



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date:

**Committee:
Schools Forum**

Date: Thursday, 11 January 2024
Time: 8.30 am
Venue: MS Teams

You are requested to attend the above meeting.
The Agenda is attached

Tim Collard
Assistant Director - Legal and Governance

Members of Schools Forum

Mark Rogers
Marilyn Hunt
Stephen Matthews
Reuben Thorley
Sandra Holloway
Michael Revell
Georgia Moss
Mark Cooper
Bill Dowell
Carla Whelan
Sue Lovecy

James Pearson
James Staniforth
John Hitchings
Shelly Hurdley
Sian Lines
Charles Thomas
Andrew Smith

Your Committee Officer is:

Jo Jones DSG Funding Co-Ordinator, Learning and Skills – People Directorate
Tel: 01743 254343
Email: [Jo Jones@shropshire.gov.uk](mailto:Jo.Jones@shropshire.gov.uk)

AGENDA

1 Apologies

2 Minutes and Matters Arising - 30 November 2023 (Pages 1 - 12)

Paper A attached.

3 School Funding Arrangements 2024-25 - Affordability of the National Funding Formula (NFF) (Jo Jones)

Presentation in meeting.

4 School Funding Arrangements 2024-25 - Potential transfer to the High Needs Block (Jo Jones)

Presentation in meeting.

5 Early Years funding 2024-25 (Neville Ward) (Pages 13 - 22)

Paper B attached.

6 Future meeting dates

Thursday 25 January 2024	8.30 – 10.30	Microsoft (MS) Teams
Thursday 14 March 2024	8.30 – 10.30	Microsoft (MS) Teams
Thursday 13 June 2024	8.30 – 10.30	Microsoft (MS) Teams

Date: 11 January 2024

Time: 8:30 a.m.

Venue: Via MS Teams

A

Public

MINUTES OF SCHOOLS FORUM HELD ON 30TH NOVEMBER 2023 – HELD VIA MS TEAMS**Present****School forum members**

Bill Dowell (Chair)
John Hitchings (Vice Chair)
Caroline Clode – Association secretaries
Andrew Smith – Independent post 16
Shelly Hurdley – Early years
James Staniforth – Post 16
James Pearson – TMBSS
Mark Rogers – Primary Headteacher
Marilyn Hunt - Primary Headteacher
Stephen Matthews - Primary Headteacher
Sue Lovecy – Academy Headteacher
Reuben Thorley – Headteacher
Sandra Holloway – Primary Governor
Sarah North – Primary Headteacher

Members

Kirstie Hurst-Knight

Officers

David Shaw
Jo Jones
Neville Ward
Stephen Waters
Karen Levell
Helen Owen

Observers

Roger Evans
David Vasmer
Gareth Profit
Michelle Dulson

The Chair welcomed all to the meeting, Sarah North from St Mary's school was introduced.

1. Apologies

Apologies had been received from John Boken, Nick Bardsley, Georgia Moss, Sian Lines, Gwilym Butler, Carla Whelan and Mark Cooper.
Reuben Thorley advised that he would have to leave the meeting early.

2. Minutes and Matters Arising (not covered by agenda)

Jo Jones updated forum on the recruitment of new members. Communication was sent out via the weekly email to schools. Interested colleagues were asked to respond via Microsoft forms by 1st December.

Neville Ward commented on work that he is doing with Steve Laycock in the education Psychology team on a piece of work to look at, respond and provide extra help and support to providers that need it.



David Shaw updated forum on the launch of the National Change Program. The launch event took place on the 24th November with Andre Imich, National DfE lead and David Shaw providing the regional/local context. Further information will be provided directly to all school leaders/CEOs and Schools Forum as the programme develops.

3. **Dedicated Schools Grant Monitoring 2023-24**

David Shaw set the context and Stephen Waters presented the paper which was for information only.

- The 2023/24 forecast outturn position for the DSG is a £2.924m in-year deficit.
- This deficit needs to be added to the £2.181m DSG surplus carried forward from 2023-24 resulting in a forecast cumulative DSG deficit of £0.742m.

