

LANCASHIRE SCHOOLS FORUM
Date of meeting 17 March 2022

Item No 8

Title: Recommendations of the Early Years Block Working Group

Executive Summary

On 8 March 2022, the Early Years Block Working Group considered a number of reports, including:

- Early Years Block Funding 2022/23;
- Impact on Early Years settings on EEF as a percentage of total sales EEF Early Education Funding;
- LCC Family Safeguarding model;
- SEN in Early Years;
- Childminders and Covid rules.

A summary of the information presented, and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- a) Note the report from the Early Years Block Working Group held on 8 March 2022;**
- b) Ratify the Working Group's recommendations.**

Background

On 8 March 2022, the Early Years Block Working Group considered a number of reports. A summary of the information presented, and the Working Group's recommendations are provided below:

1. Early Years Block Funding 2022/23

At the Schools Forum on 13 January 2022, decisions and recommendations about the 2022/23 Schools Budget were agreed.

In connection with the Early Years Block, the Forum unanimously supported the 2022/23 Early Years Block proposals, including:

- The use of £1m Schools Budget reserves being used in 2022/23, to mitigate transitional pressures in the Early Years Block budget to support the 3 and 4 year old base rate, as the Schools Block headroom transfer is not available;
- The £1m contribution would allow 4p per hour to be added to the base rate and be available for 2022/23 only to support the 3 and 4 years olds, meaning the rate would increase by 13p per hour from 2021/22, providing a £4.48 per hour 3 and 4 years olds rate from April 2022 (compared to £4.35 in 2021/22):
- The passporting of other DfE Early Years funding increases to providers:
 - + £0.21 per hour 2 year olds providing £5.37 per hour from April 2022
 - + £0.17 per hour for the maintained nursery schools supplementary funding providing £3.67 per hour from April 2022;
 - + £0.07 per hour for Early Years Pupil Premium providing £0.60 per hour from April 2022, equivalent to up to £342 per eligible child per year;
 - + £185 per eligible child the disability access fund (DAF) providing £800 per eligible child per year from April 2022;
- The continuation of Deprivation Supplements on the existing methodology for 2022/23;
- The continuation of the SEN Inclusion Fund at £500k for 2022/23.

On 20 January 2022, the County Council's Cabinet formally approved the Schools Budget for 2021/22.

Some elements of the Schools Budget require compliance checking by the ESFA and approval was received on 15 February 2022.

Early Years budget statements for 2022/23 were prepared and issued on 21 February 2022.

The Working Group:

- a) **Noted the report.**

2. Impact on Early Years settings on EEF as a percentage of total sales EEF Early Education Funding

A presentation was considered about the impact on Early Years settings of EEF Early Education Funding as a percentage of total sales, which had been prepared by the working group chair.

The presentation provided information on the Costs and Income changes in Early Years settings. The analysis indicated that for 2022/23 there would be a 7.1% increase in costs but only a 3.5% increase in government funding.

Further analysis was shared assessing the impact for settings depending on their percentage of EEF compared to their total income and on the historic comparison of funding rises compared to cost pressures.

A summary of the impact included:

- Settings with a high percentage of EEF can't increase parent fees to cover government shortfall.
- Under 2's and all other parents paying fees are subsidising the shortfall in EEF.
- The low level of government EEF increase means that most settings are going to be short of income.
- Whole sector is experiencing huge increase in children with SEND etc where settings need unfunded extra staff but cannot obtain or afford them.
- Many settings are not making a surplus.
- Make cost reductions or charge more for extras to stay in business.

Members discussed the ongoing problem of underfunding in the sector and compared this to Wales where rates were increasing to £5 per hour from April 2022, plus £9 per day towards meals. There was also full remission of business rates for early years providers.

Concern was expressed that the level of funding provided by the Government would soon begin to reduce the quality of provision in the county. Currently 98% of Lancashire providers were rated good or outstanding by Ofsted, but this would be unsustainable if funding were not significantly increased.

Officers, in consultation with the Working Group Chair, planned to send a letter from the county council to Lancashire MPs to highlight the underfunding for the sector, and it was also agreed that this matter would again be raised at the regular sessions the county council held with the DfE.

The Working Group:

- a) Noted the report;**
- b) Expressed significant concern about the underfunding of the early years sector in Lancashire and the inevitable impact this would have on the quality of provision;**
- c) Supported the actions to raise awareness of this funding issues further with MPs and DfE.**

3. LCC Family Safeguarding model

The Federation of Lancashire Nursery Headteachers has asked that an issue could be raised at the Schools' Forum on the role of Early Years settings in the LCC Family Safeguarding model.

