

SLOUGH SCHOOLS' FORUM
18th January 2018

Directorate of Children Learning and Skills

Early Years National Funding Formula 2018-19
Timetable

1 PURPOSE OF THE REPORT

This report updates Schools Forum (SF) on the planning and preparation for the 2018-19 Early Years National Funding Formula (EYNFF).

Background

- 1.1 The EYNFF was introduced in 2017-18 and this short report updates SF on the preparation of next year's budget having regard to the changes required for 2018-19.

2 RECOMMENDATIONS

- 2.1 That Schools' Forum:

- Notes the approach to the 2018-19 EYNFF budget development.

3 REASONS FOR RECOMMENDATION

- 3.1 The December SF received a verbal update on the preparation of the 2018-19 EYNFF under the auspices of the EY Task group and this report offers a further update on progress.

SUPPORTING INFORMATION

- 4.1 The EY budget preparation timetable is set out below incorporating the meetings of the EY Task Group.

4.2	Activity	Date
	Build 2018-19 financial model	January 2018
	EY Task Group meeting: Agreed options to be developed	2 nd November
	EY provisional DSG block of £15.304m published by ESFA	November 2018
	EY Task Group meeting: Review of modelling outcomes of options Assessment of affordability Select preferred option	16 th January
	Schools Forum consulted on 2018-19 EYNFF proposals following Task Group	17 th January
	Early Years Census	18 th January

The main changes for the 2018-19 EYNFF are:

- Reduction in centrally retained DSG to 5% from 7%
- Incorporating full year effect of the extended free entitlement
- Moving towards a mandatory universal base rate in 2019-20 through aligning the hourly funding rate for primary schools (see 4.5 below).

4.3 The impact of the reduction to 5% for centrally retained expenditure forms part of the development of the overall EY budget for 2018-19.

4.4 The Autumn 2017 census provided the first real measure of the take up of the extended free entitlement of 15 hours for working parents who meet the eligibility criteria. This will inform the development of the full year impact for 2018-19 informed by the EY team's market knowledge of likely growth across the three terms.

4.5 The Task Group meeting of 2nd November agreed that the following options should be developed:

- Option 1: Migrate in full primary schools to £5.20 for their base rate in 2018-19 from £4.58
- Option 2: Migrate over two years
 - 50% extra in 2018-19 to £4.89 (extra 31p)
 - Final 50% in 2019-20 to £5.20
- Option 3: As for 1 and 2 but increase by CPI uplift currently 2.8%.

- 4.6 The Maintained Nursery Schools heads agreed at a meeting in early December that the supplementary funding in 2018-19 should be apportioned in accordance with the EYNFF.

Whilst the funding is confirmed for 2018-19 the actual allocation as recently notified in November reduced from £1.131m to £0.840m.

- 4.7 The ESFA will update the EY DSG allocations in July 2018, based on January 2018 census numbers.
- 4.8 The ESFA notified all local authorities of their hourly funding rates that will be used to calculate their EY DSG block for 2, 3 and 4 year old funding. This is shown in the table below showing the full breakdown of the initial 2018-19 EY DSG block.

Element	Pupils PTE	Funding in to SBC	Funding Hourly Rate
3 & 4 Yos Universal	3,139	10,360,412	5.79
3 & 4 Yos Extended	702	2,318,131	5.79
Total 3 & 4Yos	3,842	12,678,542	5.79
2 Yos	492	1,648,317	5.88
EYPP		82,000	
DAF		55,000	
MNS Supplementary		840,000	
Initial EY DSG		15,303,859	

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Not applicable.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

6.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

6.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

6.3 Access Implications

There are no access implications.

7 CONSULTATION

7.1 Not applicable

Contact for further information

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