

Finance Briefing – EYRG 23-11-2022

My apologies for not attending in person, today, I received a late invitation to attend a National Funding Formula Conference with workshops in two areas of concern / interest for me:

Workshop 1 – the combined Financial Implications of the SEND Green Paper & High Needs Safety Valve.

Workshop 3 - Early Years Sufficiency, Covid Impact on Schools' Readiness and Funding Trends – this is particularly pertinent to this group and so I hope to update more when we next meet and will share any useful updates with Emma & Lucy-Anne on my return.

Budget Monitoring 2022-23

With regards to the current year's position – the underspend is as a result of lower take up than the DfE allocation (based on the previous years' census data) – and we know this will be adjusted in the next financial year. We discussed last time we met pandemic or, increased need more generally and utilising some of the older underspend to ensure some EY children were more school ready, able to manage their emotions and be better placed to self regulate – Emma has a slot on resources later in the agenda and will be able to update you more widely.

Early Years Budgets (Budget £31.047M, forecast variance (£2.386M))

Although this is forecast, it is anticipated that the DfE's post financial year adjustment will adjust for this in whole or, part in the 2023-24 financial year if the January 2023 census numbers fall.

	Budgeted PTE	Forecast PTE	Forecast PTE Variance	Budgeted Spend £M	Forecast Spend £M	Forecast spend Variance £M
2-year-olds	828	759	(69)	2.686	2.461	(0.225)
3- & 4-year olds	10,738	9,779	(959)	27.055	24.865	(2.190)
ISF	2,826 (hours)	3,240 (hours)	414 (hours)	0.537	0.616	0.079

This is the extract from the DSG reserve and the funding available to support the “invest to save” approach we discussed with an aim of reducing requests for plans but to fund central resource to support settings and pre-school children.

DSG Reserve	Early Years Ringfence (effective 01-04-22)	Schools Block, HNB & Central	Total 22/23 FY
Balance Brought Forward from 21/22	(1.692)	27.665	25.973
Early Years Adjustment 21/22 prior year	(0.564)		(0.564)
Forecast variance 22/23	(2.386)	11.645	9.260
Estimated balance CFWD 2023-24	(4.642)	39.310	34.669

2023-24 Budget Planning

With regard to the next financial year, we have not yet received 2023-24 allocations however, assuming we receive this during December as anticipated, we will look at options and seek to maximise the hourly rate whilst minimising risk to the EY block at our January meeting.

SF Rep

Emma and I met for an induction session on Schools Forum which went really well the with exception of realising that Emma will be unable to attend SF as the EY rep until the next academic year when her studies have ceased – Emma currently has Uni on a Thursday. I would therefore like to ask Lyssy if she would mind wearing two hats for the December, January and June meetings?

Should you have any questions around funding, please do give them to Lucy-Anne to share with me, otherwise my apologies for not being able to attend and I look forward to seeing you all in January where we will be looking at future hourly rates.

Marie Taylor
Head of Finance, Children & Education
21st November 2022