

SCHOOLS FORUM AGENDA ITEM

For Action

For Information

Brief Description of Item (including the purpose / reason for presenting this for consideration by the Forum)

This report provides an update on Early Years Block DSG funding matters.

Date (s) of any Previous Discussion at the Forum

A report outlining the developing proposals for 2021/22 funding arrangements was presented to the Schools Forum at the last meeting.

Background / Context / Details of the Item for Consideration

The Authority had hoped to present to this meeting the consultation document, which would set out proposals for the Early Years Single Funding Formula for 2021/22. However, the Early Years Block settlement and operational guidance have not yet been published by the DfE. The Authority is unable at this time therefore, to put forward final proposals for consultation.

In anticipation that this crucial information will shortly be published, the Authority asks for the Forum's support for the follow approach – that the Authority will discuss proposals with the Early Years Working Group and then will publish a consultation document. A report, including consultation feedback, will be presented to the Schools Forum at the next meeting in December. The Forum will then be asked to give its final views (its recommendations) on the Early Years Single Funding Formula for 2021/22 on 13 January.

A re-convened Early Years Working Group met (remotely) for the first time on 1 October. A number of themes for continued monitoring and review were raised within the Group's discussions.

We have set out previously that we would expect that our recent decisions and actions will influence and inform how we will respond to announcements concerning 2021/22 DSG and formula funding arrangements and changes. Locally, recently we have:

- Within the Early Years Block, begun to reduce the proportion of our 3 & 4 year old EYSFF that is allocated via the Deprivation & SEND supplement, with the intention to reduce this down by April 2022 to the average of our statistical neighbours, which is currently rounded at 6% (5.7%). The % will reduce to 7% in 2021/22. This is part of our strategy to maximise the values of the 2 year old and the 3&4 year old Universal Base Rates for all early years providers. Whilst fully passing onto providers the DfE's increase of our Early Years Block funding rates, we have also continued to deploy reserves (one off monies) to further uplift the value of the 3&4 year old Universal Base Rate.
- Implemented a new Early Years Inclusion Fund supporting emerging SEND within the Early Years Block.
- Identified the significance of pending DfE decisions concerning the continuation or cessation of the Maintained Nursery School Supplement after 2020/21.

We have also identified in our discussions on COVID-19 the very significant financial impact this situation has had / may continue to have on the early years sector and that this impact requires close monitoring. We have made amendments to our Early Years Single Funding Formula approach for autumn 2020 in response, seeking to protect and support early years entitlement capacity. We need to continue to monitor the position, and DfE guidance, specifically with a view to whether further protections are required for the spring term 2021. This is a matter we expect to further discuss with the Forum in December.

We are currently still waiting for information on the position of the funding of maintained nursery schools, which is needed in order for us to consider and to develop a full formula funding response for the 2021/22 financial year. To date the DfE has announced the continuation of protection until the end of the 2020/21 academic year (to August 2021) and has indicated that further transitional arrangements might come into place after this.

Implications for the Dedicated Schools Grant (DSG) (if any)

This is an item for information.

Recommendations

Recommended – The Schools Forum is asked to consider the matters raised in the report and to support the Authority's approach to finalising proposals and to publishing the consultation document.

List of Supporting Appendices / Papers (where applicable)

None

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