



Draft EY Schools Forum Report – Sept21

Report to: Schools Forum

Date: 09 September 2021

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Title: Early Years Update 2021-2022

Status: For Information

1. Purpose of the Report

To provide an update to Schools Forum on the Early Years DSG block mid-year for 2021/22 and forward planning for 2022/23.

2. Outturn of the Early Years Block 20/21

- 2.1. The final position of the Early Years Block of the DSG cannot be confirmed until the Department for Education (DfE) confirm the final 2020/2021 allocation to the Council. This is later than usual due to the impact of COVID and changes that the DfE made to the way that funding is allocated in the Early Years Block as a result. For 20/21 the DfE are using a split of 9/12 allocated on the January 2020 census and 3/12 on the January 2021 census.
- 2.2. Final allocations are expected to be announced in November 2021. A clawback estimated at around £3.5m has been included within the outturn position reported based on the actual Census numbers against the original indicative allocation.
- 2.3. Based on the numbers on the two January Census, there is an estimated overspend in 2020/21 of £0.9m.
- 2.4. A one-off payment of £1.8m was made retrospectively to providers on a pro-rate basis which was to be funded from the carry-forward from the EY block in 2019/20. It was paid out in 20/21. Without this additional one-off payment there would have been an in-year underspend on Early Years of £0.9m based on the Census figures, which is a reduction from previous years. The increase of £0.5m into the Inclusion (ISEY) funding will account for most of this.
- 2.5. The ESFA will clawback any over funding of non-participation allocation based on 9/12th of the January 2020 census and 3/12th of the January 2021 census. Schools Forum will be updated with the final position as near to November as possible dependant on when the final

notification is received from the DfE. Schools Forum can then make a more informed decision in how to treat the actual 2020/21 DSG Early Years Block cumulative balance.

3. Update on Early Years Block 21/22

- 3.1. The DfE have confirmed that changes to the formula allocation introduced for 20/21 will not continue to 2021/22 and it will fundamentally revert to the usual 7/12 on the January 2021 census and 5/12 on the January 2022 census.
- 3.2. The DfE are concerned that COVID is causing some uncertainty for parents and to allow for large termly fluctuations to be taken into account, there is an optional variation where LAs can choose to submit additional headcount returns EACH TERM (i.e. Summer Term in April and Autumn Term in October). The DfE will then adjust the allocation to 5/12 based on Summer; 4/12 on Autumn and 3/12 on Spring 22 (the January 2022 Census). This will then ignore the January 2021 census completely.
- 3.3. The termly return is OPTIONAL. If both the Summer and Autumn returns are not submitted the 21/22 allocation will revert to the January Census split method of 7/12 and 5/12. The final allocation will be confirmed by the DfE in July 2022 (the usual time that final allocations are published).

4. Current and Planned activity

- 4.1. The annual rates review for the Early Years Formula will take place during September/October and will report to both Early Years and Schools Forum in November. This review will involve a focus group representative of the early years education providers across the city in order to co-produce the recommendations.
- 4.2. Work is currently being undertaken to look at how the administration processes that support the termly headcount processes can be more efficient and can support admission of eligible children at multiple points within the term (rolling admission). This will include changes to the Schools headcount process so that real-time duplicate checking is possible. A task and finish/focus group involving schools will co-design the solution. This work will be completed to coincide with the financial year 22/23.
- 4.3. A change is being introduced for Autumn Term 2021 that will allow for eligible 2-year olds to be admitted to settings/schools (and funded) after the headcount date. This is to support eligible 2-year olds accessing a funded place at the earliest opportunity to try to increase take-up rates and impact positively on outcomes for children at the end of the EYFS. A communication is going out to settings and schools in the next week.
- 4.4. The Early Years DSG Steering Group will be re-established during this term. This will enable ongoing oversight of the Early Years DSG block from representatives of Early Years and Schools Forum.

5. Recommendations

- 5.1. That Schools Forum notes the financial implications of the updated DfE allocations for both 20/21 and 21/22 as outlined in Section 2 and 3 of this paper.