

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 presents the Authority's consultation document on proposals for the 2022/23 financial year Early Years Single Funding Formula and information on the Early Years Block settlement.

Date (s) of any Previous Discussion at the Forum

A report outlining key matters and emerging themes for discussion regarding 2022/23 early years entitlement funding arrangements was presented to the Schools Forum on 15 September 2021 (Document NI).

Background

We reported in the Forum's September and October meetings that the details of the Early Years Block settlement, and operational guidance, for 2022/23 were not yet known but were expected following the 27 October Budget and Spending Review.

We refer members to Document NI, presented on 15 September, in which we set out the key considerations behind the development of EYSFF proposals, and Early Years Block management, for the 2022/23 financial year.

The 2022/23 Early Years Block settlement and operational guidance were published by the DfE on 25 November 2021. The headlines from these publications are presented in the introduction to the attached consultation paper (Appendix 1).

Since the 13 October Schools Forum meeting, the Early Years Working Group (EYWG) has met on two occasions and has discussed the proposals that the Authority now presents for wider consultation.

We have updated benchmarking of our Early Years Single Funding Formula (EYSFF), now using 2021/22 financial year information. Updated comparisons with other local authorities are presented within the consultation document at Appendix 1.

It is helpful to quickly remind Forum members of our recent considerations and actions relating to the Early Years Block and to our existing EYSFF arrangements:

- In 2020/21, we began to reduce the proportion of our 3&4-year-old Early Years Single Funding Formula (EYSFF), that is allocated via the Deprivation & SEND supplement, with the intention to reduce this down over 3 years from 9.5% to the average of our statistical neighbours, rounded at 6%, in support of maximising our Universal Base Rates. However, recognising the impact of the COVID-19 pandemic, we did not take the planned second step (to reduce from 8% to 7%) in 2021/22 and this is a matter for review.
- We have continued to allocate reserves (one off monies from brought forward balances) held within the Early Years Block to protect the values of the 2-year-old and 3&4-year-old Universal Base Rates at their current year levels of £5.36 and £4.25 per hour. We must continue to discuss how our EYSFF and Early Years Block arrangements can most effectively but sustainably support the early years sector in its delivery of the entitlements going forward, recognising that reserves can only be spent once and also recognising that demographic trends are forecasted to result in a reduction in early years numbers over the medium term.
- We have operated since April 2019 an amended Early Years Inclusion Fund supporting emerging SEND.
- We have identified the critical significance of national DfE decisions concerning the continuation of the Maintained Nursery School Supplement.
- We are beginning to introduce a new Bradford Provider Headcount Portal for providers to use to submit their entitlement delivery information to the Authority. As the use of this Portal is extended, including to schools and academies, we will have an opportunity to consider whether, at an appropriate time, our early years entitlement counting arrangements should adjust to be more responsive to changes in numbers within each term.

Details of the Item for Consideration

Please see Appendix 1, which is our consultation document on our Early Years Single Funding Formula (and Technical Statement) proposed for the 2022/23 financial year. This document also summarises the Early Years Block settlement for 2022/23 and changes in the DfE's operational guidance.

Subject to the Forum's agreement, the consultation document will be published immediately following this meeting. Initial feedback received to this consultation will be presented to the Schools Forum on 12 January. However, we propose to extend the deadline for responses to 24 January 2022 to permit further time for providers to consider our proposals. Forum Members therefore, are asked to note that our Early Years Block decision making will need to adjust for this timescale. We anticipate presenting to the Forum on 12 January a planned Early Years Block budget for 2022/23, which will be based on assumptions and estimates that are made prior to the full conclusion of the consultation. A full summary of consultation feedback will be presented to the Schools Forum on 9 March.

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

A summary of the overall impact of proposals (the estimated position of the Early Years Block in 2022/23) is presented in Document NU Appendix 1 (DSG Summary).

How the Authority is seeking to manage the financial position of the Early Years Block is explained within the introduction to the consultation document at Appendix 1.

On current estimates, we calculate that we will need initially to earmark in the region of £0.825m of brought forward balances to ensure that we can meet the cost of our proposed EYSFF arrangements in 2022/23.

Recommendations

Recommended –

- (1) The Forum is asked for its initial feedback on the proposals for the Early Years Single Funding Formula for the 2022/23 financial year, as set out in Document NP Appendix 1.**
- (2) The Schools Forum is asked to agree that the consultation (Document NP Appendix 1) is published.**

List of Supporting Appendices / Papers (where applicable)

Appendix 1 – Consultation on 2022/23 Early Years Block Funding Arrangements

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