund (SENIF) and the provision of local authority centrally managed service provision for early years.

A principle-based funding consultation will be undertaken with early years providers within North Yorkshire on the following elements of the early years funding entitlements for the 2027-28 financial year:

- The provider base funding rates for 3 & 4-year-old universal and working parent entitlements, the 2-year-old entitlements for early learning children and working parents, the under 2-year-old entitlement for working parents.
- The operation of a deprivation funding supplement for all funded entitlements
- The allocation of a small proportion of provider funding to a contingency fund; any unused funding will be redistributed to providers at the end of the financial year.

Section 2. Why is this being proposed? What are the aims? What does the authority hope to achieve by it? (for example, to save money, meet increased demand, do things in a better way.)

The DfE require each local authority to determine the level of the provider funding rates to be used within their local early years funding formula each financial year.

Section 3. What will change? What will be different for customers and/or staff?

The impact on individual early years providers may vary in relation to the proposed level of early years funding rates and the operating profiles of the settings.

Section 4. Involvement and consultation (What involvement and consultation has been done regarding the proposal and what are the results? What consultation will be needed and how will it be done?)

On the 6 July 2026, the Department for Education (DfE) launched a national consultation: Early years funding: proposed changes to the entitlements funding system ([Early year funding proposed changes to the entitlements funding system consultation](#)). The national DfE consultation ran from 6 July 2026 to 14 September 2026. The DfE invited views on the following proposed funding changes for the 2027-28 financial year:

- A recommendation that local authorities spend a minimum of 0.75% of their early years block funding on Special Education Needs Inclusion Funds (SENIF)
- The requirement for local authorities to pass on more of their Early Learning 2-year-old funding rate to providers to support disadvantaged children and their families
- The addition of Income Deprivation Affecting Children Index (IDACI) data to the deprivation factor of the 3-and 4-year-old formula.
- Allowing local authorities to redistribute unused contingency funding to providers

However, the DfE have stated that the outcome of the funding consultation and the 2027-28 local authority early years funding rates will not be published until later in the Autumn 2026 term. The local authority is undertaking a principle-based funding consultation to ensure that providers receive timely notification of early years funding rates for the 2027-28 financial year and that there is compliance with the DfE for local authorities to communicate funding rates to the early years sector by 28 February 2027.

The North Yorkshire Schools Forum were notified of the consultation with the early years sector at its meeting on the 24 September 2026.

A principle-based consultation will be undertaken with the early years sector within North Yorkshire between 25th September 2026 and 23rd October 2026.

The responses and results from the consultation exercise will be presented at the Schools Forum on 19 November 2026. This EIA will be updated during and following the consultation process. Early years providers will be notified of the outcome of this process before the end of February 2027.

Section 5. What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result.

The specific proposal in the EIA is cost neutral as all costs will be contained within the ring-fence of the 2027-28 Early Years DSG.

Section 6. How will this proposal affect people with protected characteristics?	No impact	Make things better	Make things worse	Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc.
Age	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic.
Disability	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic.
Sex	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic.
Race	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Gender reassignment	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Sexual orientation	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Religion or belief	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Pregnancy or maternity	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
Marriage or civil partnership	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic

Section 7. How will this proposal affect people who...	No impact	Make things better	Make things worse	Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc.
...live in a rural area?	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
...have a low income?	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
...are carers (unpaid family or friend)?	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic
..... are from the Armed Forces Community	✓			It is anticipated there will be no specific identifiable impact as a result of this proposal for this characteristic

Section 8. Geographic impact – Please detail where the impact will be (please tick all that apply)	
North Yorkshire wide	✓
Craven district	
Hambleton district	
Harrogate district	
Richmondshire district	
Ryedale district	
Scarborough district	
Selby district	
If you have ticked one or more districts, will specific town(s)/village(s) be particularly impacted? If so, please specify below.	

Section 9. Will the proposal affect anyone more because of a combination of protected characteristics? (for example, older women or young gay men) State what you think the effect may be and why, providing evidence from engagement, consultation and/or service user data or demographic information etc. No

Section 10. Next steps to address the anticipated impact. Select one of the following options and explain why this has been chosen. (Remember: we have an anticipatory duty to make reasonable adjustments so that disabled people can access services and work for us)	Tick option chosen
1. No adverse impact - no major change is needed to the proposal. There is no potential for discrimination or adverse impact identified.	✓
2. Adverse impact - adjust the proposal - The EIA identifies potential problems or missed opportunities. We will change our proposal to reduce or remove these adverse impacts, or we will achieve our aim in another way which will not make things worse for people.	
3. Adverse impact - continue the proposal - The EIA identifies potential problems or missed opportunities. We cannot change our proposal to reduce or remove these adverse impacts, nor can we achieve our aim in another way which will not make things worse for people. (There must be compelling reasons for continuing with proposals which will have the most adverse impacts. Get advice from Legal Services)	
4. Actual or potential unlawful discrimination - stop and remove the proposal – The EIA identifies actual or potential unlawful discrimination. It must be stopped.	
Explanation of why the option has been chosen (include any advice given by Legal Services.)	

No significant adverse impacts have been identified from the EIA affecting one or more protected characteristic. The proposed funding rates and arrangements will be implemented proportionately across all early years' providers within North Yorkshire

The consultation with early years providers will conclude on the 23 October 2026. This EIA will be updated during and following the consultation process should this be required.

Section 11. If the proposal is to be implemented how will you find out how it is really affecting people? (How will you monitor and review the changes?)

The processes operating in the LA with regard to monitoring the sufficiency of early years provision and the monitoring of the termly early years headcount claims used to calculate payments to early years providers allow the LA to monitor the impact of funding rate changes on the early years sector within North Yorkshire.

Section 12. Action plan. List any actions you need to take which have been identified in this EIA, including post implementation review to find out how the outcomes have been achieved in practice and what impacts there have actually been on people with protected characteristics.

Action	Lead	By when	Progress	Monitoring arrangements
1.To undertake a formal consultation with early years providers	Howard Emmett – Asst. Director	23 October 2026		
2.To report outcomes to School Forum	Howard Emmett – Asst. Director	19 November 2026		
3. Outcome of consultation considered by CYPS Executive Members in conjunction with Corporate Director – CYPS	Howard Emmett – Asst. Director	15 December 2026		

Section 13. Summary Summarise the findings of your EIA, including impacts, recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The Equality Impact Assessment has assessed the impact of the proposal namely:

- To consider the early years provider base funding rates for the 2027-28 financial year early years funded entitlements.

- the continuation of a single deprivation methodology for all entitlements
- the provision the SEN Inclusion Fund from the Early Years DSG
- the local authority retention of 3% or the maximum retention percentage of the early years funding allocation allowed by the DfE for the individual entitlement to support the delivery of central services related to early years' provision that are provided by the local authority free at the point of delivery.
- the allocation of a small proportion of provider funding to a contingency fund; any unused funding will be redistributed to providers at the end of the financial year.
- To hold a consultation with all early years' providers in North Yorkshire on these proposals
- To report findings, conclusions and recommendations to CYPS Executive Members (for decision) and to the Schools Forum (for information).

At this stage of the EIA there is no evidence to suggest that the proposal made will significantly disadvantage one or more protected characteristics

Section 14. Sign off section

This full EIA was completed by:

Name: Sally Dunn

Job title: Head of Finance – Schools, Early Years & High Needs

Directorate: Central Services - Resources

Signature: *Sally Dunn*

Completion date: 18/09/2026

Authorised by relevant Assistant Director (signature):

Date: