

## **Item No. 9**

### **Update on Early Years funding formula review**

**8<sup>th</sup> December 2015**

#### **1. Purpose of report**

- 1.1 To report on the Review of the Early Years Single Funding Formula (EYSFF)

#### **2. Recommendations**

- 2.1 To defer any further work on the EYSS until the anticipated information regarding the future funding of early years is made available to local authorities.
- 2.2 To retain the current EYSFF model and funding rates 2016-2017 for all schools and private & voluntary providers.

#### **3. Background**

- 3.1 A report to forum in March 2015 provided details of Walsall's EYSFF, including details of the funding rates used to fund providers of in the private and maintained sector.
- 3.2 It was proposed that a review of the EYSFF model, used to derive the current funding rates, be undertaken by a working group during the summer term.
- 3.3 As reported at Forum's July meeting the working group met twice and had agreed that the current model and funding rates were deemed fit for purpose and that the deprivation supplement would continue to be allocated on the basis of the post codes of children.
- 3.4 It was also reported that to fully understand the costs of delivering provision in in private & voluntary sectors more detailed financial information would be needed to review further the funding rates, however such information is currently unavailable as there is a reluctance on the part of some private sector providers to share their financial details.
- 3.5 The DfE have previously indicated their intention to review the funding of early years and high needs provision, once they have a gained a better understanding of costs of making such provision, and have indicated more information will be made available in the outcome of the Spending Review which is due to be available by the end of December 2015.
- 3.6 Schools Forum are asked to note that the recently published Childcare Bill: Policy Statement – October 2015, also confirms the review into the cost of

providing childcare is underway and a consultation with parents, providers and employers has begun.

**4. Proposal**

- 4.1 To defer any further work on the EYSS until the further information regarding the future funding of early years is made available to local authorities.
- 4.2 To retain the current EYSFF model and rates in 2016-17 for all schools and private & voluntary providers.

**5. Financial implications/Value for Money**

- 5.1 The review of the EYSFF should ensure that any formula used going forward takes account of the differing costs of providing early years support in different sectors, and is affordable within overall funding received to support this provision.

**6. Legal Implications**

- 6.1 The review of the EYSFF should ensure that all requirements regarding provision of early years support are able to be met.

**7. School Improvement**

- 7.1 No issues arising from this report

**8. Members eligible to vote**

- 8.1 All elected members with voting rights are eligible to vote on this matter.