Mark Rogers commented that although bad news, the forecast felt more in line with how things felt on the ground and using fewer independent providers to save costs is something he supports. He asked where the guidance to parents about independent providers was coming from.

David Shaw replied that there are a number of sources this advice is coming from, that within the local authority they are challenging costly placements and that this matter will be discussed further at a future meeting.

Marilyn Hunt asked is there was a partnership with health in terms of the process of EHCPs.

David Shaw replied that there is an increasingly strong relationship and further work that underway that can be shared at a future forum meeting.

Neville Ward said that language that is used by professionals needs to be looked at so that parents are clearer on what their child needs.

Neville Ward clarified the position regarding early years.

Early Years Block

The forecast outturn position for the Early Years Block is showing a overspend of £0.355m against a provisional budget of £17.868m.

Forecast pressure of £0.360m on the SEND Support against a budget set of £0.600. The final 2023-24 Early Years DSG allocation is published in July 2024.

High Needs Block



The forecast outturn position for the High Needs Block is an in-year deficit of £2.528m against a centrally controlled High Needs Budget of £29.025m. This budget excludes the place funding element of the High Needs Block totalling £9.487m. Forecast Overspend largely relates to Independent Providers budget where the forecast overspend is £2.970m.

The overspend in relation to Independent Special schools and SEN Support services was explained.

Summary

- The council's DSG financial position is forecast to go from a cumulative surplus carried forward figure of £2.181m at the start of the financial year to a cumulative deficit of £0.742m at the end of this financial year.
- The High Needs Block DSG 3-year forecasting exercise undertaken earlier in the year demonstrated that future expenditure growth is likely to outstrip future growth in High Needs Block DSG allocations.
- The 2024-25 provisional High Needs Block DSG allocation (before deductions) has been published. Shropshire's allocation is £41.604m representing a 3.6% increase compared to the 2023-24 allocation of £40.156m. This is less than the 2024-25 national increase to the High Needs Block DSG which is reported as 4.3%
- The 3-year forecast for the High Needs Block DSG is now required as priority given that expenditure in 2023-24 on the High Needs Block is forecast to increase by £7.830m compared to the 2022-23 figure of £34.854m representing a 22% increase, while the funding increase for 2024-25 is provisional only 3.6%.
- The High Needs Block DSG 3-year forecast will be presented to Schools Forum in January 2024.

Andrew Smith commented on the effects of students with increasingly complex needs coming through the system.

Marilyn Hunt asked whether there was a reason that our provisional High Needs Block DSG is less than the national published increases.

Stephen Waters replied that it was something that he would investigate.

Neville Ward added that Shropshire is in a group of the lowest funded local authorities and the rural nature of the county also brings further disadvantages.

SW



High Needs Pressures (Karen Levell)

Karen Levell added extra context to the paper.

National Context

EHCNA requests up by 23% (2022)

EHC plans increased by 9% (2022)

Proportion of newly issued EHCPs in state funded mainstream schools is 33% (2022)

Local Context

In 2022 new requests increased by 46% (compared to 23% national rate). Further increase by 30% in 2023 so far (Jan-Oct)

EHC Plans increase by 34% (2022/2023)

Proportion of newly issued EHCP in state funded mainstream schools is 24% (2022)

Placement in Independent special schools show an increase of 86 places between 2018/19 and 2022/23.

Actions to Mitigate the High Needs Pressures

Development of the SOAP framework during 2023 – in place from Jan 24

Challenge Partners Peer Review Pilot (6 schools) – commencing Jan 24

Educational Psychology Solutions Circle model pilot (Shrewsbury) – commence Jan 24

Introduction of the Secondary Inclusion/AP Development Fund – Jan 24

Managing Demand for EHCPs

Review of Graduated Support Pathway (GSP)

Review of multi-agency panels (MAPs) through the Change Programme.

Developing the state funded specialist provision

Increased state funded special school places by 25% in the last 18 months (Keystone and Woodlands)

Enabled Woodlands to support CYP who were on route to INMSS and similar activity with Keystone from Jan from 2024

Place Planning review underway from EY- P16 to ensure sufficiency and suitability of location.

Introduction of the Secondary Inclusion/AP Development Fund – Jan 24

David Shaw introduced the AP Development Fund.

