Department for Education

Annex: for illustration, impacts of applying two planned data updates to 2026 to 2027 rates, if no year-to-year protections were applied

Summary

- The table presented in this annex sets out the illustrative scale of impact of the planned data updates and the proposed incorporation of Income Deprivation Affecting Children Index (IDACI) data for 3- and 4-year-old formula as outlined in the consultation. These changes are:
    - Updating the Area Cost Adjustment (ACA) used in the 3- and 4-year-old, 2-year-old, and under 2s Early Years National Funding Formulae (EYNFFs) by replacing financial year 2013 to 2014 General Labour Market (GLM) data with the latest available 2026 to 2027 GLM data
    - Updating the IDACI data used in the 2-year-old and under 2s EYNFFs, replacing 2019 IDACI data with 2025 IDACI data
    - Proposal to incorporate IDACI into the additional needs factor of the 3- and 4-year-old EYNFF, aligning this formula with the approach already used in the 2-year-old and under 2s EYNFFs
- The illustrative impacts are shown in bands to give local authorities an indication of the level and direction of changes resulting from the data updates, though in isolation of the impact of any protections we apply during the rate setting process. We are consulting on how we should approach protections and welcome your views on this.
- The bandings have been produced by calculating what 2026 to 2027 rates would have been if we had used the data which is now available in the 2026 to 2027 funding rates publication, before year-to-year protections for that year were applied. The illustrative impact modelling does however assume the £6.20 minimum funding floor remains in place for the 3-and-4-year-old formula.
- Following the outcome of the consultation, hourly funding rates for 2027 to 2028 will be produced, in the usual way, in Autumn 2026. These will reflect further data updates that will become available and will also reflect transitional protection arrangements for 2027 to 2028. As such, this Annex is for illustration only and should not be regarded as the actual levels of change that individual local authorities will see in 2027 to 2028.

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Table 1: percentage difference between the published 2026 to 2027 local authority hourly funding rates and the illustrative consultation funding rate for 2026 to 2027, grouped in 2.5% bands

			ILLUSTRATIVE WITH NEW DATA:		
Region (alphabetical order)	**Local authority number**	**Local authority name (alphabetical order within region)**	**Change (%) to 3- and 4-year-old 2026 to 2027 rate with termly funding adjustment**	**Change (%) to 2-year-old 2026 to 2027 rate**	**Change (%) to under 2-year-old 2026 to 2027 rate**
EAST MIDLANDS	831	Derby	+5% to +7.5%	+5% to +7.5%	+5% to +7.5%
EAST MIDLANDS	830	Derbyshire	No Change	0% to -2.5%	0% to -2.5%
EAST MIDLANDS	856	Leicester	0% to +2.5%	0% to -2.5%	0% to -2.5%
EAST MIDLANDS	855	Leicestershire	No Change	0% to +2.5%	0% to +2.5%
EAST MIDLANDS	925	Lincolnshire	No Change	0% to -2.5%	0% to -2.5%
EAST MIDLANDS	940	North Northamptonshire	No Change	0% to +2.5%	0% to +2.5%
EAST MIDLANDS	892	Nottingham	0% to +2.5%	0% to -2.5%	0% to -2.5%
EAST MIDLANDS	891	Nottinghamshire	No Change	0% to -2.5%	0% to -2.5%
EAST MIDLANDS	857	Rutland	No Change	+2.5% to +5%	+2.5% to +5%
EAST MIDLANDS	941	West Northamptonshire	0% to +2.5%	+2.5% to +5%	+2.5% to +5%
EAST OF ENGLAND	822	Bedford	0% to -2.5%	0% to -2.5%	0% to -2.5%
EAST OF ENGLAND	873	Cambridgeshire	0% to +2.5%	+2.5% to +5%	+2.5% to +5%
EAST OF ENGLAND	823	Central Bedfordshire	0% to -2.5%	0% to -2.5%	0% to -2.5%

