

## Schools and Academies Funding 2023-24

### 5. Early Years Block

Forum should note that the Early Years Block specifically will be adjusted in-year 2023-24 in respect to fluctuations in Early Years participation. The final funding allocation is based on two sets of January census data:

January 2023 accounts for April 2023 to August 2023 (5/12ths)

January 2024 accounts for September 2023 to March 2024 (7/12ths)

Therefore the funding received from the DfE is based on take up of places as at the two census dates. Forum members should note that the Authority funds Early Years providers on actual take up of places, as notified by providers through the Early Years Portal.

The initial indicative funding for 2023-24 is:

DSG Early Years Block	2023-24 Indicative
3&4 YO Basic Entitlement	£8,073,865
3&4 YO Extended Entitlement	£4,159,587
2YO Funding	£1,863,735
Early Years Pupil Premium	£157,889
Disability Access Fund	£86,112
Maintained Nursery Supplementary Funding	£211,014
TOTAL	£14,552,202

Local authorities are required to pass-through at least 95% of their 3 and 4-year-old funding from the government to early years providers. This pass-through requirement ensures that most of the government funding reaches providers so that they can deliver the government's free entitlements.

The pass-through rate in Bury is 96.7%.

The percentage retained by Local Authorities is used to contribute to Early Years SEN Inclusion costs, central support services covering advisory support, sufficiency requirements, free entitlement eligibility checking, and management and administration of the complex Early Years Single Funding Formula determinations, allocations, systems, and statutory reporting requirements.

Following a consultation process, the DfE have made some changes to the formula applied to the Early Years block which impacts on the funding rates received by each Local Authority. This includes the former Teachers Pay and Pension Grant funding for

Early Years settings which has been incorporated into the unit funding values for 2023-24.

The DfE funding rates for Bury are:

Factor	2022-23 DSG Funding Hourly Rates	2023-24 DSG Funding Hourly Rates	Variance £	Variance %
3 & 4 Year Olds	£4.61	£4.90	£0.29	6.3%
2 Year Olds	£5.67	£5.73	£0.06	1.1%

In compliance with the minimum pass through and retention requirements, the hourly rates for 2023-24 that require to be approved by Schools' Forum are recommended as follows:

Factor	2022-23 Hourly Rate	2023-24 Hourly Rate	Variance £	Variance %
3 & 4 Year Olds	£4.46	£4.74	£0.28	6.3%
2 Year Olds	£5.56	£5.62	£0.06	1.1%

**RECOMMENDATION 4:**

Bury's Schools' Forum recommend the Early Years Hourly Rates specified for 2, 3 and 4 year olds.

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