Context



David explained the above national rise in exclusion and suspension rates and the increased use of reduced timetables in Shropshire, the costs involved and the detrimental effect on the life chances of a CYP.

Proposal

Introduce a fund to support mainstream schools to reduce the number of permanent exclusions, suspensions and the use of RTTs in each school and increase the attendance rates. Funding will be paid to the central MAT or SAT/maintained school. In return, the Trust and each school recognise that should a permanent exclusion occur, the funding for the subsequent year will be reduced.

Shropshire Council will then redistribute any of the funding reduction for 2023-24 amongst those schools with zero or low permanent exclusions.

Proposal and next steps

Seek views from Schools Forum.

Seek agreement with the Director of Children's Services/Assistant Director of Education to introduce the fund totalling £400,000 from January 2024 covering the Spring and Summer terms – 1st December.

Finalise the methodology to use in consultation with CEOs/Headteachers- 8th December.

Implement Inclusion/AP Development Fund from 1st January 2024

Stephen Matthews enquired whether increased capacity for TMBSS so it could cover all the geographical regions would be something to investigate.

David Shaw said that TMBSS is very important, these suggestions are covering a step before that and would hopefully create capacity in TMBSS and show where more intense support was needed geographically.

James Staniforth enquired whether funding should be distributed with a focus on where the problems are.

David Shaw responded that what James was saying made sense, he also wants to continue to encourage schools that are working hard and achieving no exclusions.

Reuben Thorley pointed out that guaranteed funding is very important as it gets allocated within the school and not put aside in case it is clawed back.

Mark Rogers asked whether this was the claw back that was already operating.

**Schools
Forum
Members**



David Shaw Clarified that the current financial arrangements would continue but this would be for any additional resources.

4. **School Funding Arrangements 2024-25 (Jo Jones)**

Jo Jones presented her paper.

Update to the schools NFF for 2024-2025

DfE announced on 6th October that they had uncovered an error in the initial calculations of the NFF, which means that the overall cost of the core schools budget would be 0.62% greater than allocated.

The revised unit values across the NFF factors are on average of just -1% lower.

The actual primary unit of funding (PUF) and secondary unit of funding (SUF) allocation has also been reduced by -0.93% and -0.96% respectively. The revised figures are £5,224 per pupil (previously £5,273) and £6,314 per pupil (previously £6,375), respectively.

Transfer of Funding between Blocks

In previous financial years Shropshire Schools Forum approved a transfer up to 0.5% of the Schools Block to the High Needs Block to support the growing pressures on the high needs budget.



For 2024-25 due to increased cost pressures within the High Needs Block it is our intention to transfer up to 0.5% of the Schools Block budget into the High Needs Block. Modelling work undertaken by the LA using October 22 census data shows there is a possibility of a £200k balance available to transfer to the high needs block. However, once we get the updated October 23 census data this could change due to the number of pupils eligible for the different factors.

Transfer of Funding between Blocks

Due to the expected large deficit on the High Needs Block, Schools Forum are asked to discuss if we need to adjust funding to schools so we can transfer the full 0.5%. More accurate information will be available in early January once we have received the APT with the updated census information and entered the relevant information.

Vote

It was recommended that a vote on this was postponed until a special forum meeting on 11th January 2024 once there is more accurate information.

The Chair agreed with the recommendation of postponing the vote.

Affordability of the Funding Formula

Shropshire's 2024-25 PUF is £5,224 and SUF is £6,314.

It will be known whether the overall cost will be affordable from within the 2024-25 Schools Block allocation once the local formula is run using the October 2023 census data.

The modelling is showing that following the NFF should be affordable, and all schools will hopefully be funded in line with the latest NFF factors.

To ensure affordability (or to transfer the maximum 0.5% to High Needs), a reduction to the factor values may be required.

Modelling on reducing the basic entitlement factor to free up 500K of funding shows we would need to reduce the factor value by 0.4%.

This would see reductions in school budgets from -£313 to -£28,395 with 21 schools seeing no reduction as they are topped up to the minimum per pupil funding levels.

