

## Agenda Item 5



Report to: Schools Forum

Date: 17 January 2020 (Deferred to 20 March 2020)

Title of report: Early Years Dedicated Schools Grant 2020/21

By: Ed Beale, School Funding Manager

Purpose of report: Provide Schools Forum information on the 2020/21 Early Years DSG Budget (Information).

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### 1. Background

- 1.1 The Dedicated Schools Grant (DSG) for 2020/21 is, like last year, allocated by the DfE into four blocks. Each block is subject to separate regulations as to eligible expenditure. The purpose of this paper is to provide information specifically on the Early Years DSG Block for 2020/21.
- 1.2 The Early Years Block funds payments to early years providers in settings and schools and supports central spending on early years pupils.

### 2. Early Years (EY) Block

- 2.1 The block is comprised of a number of elements:
  - Funding for 3 and 4 Year Olds (Universal 15 Hours and additional 15 hours)
  - Funding for eligible 2 year Olds
  - Early Years Pupil Premium
  - Disability Access Fund
- 2.2 Funding for **3/ 4 year olds** is based on a national formula calculated by the DfE. ESCC currently receives £4.30 per hour for every eligible 3/ 4 year old x 15hrs x 38 weeks. Local Authorities must pass through at least 95% of this funding directly to Early Years providers.
- 2.3 For 2020/21, the DfE are increasing the rate from £4.30 per hour to £4.38 per hour. ESCC are therefore proposing to pass this 8 pence increase onto providers and increase the rate paid to them from the existing rate of £4.02 per hour to £4.10 per hour. ESCC will ensure that at least 95% of funding continues to be passported to Early Years providers. Following a review by ESCC, and a wish to support Early Years providers in all parts of the sector, ESCC is proposing to implement the 8 pence increase from March 2020.
- 2.4 For eligible **two year olds**, the DfE currently fund ESCC at £5.20 per hour. 100% of this funding is passported to providers. The DfE are increasing the rate to £5.28 in 2020/21 and the rate paid to providers by ESCC will also increase to £5.28.
- 2.5 The Early Years **Pupil Premium** is additional funding for Early Years pre-school settings to improve the education they provide for disadvantaged 3 and 4 year olds. This is funded by the DfE at £0.53 per eligible child (Up to a maximum 570 hours).

- 2.6 The **Disability Access Funding** is for Early Years providers to support children with disabilities or special educational needs. It aids access to Early Years places by supporting providers in making reasonable adjustments to their settings. The DfE fund this at £615 per eligible child per year.
- 2.7 The total 2020/21 EY block funding is £25.7m and is based on the January 2019 census data. This allocation includes £229k indicative pupil premium funding and the Disability Access Fund allocation of £103k.
- 2.8 The entitlement for 2, 3 and 4 year olds will be revised in July 2020 based on the January 2020 census data.
- 2.9 The EY entitlement (2, 3 and 4 year olds) and EY pupil premium will be updated again in July 2021 based on 5/12ths of the January 2020 pupil numbers (to cover the April 2020 to August 2020 period) and 7/12ths of the January 2021 census numbers (to cover the September 2020 to March 2021 period). This means that the final allocations for 2020 to 2021 will be based on  $5/12 \times \text{January 2020 pupil numbers}$  plus  $7/12 \times \text{January 2021 pupil numbers}$ .
- 2.10 Appendix A is a summary of the Early Years DSG Funding and planned distribution.

### **3. Recommendation**

- 3.1 Forum are asked to:
- a) note the Early Years DSG budget for 2020/21.

## Appendix A

<b>Early Years Block 2020/21</b>	£	£
Initial Early Years Block DfE notification	21,549,800	
Initial 2 Year old funding	3,827,000	
Initial Pupil Premium funding	229,400	
Disability Access Fund	103,300	
<b>Early Years block total 2019/20</b>		<b>25,709,500</b>
<b>Distribution of Funding at LA Level</b>		
**Early Years Formula Funding (3 / 4 Year Olds) -Payments to PVI's and Schools	20,972,200	
Early Years Formula Funding (2 Year Olds) -Payments to PVI's and Schools	3,827,000	
Early Years Training including moderation	353,900	
Early Years Team	556,400	
<b>Total</b>		<b>25,709,500</b>

\*\*Includes Funding Pupil Premium and Disability Access Funding.

<b>Early Years Block 2019/20</b>	£	£
Early Years Block DfE notification	21,079,500	
2 Year old funding	3,819,200	
Pupil Premium funding	229,400	
Disability Access Fund	103,300	
<b>Early Years block total 2018/19</b>		<b>25,231,400</b>
<b>Distribution of Funding at LA Level</b>		
**Early Years Formula Funding (3 / 4 Year Olds) -Payments to PVI's and Schools	20,501,900	
Early Years Formula Funding (2 Year Olds) -Payments to PVI's and Schools	3,819,200	
Early Years Training including moderation	353,900	
Early Years Team	556,400	
<b>Total</b>		<b>25,231,400</b>