


Agenda Item 3

	London Borough of Hammersmith & Fulham SCHOOLS FORUM Tuesday, 15th March 2022
EARLY YEARS FUNDING 2022/23	
Open	
Wards Affected: (All Wards); All	
Accountable Director: Jacqui Mc Shannon, Director of Children's Services	
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Purpose of the report This report updates forum on the results of the consultation on the 3 and 4 year olds Draft proposals for 2022/23 and presents the 2022/23 Final Budget model for approval.	

1. Introduction

- 1.1. Schools Forum on 18th January 2022 noted the draft 2022/23 3 and 4 year old budget subject to the required consultation with Early Years providers in the borough.
- 1.2. The proposals were presented at the PVI forum on 12th January and at a workshop open to all Early Years providers on 3rd February.
- 1.3. The consultation questions were sent out to all early years providers in the borough after the February workshop.
 - A total of 28 responses were received and 21 (75%) agreed with all the proposals.
 - There were some comments about the hourly rates for 2 year olds not covering costs but these rates are set by the DfE. This is part of the reason for lower availability of these places in the borough.
 - There was widespread support for the increase in SENIF funding and several providers offered to be part of a working group looking at additional support requirements for the early years sector as a whole.

- The results of the consultation are included as Appendix 1.

2. 3- & 4-YO Offer 2022/23 final budget model

2.1. The 2022/23 final budget model is detailed in Table 1 below. This model assumes a base rate of £6.39 per hour and deprivation rates as detailed in Table 2

Table 1: 2022/23 Early Years Budget – 3- & 4-YO Universal and Extended Offer

	21/22 Budget	22/23 Budget	Change year on year
	£000	£000	£000
A. Participation based on estimated hours - base rate	11,542	11,784	242
B. Participation based on estimated hours – deprivation.	1,302	1,329	27
C. SEN Inclusion Fund	500	629	129
D. Provision for Vulnerable & Additional Needs Children	550	562	12
E. Contingency	73	50	-23
F. Central services expenditure - 5% maximum allowed	743	759	16
G. Best Practice, Training and Network Building	150	60	-90
TOTAL SPEND	14,860	15,173	313
DSG EY funding	-14,860	-15,173	-313
NET POSITION	nil	nil	nil

Table 2: 2022/23 Deprivation Hourly Rates

IDACI BAND	Hourly Rate 2021/22	Hourly Rate 2022/23
1	£1.30	£1.33
2	£1.20	£1.23
3	£1.10	£1.12
4	£1.00	£1.02
5	£0.90	£0.92
6	£0.70	£0.71
7	£0.50	£0.51
8	£0.30	£0.31
9	£0.10	£0.10

10	£0.00	£0.00
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2.2 The breakdown of the hourly funding rate of £8.23 is shown in the table 3 below.

Table 3: Factors and Hourly Rates Applied (see paragraph 3.1 for full detail)

Factors	Rate per hour £	Rate per hour %
A. Basic hourly rate per child	£6.39	77.7
B. Deprivation hourly rate (average)	£0.72	8.8
C. SEN Inclusion Fund	£0.34	4.1
D. Vulnerable & Additional Needs	£0.31	3.7
E. Contingency	£0.03	0.3
F. Central Support Expenditure	£0.41	5.0
G. Best Practice Training and Networks	£0.03	0.4
Total	£8.23	100.0%

3. Details of Proposed Early Years Central Budget

Table 4: Final Early Years Central Services Budget 2022/23

Item of Central Expenditure	Budget 2021/22 £000s	Budget 2022/23 £000s	Change year on year £000s
i) Education Early Years Team	322	329	7
ii) Children's Centres Offer including outreach, early identification and support to families	211	216	5
iii) Vulnerable & Additional Needs spot purchases non maintained nursery schools	70	71	1
iv) Finance Team	86	88	2
v) Statutory Education functions and strategic support	45	45	0
vi) Business Intelligence for the termly census, EY Census and EYFS Assessments	9	10	1
Total Central Spend from Early Years DSG	743	759	16

3.1. 2022/23 budgets for Early Years central spend recommended within the 5% allowed are shown above in table 4 above.

3.2. Item iii. provides allowance within the central budget for Vulnerable & Additional Needs provision outside of the maintained nursery sector in order to comply with grant funding regulations and per current levels of expenditure.

4. Recommendations and to note

- 4.1. Schools Forum to agree final 2022/23 Early Year budget including an increase to the base rate from £6.26 to £6.39 and proposed hourly rates for deprivation detailed above in Table 1 and Table 2.
- 4.2. Schools Forum to agree final Early Years Central Services Budget for 2022/23 as detailed above in Table 4 totalling £0.743m.

Report Ends