We have also been modelling the impact of using the cap and scale factors to ensure affordability. Capping and Scaling cannot



take a school below the minimum per pupil funding levels and cannot be applied to new and growing schools.
The modelling shows to free up 500k of funding, the capping and scaling would see reductions in budgets from -£133 to -£25,000
21 schools would have no reduction as they are subject to MPPL.

Vote

It was recommended that a vote be postponed until a special forum meeting on 11th January 2024 once there is more accurate information.

Various scenarios will be presented to Schools Forum for final discussions and decisions at this meeting once updated data is available.

Mark Rogers Commented that his preference regarding funding would be to fund the formula first and then to give additional funding to SEN first.

5.

Consultation on the Central Retention of Dedicated Schools Grant from April 2024

Jo Jones presented her paper and votes were held for several areas:

Pupil Growth Contingency (Primary Schools)

Maintained primary school representatives approved the decision to de-delegate funding from maintained primary school budgets for a pupil growth contingency for maintained schools to £50,000 in 2024-25

Maternity

There was discussion amongst Forum Members about how Shared parental leave is affecting schools, Mark Rogers shared his schools experience of this and the financial implications.

Maintained school representatives approved the recommendation that the Maternity Budget will cover the 'full pay' element of Shared parental leave in 2024-25.

Maintained school representatives approved the recommendation to de-delegate funding of £250,000 from maintained primary and secondary school budgets for a centrally managed maternity budget in 2024-25.

Trade Union Duties



Maintained school representatives approved the recommendation to de-delegate funding of £25,000 from maintained primary and secondary school budgets for a centrally managed trade union duties budget in 2024-25.

School Improvement

Maintained school representatives approved the recommendation to de-delegate funding from primary maintained schools for a centrally managed school improvement budget in 2024-25.

Redundancy fund

Maintained school representatives approved the top-slicing of funding from maintained primary and secondary school budgets in 2024-25, based on maintaining the redundancy fund at £150,000.

Statutory School Finance

Maintained school representatives approved the top-slicing of funding for a statutory school finance budget from maintained primary and secondary school budgets in 2024-25, based on an estimated unit value of £3.11 per pupil.

Statutory Human Resources and Health and Safety

Maintained school representatives approved the top-slicing for a centrally held statutory HR and health and safety budget from maintained primary and secondary school budgets in 2024-25, based on a unit value of £6.45 per pupil.

Education Access Service

Maintained school representatives approved the top-slicing of funding for a centrally held budget for EAS from maintained primary and secondary schools in 2024-25, based on a unit value of £18.66 per pupil.

Mark Rogers asked whether the package was ready to go.

Jo Jones replied that it wasn't.

Mark Rogers stated that he feels that the education access service is ready to move to a traded package.

Davis Shaw agreed that it was time to move it to a SLA basis and said that we would probably be at that stage next year.



6. **Central Schools Services Block 2024-25**

Stephen Waters presented his paper and votes were held for several areas:

Historic commitments:

Termination of employment costs

- Maintained and academy school representatives agreed to contribute £545,994 to fund a portion of these ongoing pension commitments in the event that the appeal to the ESFA to protect the value of ongoing prudential borrowing and termination of employment costs is not successful, a reduction of £210,336 compared to 2023-24.

Prudential borrowing costs

- Maintained and academy school representatives agreed to continue to contribute £295,350 to fund the ongoing revenue costs of funding prudential borrowing for the Monkmoor Campus Project.

Ongoing responsibilities Approval:

School Admissions

- Maintained and academy school representatives agreed to the increased charge of £282,330 for the provision of a School Admissions Team.

Servicing Schools Forum

- Maintained and academy school representatives agreed to the budget of £10,000 for the servicing of Schools Forum.

Copyright Licenses

- Maintained and academy school representatives agreed to the increased charge of £276,700 for the annual copyright licensing fees.

Ongoing Responsibilities that local authorities hold for all schools.

- Maintained and academy school representatives agreed to contribute £816,137 to ongoing responsibilities that the local authority provides for maintained schools and academies as per the detail of these costs outlined in Appendix D of the report to Schools Forum.