In the Family Safeguarding model Early Help and Support is provided by settings. This has brought additional workload, particularly for those settings located in areas of deprivation providing education for Lancashire's most vulnerable children. Early Years settings are already stretched, often working precisely on ratio. There is no funding for Early Years settings to cover the additional workload. Although other sectors may also feel the pressure of providing Early Help and Support they receive considerably more in Pupil Premium to be able to provide the necessary family support.

Headteachers have said that school staff are increasingly being allocated as the Lead Professional. The feeling is that this is a family support worker role but most schools don't have that post, and can't afford to create that post, so it falls on the headteacher/DSL. Settings in areas of high deprivation will see more families requiring support due to the effects of deprivation. Covid has worsened the stresses on families which further increase the workload.

The issue is very similar to that previously raised by the PVI sector.

It was noted that settings are fully supportive of the Family Safeguarding model because they have the children's best interests at heart but would welcome consideration of the issues by Schools Forum.

All members recognised the concerns that were highlighted, and officers agreed to arrange a meeting with the Head of Service for Child Protection/Children in Need (Family Safeguarding) to directly discuss the issues raised.

The Working Group:

- a) Noted the report;**
- b) Supported the proposed meeting with LCC officers to directly discuss the issues raised.**

4. SEN in Early Years

A further issue was raised about the level of funding available in the sector to support children with SEN.

Members reported that the situation they faced was getting increasingly worse as more children presented with SEN after the pandemic and funding generally was already stretched.

It was noted that Lancashire passported all the early years funding received from the government to Lancashire providers and that increases in the SEN Inclusion Fund for example would reduce funding available for base rates.

Officers confirmed that it was intended to consult the sector ahead of the 2023/24 financial year to obtain feedback about the balance of factors in the Lancashire early years formula and these views could influence decisions about future funding arrangements.

A more general survey of the sector was also to be issued shortly to obtain feedback from the sector and this would include feedback about the SEN pressures on settings.

Members were aware that a sub group held regular meetings with Inclusion Service colleagues and it was proposed that the invitation to the next meeting of this group could be extended to the wider Working Group membership to enable colleagues to hear directly from the service and discuss options available. Feedback was provided that a service restructure was underway and early years officers had been involved in the recruitment process to ensure appointees had relevant early years experience and focus. The possibility of future use of High Needs Block funding to support the pressures on SEN children in the sector was raised and it was noted that discussion with the Inclusion Service would be needed first to formulate any policy considerations.

The Working Group:

- a) Noted the report;**
- b) Supported the concerns raised about the pressures on SEN funding in the sector;**
- c) Supported the wider invitation to the next SEN Inclusion meeting to facilitate wider discussions with the service.**

5. Childminders and Covid rules

Information was provided about the current Covid rules for childminders which include

- A childminder can accept a child with Covid into their home
- A parent with Covid can come to the home to drop off their child
- If the childminder or a household member has Covid they have to close
- But the household member can still go to work or school
- The childminder does not need to self isolate
- This only applies to childminders and not other EY settings.

The LA has raised the inconsistencies in this guidance with the DfE.

The DfE response was shared with the working group and is provided below:

On Thursday 24 February 2022, the Government removed the legal requirement to self-isolate following a positive test. Public health guidance continues to advise adults and children who test positive to stay at home and avoid contact with other people for at least 5 full days, and then continue to follow the guidance until they have received 2 negative test results on consecutive days. The guidance also advises that people with symptoms of COVID-19 or a positive test result should not have social visitors to the home.

This means that the guidance on managing positive cases for childminders has not changed and childminders should not childmind in their home when someone living there has tested positive or has symptoms of COVID-19. This is because there is a higher risk of transmission to those attending the provision for childcare as they are in close proximity of the case and for extended periods of time.

In light of the changes to the legal requirement to self-isolate, we have reviewed and updated the guidance with the UK Health Security Agency (UKHSA) and it can be found here: Additional actions for childminders during the coronavirus (COVID-19) pandemic. The guidance also outlines the situations where childminders may be able to continue working if there is someone who has tested positive or has symptoms of COVID-19 in their home.

There is additional guidance for childminders which can be found [here](#).

The response did add that the DfE is aware of the issue and discussions are ongoing with UKHSA with an update expected for 1 April.

Officers confirmed that there were some temporary workarounds available for childminders but that these were not that easy to action and had not been taken up in Lancashire.

The Working Group:

- a) Noted the report.**