

Schools Management Forum

Report of: Andrew Humble/Faye Revely

Subject: 2019/20 Early Years Block Indicative Budget

Date: 16th January 2019

Purpose of the report

1. The purpose of this report is to provide an indicative 2019/20 budget for the Early Years block for 2, 3 and 4 year olds including information for the pupil premium.

Background

2. The DfE have now provided indicative allocations for the 2, 3 & 4 year olds following the announcement of the DSG allocations in December 2018 along with the Early Years pupil premium.
3. Allocations will be updated in July 2019 based on January 2019 census. Then a final adjustment to allocations will be made in June 2020 and will be based on 5/12ths of January 2019 and 7/12 of January 2020 pupil numbers to give a final allocation for the 2019/20 financial year.
4. Due to the introduction of the 30 hours entitlement from September 17 DfE now fund Early Years Children on a part time equivalent basis (PTE) with 15 hours equivalent to 1 PTE. The unit of funding per PTE pupil we receive from the DfE will now be as follows for 2019/20:
 - £2,656.20 for 3&4 Year Olds
 - £2,964 for 2 Year Olds

2 Year Olds 2019/20 Indicative Budget

5. As we do for the 3 & 4 year olds it is proposed to use the forecast figure from DfE as an indicative budget, and then we will provide an update once the January 2019 census is complete.
6. The current available budget is therefore calculated as follows:

Table 1	£
DFE Allocation per PTE	2,964
PTE Numbers for Funding in 19/20 (indicative)	937.9
Total Estimated Budget	2,779,936

7. Discussion will now take place over the next month with regards to the proposed hourly rate for 2019/20. As per 2018/19 it is also recommended that we transfer the allowable 5% of funding across to the High Needs budget for 2019/20 to recover from

Early Years providers an equivalent amount of Element 2 SEN funding that schools contribute to High Needs.

3 & 4 Year Olds 2019/20 Indicative Budget

8. It is proposed to use the forecast figure from DfE as an indicative budget, and then we will provide an update once the January 2019 census is complete.
9. The current available budget is therefore calculated as follows:

Table 2	£
DFE Allocation per PTE	2,656.20
PTE Numbers for Funding in 19/20 (indicative)	3,062.6
Total Estimated Budget	8,134,878

10. Discussion will now take place over the next month with regards to the proposed hourly rate for 2019/20. As per 2018/19 it is also recommended that we transfer the allowable 5% of funding across to the High Needs budget for 2019/20 to recover from Early Years providers an equivalent amount of Element 2 SEN funding that schools contribute to High Needs.

3 & 4 Year Olds Pupil Premium

11. The Early Years pupil premium was introduced in April 2015. Middlesbrough's indicative allocation for 2019/20 is £170,989.
12. The payment will be based on 53p per hour therefore if a child takes up the full 570 hours the provider will receive just over £300. The Family Information Service will continue to do the eligibility checks for these children as in 2019/20.
13. If there are any looked after children eligible then this will be managed by the virtual school head the same as the school pupil premium.

3 & 4 Year Olds Disability Access Fund

14. The Early Years Disability Access fund was introduced in April 2017. Middlesbrough's indicative allocation for 2019/20 is £47,970.
15. The payment will be a one-off payment of £615 per eligible child. The Family Information Service will continue to do the eligibility checks and make payments for these children as in 2019/20.

DSG Early Years Block – Indicative 2019/20 Budget

16. The following table shows the overall indicative budget for 2019/20.

	£
2 Year Olds Estimated Budget (from table 1 above)	2,779,936
3 & 4 Year Old Estimated Budget (from table 2 above)	8,134,878
3 & 4 Year Olds Pupil Premium	170,989
3 & 4 Year Olds Disability Access Fund	47,970
Total Estimated Budget	11,133,773

Recommendations for Early Years Block

17. SMF members are recommended to:

- Note the information on the Early Years funding following the announcement of indicative allocations;
- Note the ongoing discussion around the rates for the formula allocations and;
- Approve or not approve the level of central spend