7. **Communications**

- The chair confirmed that the work of the f40 is continuing. David Shaw undertook to share recent communications from f40 with Schools Forum.
- Neville shared his concerns about miscommunication about the new early years funding rates from the DfE to Parents and News agencies. Kirstie Hurst-Knight offered to bring the matter up with a meeting with Shropshire MPs.
- The chair reiterated the importance of the Schools Forum and of the meeting on January 11th.

8.

Future meeting dates

Thursday 11th January 2024
Thursday 25th January 2024
Thursday 14th March 2024
Thursday 13th June 2024

The meeting closed at 9:50 am.



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Agenda Item 5 Schools Forum	Paper
Date: Thursday 11 th January 2024	B
Time: 8:30 a.m.	Public
Venue: Via Microsoft (MS) Teams	

EY Block 2024/25

Responsible Officer Neville Ward
email: Neville.ward@shropshire.gov.uk

Summary

This paper details the allocation of the Early Years block for the financial year 2024/25

Recommendation

Schools Forum are asked to consider, comment upon and approve the Local Authorities proposed plans for the use of the EY block in 2024/25 as set out below.

REPORT

1 Background

The early years block funds all factors relating to three and four year-olds and disadvantaged two-year-olds in nurseries, private, voluntary and independent settings, and maintained schools. Following the announcements in the Spring budget 2023 the block will also now include funding for the new free entitlement for children from working families aged 2 years from April 24 and aged 9 months from Sept 24.

2 Summary of the entitlements covered by this funding

The free entitlements (FE) covered by this funding are as follows:

1. The universal annual FE of 570 hours of early years education and childcare for all 3 and 4 year olds from the start of the term after their third birthday
2. The extended annual FE of an additional 570 hours of early years education and childcare for 3 and 4 year olds from 'working families' from the start of the term after their third birthday.
3. The FE of 570 hours of early years education and childcare for 2 year olds from 'disadvantaged families' from the start of the term after their second birthday.



4. **NEW:** From April 2024 the expanded annual FE of 570 hours of early years education and childcare for 2 year olds from 'working families' from the start of the term after their second birthday.
5. **NEW:** From Sept 2024 the expanded annual FE of 570 hours of early years education and childcare for 9 month olds from 'working families' from the start of the term after they turn 9 months old.

3 Eligibility criteria for the non-universal entitlements

3.1 HMRC define the eligibility criteria for the disadvantaged 2-year-old entitlement as follows:

Your 2-year-old can get free childcare if you live in England and get any of the following benefits:

- Income Support
- income-based Jobseeker's Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Universal Credit, and your household income is £15,400 a year or less after tax, not including benefit payments
- the guaranteed element of Pension Credit
- Child Tax Credit, Working Tax Credit (or both), and your household income is £16,190 a year or less before tax
- the Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit)

2-year-olds can also get free childcare if they:

- are looked after by a local authority
- have an education, health and care (EHC) plan
- get [Disability Living Allowance](#)
- have left care under an adoption order, special guardianship order or a child arrangements order



3.2 HMRC define 'working families' as follows:

If you are working

You can usually get 30 hours free childcare if you (and your partner, if you have one) are:

- in work
- on sick leave or annual leave
- on shared parental, maternity, paternity or adoption leave

If you're on adoption leave for a child aged 3 to 4 years old, you must return to work within 31 days of the date you first apply for 30 hours free childcare for that child.

If you are not currently working

You may still be eligible if your partner is working, and you get Incapacity Benefit, Severe Disablement Allowance, Carer's Allowance, Limited Capability for Work Benefit or contribution-based Employment and Support Allowance. You can apply if you're starting or re-starting work within the next 31 days.

Your income

Over the next 3 months you and your partner (if you have one) must each expect to earn at least:

- £2,167 if you're aged 23 or over
- £2,117 if you're aged 21 or 22
- £1,557 if you're aged 18 to 20
- £1,098 if you're under 18 or an apprentice

This is the [National Minimum Wage or Living Wage](#) for 16 hours a week on average.

