



**Title of meeting:** Schools Forum

**Date of meeting:** 10 February 2021

**Subject:** 2020-21 Early Years Providers Covid-19 additional grant, Spring 2021

**Report by:** Alison Jeffery, Director of Children, Families and Education

**Wards affected:** All

**Key decision:** Yes/No

**Full Council decision:** Yes/No

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**1 Purpose of report**

1.1 The purpose of this report is to:

1.1.1 Seek endorsement from Schools Forum to pay early years providers additional funding in the form of a grant in order to support the sustainability of the market. This would apply to providers who offered funded early years provision for two, three and four year olds during the first national lockdown.

**2 Recommendations**

2.1 It is recommended that Schools Forum:

2.1.1 Endorse the proposed grant values to be paid in the spring term 2021 subject to the forecast year end position as set out in Table 1.

**3 Background and previous decisions**

3.1 In December 2020, Schools Forum endorsed and the Cabinet Member approved proposals to pay grant funding to early years providers (£2,700) and childminders (£500) to support future sufficiency and continued recovery following the national lockdown. Included in the report was a proposal to review the early years block budget in the spring term and identify if there was enough funding to make a further allocation to providers before the end of the financial year.

3.2 The timing of both the Schools Forum and Cabinet Member meetings in February 2021 is before the data for the actual number of hours of nursery provision is available and the final outturn is known. This would preclude obtaining agreement for further grants in the 2020-21 financial year.



3.3 To ensure that the grants can be paid if funding is available it is proposed to seek approval for the value of the grants, subject to the expected outturn position, based on a number of scenarios.

3.4 This report sets out the proposals

#### **4 Reasons for recommendations**

4.1 As at the end of December 2020 the current forecast position is an underspend on the early years block of approximately £334,000, this is likely to change between now and the end of the year, as the final spring term forecast payments are made and then adjusted for the actual hours provided later in the term.

4.2 The authority needs to carry forward approximately £200,000<sup>1</sup> to support any potential reduction to early years block funding for the period September 2020 to March 2021 which will happen in July 2021. The value of this adjustment is unknown and will be dependent on the number of pupils recorded as attending early year's settings and schools in the January 2021 census.

4.3 As there is an element of uncertainty regarding the final outturn position, the Table below proposes the grant values that will be paid depending on the level of underspend in the early years block.

<b>Table 1: Potential grant payable dependent on early years block underspend Spring 2021</b>				
<b>Range of underspend</b>	<b>Grant payment</b>		<b>Total cost of grant</b>	<b>Cfwd. to support funding adjustment for 2020-21</b>
	<b>Early years settings</b>	<b>Child minders</b>		
<b>£'000</b>	<b>£</b>	<b>£</b>	<b>£'000</b>	<b>£'000</b>
350 to 400	1,350	250	140	210 to 260
400 to 450	1,755	325	180	220 to 270
450 to 450	2,160	400	220	230 to 280
Over 500	2,700	500	270	230 upwards

4.4 The proposal enables the authority to provide a payment to providers whilst ensuring there is sufficient funding carried forward to support any reduction in funding relating to the January 2021 census in July 2021.

#### **5 Integrated impact assessment**

5.1 An integrated impact assessment has been completed and is attached at Appendix 1. It confirms that the proposals will not have a negative impact

<sup>1</sup> As the value of the adjustment to be made in July 2021, the proposed value of £200,000 is based on the movement of pupil numbers between January 2019 and January 2020 census data, which was adjusted for in July 2020.



on the areas of equality and diversity, communities & safety, regeneration & culture, environment and public space.

**6 Legal implications**

6.1 There are no legal implications arising directly from the recommendations contained within this report.

**7 Director of Finance's comments**

7.1 As part of the national Coronavirus response, the Department for Education<sup>2</sup> updated the guidance and advice re regulation 16 of the School and Early Years Finance (England) regulations 2020 regarding the Early Years Block of the DSG. This enables local authorities to "redirect early years DSG funding from providers that are closed<sup>3</sup> in order to ensure provision of childcare for vulnerable children and children of critical workers". The aim of the funding is to ensure that providers which are open and offering the entitlements or are closed due to public health reasons are funded at broadly the same level that they would have expected to if Coronavirus had not happened.

7.2 The authority has funded early year's providers in line with the Government advice during the summer and autumn terms without having to deduct any funding from providers who had to close. An initial grant was paid in the autumn term.

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Signed by: Alison Jeffery, Director Children Families and Education

**Appendices:**

Appendix 1 - Integrated Impact Assessment

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

<sup>2</sup> Guidance on the use of free early education entitlements funding during coronavirus (Covid-19) - 20 July 2020 - [Use of free early education entitlements funding during coronavirus \(COVID-19\) - GOV.UK](#)

<sup>3</sup> Closed without a public health reason



**Portsmouth**  
CITY COUNCIL

The recommendation(s) set out above were approved/ approved as amended/  
deferred/ rejected by ..... on .....

.....  
Signed by: