

10 February 2022**TITLE OF REPORT: Early Years Funding 2022/23**

Purpose of the Report

1. The purpose of this report is to bring to Schools Forum the results of the Early Years Funding modelling for 2022/23.

Background

2. For 2022/23 there has been an increase in funding to the Local Authority (LA) of £0.21 per hour for 2-year-old and £0.17 per hour for 3 and 4-year-old funding. The rate for 2 year olds has increased from £5.36 an hour to £5.57, this rate is fully passported to providers.
3. The rate to the LA for 3 and 4 year-olds has increased from £4.67 to £4.84 per funded hour. The early years allocation received in December will be amended to take account of the January 2021 census and the funding will be updated in June 2022. At this time, it is thought that the funding allocation will decrease due to falling birth rates.
4. LA's are able to top slice the early years block by up to 5% for central services. The proposed top slice for 2022/23 is 5%.
5. Total estimated funding for the 3 and 4 year old Early Years National Funding Formula (EYNFF) is

£11,355,635 and is for both the universal and extended hours.

£567,782 5% top slice

£373,905 Early Years Team costs

£193,877 Inclusion Fund

Funding to Providers

6. The basis for the 3 and 4 year old funding formula for 2022/231 has not changed from and uses the same allocation of funding for the three elements as 2018/19: -
 - 90% of available funding allocated via the universal base rate
 - 5% of available funding allocated via the quality supplement
 - 5% of available funding allocated via deprivation supplement
7. With the increase in funding there has been an increase in the universal base rate £0.1244 from £4.0135 to £4.1382.

8. The increase for quality and deprivation are £0.03 per weighted hour for quality and £0.00025 for deprivation as below. The deprivation supplement may change slightly when the Acorn data is refreshed from the January 2022 census.
9. For 2021/22 the rates were: -
- Quality Supplement £0.5272 – per quality weighted hour
 - Deprivation Supplement £0.0055 –per deprivation weighted hour

10. The new rates are: -

- Quality Supplement £0.5588 – per quality weighted hour
- Deprivation Supplement £0.0061 –per deprivation weighted hour

Proposal

11. It is proposed that Schools Forum notes the new funding rates for the Early Years Single Funding Formula (EYSFF) as the methodology of the formula has not changed and notes that the increased funding rates for deprived two-year olds.

Recommendations

12. It is recommended that Schools Forum notes the updated EYSFF factor values and note the two-year-old funding rate.

For the following reasons:

- To comply with the Early Years National Funding Formula Operational Guidance
- To comply with Schools and Early Years (England) Regulations

Contact: Carole Smith Ext. 2747