You can use an average of how much you expect to earn over the current tax year if:

- you work throughout the year but do not get paid regularly
- you're self-employed and do not expect to earn enough in the next 3 months

If you're self-employed and started your business less than 12 months ago, you can earn less and still be eligible for 30 hours free childcare. If you have more than one job, you can use your total earnings to work out if you meet the threshold. This includes:



- earnings from any employment
- earnings from any self-employment

If you're both employed and self-employed, you can use just your self-employment income if this would make you eligible. For example, if you expect your average self-employed earnings over the tax year to be more than you'll get over the next 3 months as an employee.

4 Summary of the indicative Early Years block funding for 24/25

Historically overall indicative allocation of the EY block has been determined by applying an hourly rate per hour per child and multiplying this by the number of children on roll within the LA at the time of the EY census in the previous January.

The level of funding is then adjusted using the data gathered in the EY census in the following January (A) and again based on census in the following January (B) with the final figure received being based 5/12ths on January A and 7/12ths on January B census.

e.g. EY block allocation for 2023/24:

- Indicative allocation received in January 2023 based on January 2022 EY census.
- Adjustment made based on January 2023 and January 2024 EY census
- Final allocation confirmed in July 2024.

The new financial year will see the introduction of the two new expanded childcare entitlements. The DfE will continue to use the historic model for the allocation funding for the three existing offers. For the two new offers they will use calculated figures of 'expected' take up and ask LAs to complete a termly census, using this information to adjust actual allocations based on the termly take up of places.

e.g EY block allocation for 2024/25:

- Indicative allocation based on January 2023 EY census and DfE expected take up calculations.
- Adjustment based on January 2024 EY census
- Adjustment based on Summer term 2024 actual take up data submission
- Adjustment based on Autumn term 2024 actual take up data submission
- Final adjustment based on January 2025 census



For 24/25 the following per hour per child funding rates have been announced:

Funding for the universal and extended three- and four-year-old entitlements:

	Hourly rate used to determine funding	Increase compared with 23/24 funding
April 2023	£4.87 per hour per child	
Sept 2023	£5.20 phpc	+33p phpc
April 2024	£5.47 phpc	+27p phpc

Funding for the disadvantaged and expanded two-year-old entitlements:

	Hourly rate used to determine funding	Increase compared with 23/24 funding
April 2023	£5.63 per hour per child	
Sept 2023	£7.19 phpc	+£1.56p phpc
April 2024	£7.26 phpc	+7p phpc

Funding for the 9-month-old entitlement

	Hourly rate used to determine funding
April 2024	£9.85 phpc

Using the combination of January 23 known census data for the existing entitlements, and expected take up of the new entitlements, this will result in the following initial indicative overall funding within the Early Years block:

Universal 3- and 4-year-old entitlement	£11,724,988
Extended 3- and 4-year-old entitlement	£6,203,593
2-year-old entitlements	£7,810,978
Expanded 9-month-old entitlement	£3,456,511
Total	£29,196,070



5 How the EY Block is spent

The EY block is used to fund the following factors:

1. Payment to providers to fund the provision of the free entitlements set out above and the following supplements:
2. Provision of the EY SEND fund to provide additional resources to support children accessing their free EY entitlements who have high levels of SEND. All LAs are required to allow for this element of funding although it is down to individual LAs to decide upon the nature of the support provided and the funding used to provide it.
3. Provision of a disadvantaged fund to provide additional resources to settings with high levels of children from disadvantaged backgrounds. The provision of this fund is a requirement set out by the DfE although it is down to individual LAs to determine the amount of funding used for this purpose and the basis on which it is allocated
4. Provision of a sustainability fund to ensure we can continue to offer provision in those areas of the county where numbers of children alone will not generate sufficient funding to cover basic costs for providers. There is a requirement for LAs to hold such a fund and, whilst many do, some do not. In a rural county such as ours this has always been considered a necessary element of EY expenditure.
5. Meeting the LA costs for the on-going requirement for the provision of information, support and guidance to EY providers. This element of the block is retained by the LA to cover the costs of employment for those staff supporting EY provision, administration of the funding system and associated core costs of the provision of our service. The DfE stipulate that no more than 5% of each element of the EY block can be retained by LAs – the remainder must all be passed to providers either through the hourly rate funding or the supplements set out above. The DfE have announced that they plan to reduce the 5% retention threshold to 3% although no deadline has been set for this as yet.