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EAST OF ENGLAND	881	Essex	0% to -2.5%	No Change	0% to -2.5%
EAST OF ENGLAND	919	Hertfordshire	0% to -2.5%	0% to -2.5%	0% to -2.5%
EAST OF ENGLAND	821	Luton	+5% to +7.5%	+5% to +7.5%	+5% to +7.5%
EAST OF ENGLAND	926	Norfolk	No Change	No Change	0% to +2.5%
EAST OF ENGLAND	874	Peterborough	0% to -2.5%	0% to -2.5%	0% to -2.5%
EAST OF ENGLAND	882	Southend-on-Sea	0% to +2.5%	No Change	No Change
EAST OF ENGLAND	935	Suffolk	No Change	0% to +2.5%	0% to +2.5%
EAST OF ENGLAND	883	Thurrock	0% to -2.5%	-2.5% to -5%	-2.5% to -5%
INNER LONDON	202	Camden	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
INNER LONDON	204	Hackney	0% to -2.5%	-2.5% to -5%	0% to -2.5%
INNER LONDON	205	Hammersmith and Fulham	-5% to -7.5%	-5% to -7.5%	-5% to -7.5%
INNER LONDON	309	Haringey	0% to +2.5%	0% to -2.5%	0% to -2.5%
INNER LONDON	206	Islington	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
INNER LONDON	207	Kensington and Chelsea	Less than -7.5%	-5% to -7.5%	-5% to -7.5%
INNER LONDON	208	Lambeth	Less than –7.5%	Less than –7.5%	Less than –7.5%
INNER LONDON	209	Lewisham	Less than –7.5%	Less than –7.5%	Less than –7.5%

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Region (alphabetical order)	**Local authority number**	**Local authority name (alphabetical order within region)**	**Change (%) to 3- and 4-year-old 2026 to 2027 rate with termly funding adjustment**	**Change (%) to 2-year-old 2026 to 2027 rate**	**Change (%) to under 2-year-old 2026 to 2027 rate**
INNER LONDON	316	Newham	Greater than +7.5%	Greater than +7.5%	Greater than +7.5%
INNER LONDON	210	Southwark	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
INNER LONDON	211	Tower Hamlets	+5% to +7.5%	Greater than +7.5%	Greater than +7.5%
INNER LONDON	212	Wandsworth	Less than –7.5%	Less than –7.5%	Less than –7.5%
INNER LONDON	213	Westminster	0% to +2.5%	+2.5% to +5%	+2.5% to +5%
NORTH EAST	841	Darlington	No Change	0% to -2.5%	No Change
NORTH EAST	840	Durham	No Change	0% to -2.5%	0% to -2.5%
NORTH EAST	390	Gateshead	No Change	0% to -2.5%	0% to -2.5%
NORTH EAST	805	Hartlepool	0% to -2.5%	0% to -2.5%	0% to -2.5%
NORTH EAST	806	Middlesbrough	0% to -2.5%	-2.5% to -5%	-2.5% to -5%
NORTH EAST	391	Newcastle upon Tyne	0% to +2.5%	0% to -2.5%	0% to -2.5%
NORTH EAST	392	North Tyneside	No Change	0% to +2.5%	0% to +2.5%
NORTH EAST	929	Northumberland	No Change	0% to +2.5%	0% to +2.5%
NORTH EAST	807	Redcar and Cleveland	No Change	-2.5% to -5%	-2.5% to -5%
NORTH EAST	393	South Tyneside	No Change	-2.5% to -5%	-2.5% to -5%
NORTH EAST	808	Stockton-on-Tees	No Change	-2.5% to -5%	-2.5% to -5%
NORTH EAST	394	Sunderland	No Change	-2.5% to -5%	-2.5% to -5%
NORTH WEST	889	Blackburn with Darwen	0% to +2.5%	0% to +2.5%	0% to +2.5%

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NORTH WEST	890	Blackpool	0% to -2.5%	-2.5% to -5%	-2.5% to -5%
NORTH WEST	350	Bolton	0% to -2.5%	0% to -2.5%	0% to -2.5%
NORTH WEST	351	Bury	0% to +2.5%	0% to -2.5%	0% to -2.5%
NORTH WEST	895	Cheshire East	No Change	0% to +2.5%	0% to +2.5%
NORTH WEST	896	Cheshire West and Chester	0% to +2.5%	0% to +2.5%	0% to +2.5%
NORTH WEST	942	Cumberland	No Change	0% to +2.5%	0% to +2.5%
NORTH WEST	876	Halton	+2.5% to +5%	0% to +2.5%	0% to +2.5%
NORTH WEST	340	Knowsley	+2.5% to +5%	0% to +2.5%	0% to +2.5%
NORTH WEST	888	Lancashire	No Change	0% to +2.5%	0% to +2.5%
NORTH WEST	341	Liverpool	+5% to +7.5%	+2.5% to +5%	+2.5% to +5%
NORTH WEST	352	Manchester	+5% to +7.5%	+2.5% to +5%	+5% to +7.5%
NORTH WEST	353	Oldham	0% to +2.5%	0% to -2.5%	0% to -2.5%
NORTH WEST	354	Rochdale	0% to +2.5%	0% to -2.5%	0% to -2.5%
NORTH WEST	355	Salford	+2.5% to +5%	+2.5% to +5%	+2.5% to +5%
NORTH WEST	343	Sefton	No Change	0% to +2.5%	0% to +2.5%
NORTH WEST	342	St. Helens	0% to +2.5%	0% to -2.5%	0% to -2.5%
NORTH WEST	356	Stockport	No Change	0% to -2.5%	0% to -2.5%
NORTH WEST	357	Tameside	0% to -2.5%	-2.5% to -5%	-2.5% to -5%
NORTH WEST	358	Trafford	No Change	0% to +2.5%	0% to +2.5%
NORTH WEST	877	Warrington	0% to +2.5%	0% to +2.5%	0% to +2.5%
NORTH WEST	943	Westmorland and Furness	No Change	0% to +2.5%	0% to +2.5%
NORTH WEST	359	Wigan	0% to -2.5%	0% to -2.5%	0% to -2.5%

