

**DARLINGTON SCHOOLS FORUM**  
18<sup>th</sup> May 2021

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**EARLY YEARS BLOCK FUNDING UPDATE**

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**Purpose of Report**

1. To update Forum regarding changes to early years funding block.

**Early Years Block 2020/21**

2. As Forum will recall the early years funding block is calculated using a weighting of the number of children in early years placements in January before the start of the financial year and the following January. Due to the time taken to collect and process this data, the final early years blocks are usually informed to local authorities in July following the end of the financial year.
3. The DfE recognised that, due to lockdown from January 2021, that the January census may not have captured all placements as children returned to settings later in the term. The result of this maybe that local authorities have paid more to providers than they have received in funding through the early years block. The DfE therefore advised that they would provide a protection for local authorities up to 85% of the January 2020 census attendance.
4. To facilitate this the DfE will collect data from local authorities for the summer term 2021 and calculate an average of the January 21 and summer 21 term count. If the average exceeds the January 21 term count, then the early years block will be increased up to 85% of the January 20 attendance.
5. As a result of this adjustment, the final early years blocks for 2020/21 will now be published in November 2021 rather than July 2021, this means that the final position regarding the early years budgets for 2020/21 will not be known until November.
6. This adjustment has no impact on providers, as this concerns purely how the Local Authority is funded.

**Early Years Block 2021/22**

7. Due to uncertain times through the recovery from the pandemic, the DfE recognise that the January 2021 census does not provide an appropriate measure of attendance when calculating the 2021/22 early years block. Therefore, a temporary change is being made for the 2021/22 financial year.

8. The Local Authority will be funded based on a termly count for attendance during 2021/22. The summer and autumn terms will determine funding for those terms, with the spring 2022 term funded on the usual basis of the January 22 census.
9. It is expected that final early years blocks for 2021/22 will be published in July 22 as normal.
10. This adjustment has no impact on providers, as this concerns purely how the local authority is funded
11. As previously notified to Forum, the allocations for maintained nursery lumps sums for 2021/22 were published as indicative for April to August 2021 and conditional for September 2021 to March 2022. The DfE have informed that funding for September 2021 to March 2022 is now confirmed.
12. The actual maintained nursery lump sums for 2021/22 will be updated in line with the actual attendance as is usual.

### **Recommendations**

13. That Forum note the changes to early years funding for 2020/21 and 2021/22.