6. Calculating the proposed hourly rate of funding to providers

When calculating the overall spending of the EY block our aim is to ensure we can:

- cover the required supplementary costs set out above
- remain within the 5% ceiling for retained costs and;
- ensure the hourly rates of funding to providers remain as reflective as possible of the costs of provision of high quality, affordable and accessible early learning and childcare

Proposed Supplementary Costs budget for 24/25

A. EY SEND fund: £1,100,000

Spend in this area has been increasing year on year for the past five years. This is reflective of the following factors:

- a. Increasing numbers of children presenting at settings with SEND
- b. Increasing complexity of need of those children
- c. Better and earlier identification of individual childrens needs
- d. Growing waiting lists for referral into other professional services increasing the work which is required at setting level

For 24/25 we are budgeting for a 10% increase on our 23/24 anticipated spend

B. Provision of the disadvantaged supplement: £300,000

The overall spend on this element of the block has remained at £300k since it was introduced around five years ago. In order to ensure we can offer the highest possible hourly rate of funding to all providers it is proposed that we retain the funding at this level for 24/25

C. Sustainability funding £300,000

Overall spend in this area has increased marginally in recent years mainly due to increases in employment costs. It is hoped that the introduction of the new entitlements will lead to providers generating more income from the provision of new places as we go forward. We have therefore left the 24/25 budget figure at the same level as the 23/24 spend

The overall EY block available for distribution to EY providers through the hourly rate will therefore be reduced by a total of £1,700,000 to cover the costs of the SEND, disadvantaged and sustainability supplements.

This amounts to 5% of the overall allocation



D. Central retained costs

£700,000

We are budgeting for an increase of around c£300k in central retained costs for 24/25. This will allow for the recruitment of additional admin support to cover the increased workload resulting from the roll out of the new offers. We also intend to recruit two new EY Inclusion officers into the service. The role of these new posts will be to provide targeted information and advice to providers to support with meeting the needs of our SEND children. The posts will also monitor the spend of the EY SEND fund and ensure it is being used as effectively as possible to meet the needs of the children for whom it is intended.

The overall EY block available for distribution to EY providers through the hourly rate will therefore be reduced by a total of £700,000 to cover the retained costs set out above.

This amounts to 3% of the overall allocation, well within the 5% ceiling set out by the DfE and satisfying the 3% target ceiling which will come into effect in the future.

Hourly Rates of Funding for 24/25

We are then proposing the following hourly rates of funding to providers to support the provision of the free entitlements:

Entitlement	23/24 Rates	Increase	24/25 Rates
3&4 YO – both universal and extended	£4.75	+20p	£4.95
2YO – both disadvantaged and expanded	£6.90	No Change	£6.90
9 Month old from Sept 24	N/A	N/A	£9.05

Based on the methodology used for the allocation of the indicative budget this will result in the following overall spend of the EY block:

Entitlement	Hourly rate spend	% of indicative allocation	Supplements and retained spend	% of indicative allocation	Total
3&4YO	£16,225,366	90.5%	£1,703,215	9.5%	£17,928,581
2YO	£7,420,429	95%	£390,549	5%	£7,810,978
9 Month old	£3,179,990	93%	£276,521	7%	£3,491,076
Totals	£26,815,785		£2,370,285		£29,196,070



7. Other factors within the overall EY block

There are two other elements of the overall Early Years block. These are:

A. Early Years Pupil Premium (EYPP)

EYPP is paid as an additional amount to any child accessing their free early years entitlements who also meets the eligibility for Free School meals. The hourly rate at which the LA is funded for EYPP will increase by 2p per hour per child to 68p phpc. The expectation is that this rate is passed on in full to eligible children based on a termly headcount. The entitlement will be extended to 2-year-olds from April 2024. The overall funding allocated through this element of the block has yet to be confirmed.

B. Disability Access Fund (DAF)

DAF is paid to any child access their free early years entitlements who are also eligible for Disability Living Allowance. The annual rate of funding for DAF will increase to £910 per child in 2024/25. The entitlement will extend down to 2-year-olds from April 2024. The overall funding allocated through this element of the block has yet to be confirmed.



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