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NORTH WEST	344	Wirral	0% to +2.5%	0% to -2.5%	0% to -2.5%
OUTER LONDON	301	Barking and Dagenham	+2.5% to +5%	0% to +2.5%	0% to +2.5%
OUTER LONDON	302	Barnet	-2.5% to -5%	-2.5% to -5%	0% to -2.5%
OUTER LONDON	303	Bexley	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
OUTER LONDON	304	Brent	0% to +2.5%	0% to +2.5%	+2.5% to +5%
OUTER LONDON	305	Bromley	0% to -2.5%	0% to -2.5%	0% to -2.5%
OUTER LONDON	306	Croydon	0% to +2.5%	0% to +2.5%	0% to +2.5%
OUTER LONDON	307	Ealing	0% to -2.5%	0% to -2.5%	0% to -2.5%
OUTER LONDON	308	Enfield	0% to +2.5%	0% to +2.5%	0% to +2.5%
OUTER LONDON	203	Greenwich	Less than –7.5%	Less than –7.5%	Less than –7.5%
OUTER LONDON	310	Harrow	-2.5% to -5%	0% to -2.5%	0% to -2.5%
OUTER LONDON	311	Havering	0% to +2.5%	0% to -2.5%	0% to -2.5%
OUTER LONDON	312	Hillingdon	0% to +2.5%	0% to +2.5%	0% to +2.5%
OUTER LONDON	313	Hounslow	0% to +2.5%	0% to +2.5%	0% to +2.5%
OUTER LONDON	314	Kingston upon Thames	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%

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OUTER LONDON	315	Merton	-5% to -7.5%	-2.5% to -5%	-2.5% to -5%
OUTER LONDON	317	Redbridge	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
OUTER LONDON	318	Richmond upon Thames	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
OUTER LONDON	319	Sutton	-5% to -7.5%	-2.5% to -5%	-2.5% to -5%
OUTER LONDON	320	Waltham Forest	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	867	Bracknell Forest	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	846	Brighton and Hove	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH EAST	825	Buckinghamshire	0% to -2.5%	0% to +2.5%	0% to +2.5%
SOUTH EAST	845	East Sussex	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	850	Hampshire	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	921	Isle of Wight	0% to -2.5%	-5% to -7.5%	-5% to -7.5%
SOUTH EAST	886	Kent	0% to -2.5%	0% to +2.5%	0% to +2.5%
SOUTH EAST	887	Medway	0% to +2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	826	Milton Keynes	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	931	Oxfordshire	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	851	Portsmouth	0% to -2.5%	0% to +2.5%	0% to +2.5%
SOUTH EAST	870	Reading	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	871	Slough	0% to +2.5%	+2.5% to +5%	+2.5% to +5%
SOUTH EAST	852	Southampton	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH EAST	936	Surrey	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%

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SOUTH EAST	869	West Berkshire	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH EAST	938	West Sussex	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH EAST	868	Windsor and Maidenhead	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
SOUTH EAST	872	Wokingham	0% to +2.5%	+2.5% to +5%	+2.5% to +5%
SOUTH WEST	800	Bath and North East Somerset	0% to -2.5%	0% to -2.5%	0% to -2.5%
SOUTH WEST	839	Bournemouth, Christchurch and Poole	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH WEST	801	Bristol City of	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH WEST	908	Cornwall	No Change	0% to -2.5%	0% to -2.5%
SOUTH WEST	878	Devon	No Change	0% to -2.5%	0% to -2.5%
SOUTH WEST	838	Dorset	No Change	0% to +2.5%	0% to +2.5%
SOUTH WEST	916	Gloucestershire	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH WEST	802	North Somerset	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
SOUTH WEST	879	Plymouth	0% to +2.5%	0% to -2.5%	0% to -2.5%
SOUTH WEST	933	Somerset	No Change	0% to -2.5%	0% to -2.5%
SOUTH WEST	803	South Gloucestershire	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH WEST	866	Swindon	0% to +2.5%	0% to +2.5%	0% to +2.5%
SOUTH WEST	880	Torbay	-2.5% to -5%	-2.5% to -5%	-2.5% to -5%
SOUTH WEST	865	Wiltshire	No Change	0% to -2.5%	0% to -2.5%
WEST MIDLANDS	330	Birmingham	+5% to +7.5%	+2.5% to +5%	+2.5% to +5%

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WEST MIDLANDS	331	Coventry	Greater than +7.5%	+5% to +7.5%	+5% to +7.5%
WEST MIDLANDS	332	Dudley	No Change	0% to -2.5%	0% to -2.5%
WEST MIDLANDS	884	Herefordshire	No Change	0% to -2.5%	0% to -2.5%
WEST MIDLANDS	333	Sandwell	0% to +2.5%	0% to -2.5%	0% to -2.5%
WEST MIDLANDS	893	Shropshire	No Change	0% to +2.5%	0% to +2.5%
WEST MIDLANDS	334	Solihull	Greater than +7.5%	Greater than +7.5%	+5% to +7.5%
WEST MIDLANDS	860	Staffordshire	No Change	0% to +2.5%	0% to +2.5%
WEST MIDLANDS	861	Stoke-on-Trent	0% to +2.5%	0% to +2.5%	0% to +2.5%
WEST MIDLANDS	894	Telford and Wrekin	0% to +2.5%	0% to +2.5%	0% to +2.5%
WEST MIDLANDS	335	Walsall	0% to +2.5%	0% to -2.5%	0% to -2.5%
WEST MIDLANDS	937	Warwickshire	0% to +2.5%	0% to +2.5%	0% to +2.5%
WEST MIDLANDS	336	Wolverhampton	0% to -2.5%	-2.5% to -5%	-2.5% to -5%
WEST MIDLANDS	885	Worcestershire	No Change	0% to +2.5%	0% to +2.5%

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YORKSHIRE AND THE HUMBER	370	Barnsley	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	380	Bradford	+2.5% to +5%	0% to +2.5%	0% to +2.5%
YORKSHIRE AND THE HUMBER	381	Calderdale	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	371	Doncaster	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	811	East Riding of Yorkshire	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	810	Kingston upon Hull City of	0% to +2.5%	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	382	Kirklees	No Change	No Change	0% to +2.5%
YORKSHIRE AND THE HUMBER	383	Leeds	+2.5% to +5%	+2.5% to +5%	+2.5% to +5%
YORKSHIRE AND THE HUMBER	812	North East Lincolnshire	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	813	North Lincolnshire	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	815	North Yorkshire	No Change	0% to -2.5%	0% to -2.5%

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YORKSHIRE AND THE HUMBER	372	Rotherham	No Change	0% to -2.5%	0% to -2.5%
YORKSHIRE AND THE HUMBER	373	Sheffield	+2.5% to +5%	+2.5% to +5%	+2.5% to +5%
YORKSHIRE AND THE HUMBER	384	Wakefield	0% to +2.5%	0% to +2.5%	0% to +2.5%
YORKSHIRE AND THE HUMBER	816	York	No Change	0% to +2.5%	0% to +2.5%

[Note 1] See table 2 for further information on how the percentage change bands have been grouped.

Table 2: explanation of the percentage groupings in Table 1

Change from published 2026-2027 rate	Explanation
Less than -7.5%	Illustrative hourly funding rate is more than 7.5% lower than published rate.
-5% to -7.5%	Illustrative hourly funding rate is between 5% and 7.5% lower than published rate.
-2.5% to -5%	Illustrative hourly funding rate is between 2.5% and 5% lower than published rate.
0% to -2.5%	Illustrative hourly funding rate is between 0% and 2.5% lower than published rate.
No Change	Illustrative hourly funding rate is the same as published rate.
0% to +2.5%	Illustrative hourly funding rate is between 0% and 2.5% higher than published rate.
+2.5% to +5%	Illustrative hourly funding rate is between 2.5% and 5% higher than published rate.
+5% to +7.5%	Illustrative hourly funding rate is between 5% and 7.5% higher than published rate.
Greater than +7.5%	Illustrative hourly funding rate is more than 7.5% higher than published rate.

[Note 2] These percentage bands are grouped to show where the change against the published rate is greater than the lower value of the band, but less than or equal to the upper band. For example, a 5.0% change is classified as “+2.5% to +5%”, whereas a 5.01% change is classified as “+5% to +7.5%”

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