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Vicky Ford MP  
Minister for Children and Families  
Department for Education  
Via email: [Ford.PS@education.gov.uk](mailto:Ford.PS@education.gov.uk)

13<sup>th</sup> January 2021

Dear Minister

### **COVID-19: Early Years' funding pressure**

We are grateful for the Government's continued support for schools and early years' settings, as the unprecedented impacts of the Coronavirus pandemic continue to be felt. However, we wanted to draw your attention to the impact of the Government's announcement that early years providers should remain open for all children. We understand the rationale behind the decision and support the Government in prioritising the continued education of children while restrictions are in place. However, this decision has placed significant pressure on the early years sector, particularly providers (nurseries, preschool and some childminders) that deliver the Free Entitlement Funding.

Government guidance on Spring Team FE funding was issued on 17 December 2020. The guidance states that local authorities should return to the normal funding approach (that is, 'funding following the child') for all providers from 1 January 2021. Government funding allocated to local authorities for the early years block of the Dedicated Schools Grant (DSG) between 1 April 2020 and 21 December 2020, is based on the January 2020 census count. However, the remaining proportion of the Government funding allocated to local authorities to deliver FE in financial year 2020/2021 (i.e. from 1 January 2021 to 31 March 2021), is to be based on the January 2021 census headcount. Any adjustments to our budget will be made retrospectively after the year end. In addition, the January 2021 census information will also be used by the Government as the basis for our provisions FE allocations for financial year 2021-22.

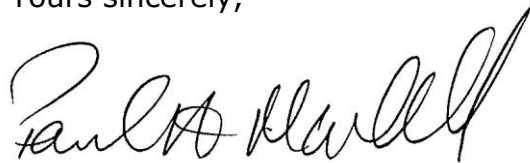
The date for the January census, which will be used to calculate future funding, is problematic, as a significant number of parents have decided to keep children who normally attend early years settings at home, given the national lockdown. This means that the numbers used to calculate future funding for the sector in West Sussex will be significantly lower than actual demand – and place a real risk on sustainability of providers and West Sussex County Council's ability to ensure that sufficient childcare places are available within the county, as we are required to do under the Childcare Act 2006.

We have taken the decision to use our discretionary powers and ask our providers to include on their census all children, whether currently attending or not, where signed parental declarations are in place prior to headcount (21 January 2021). We will then fund them on this basis up until the February half

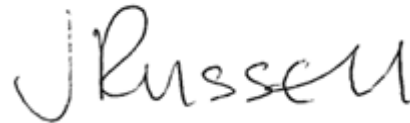
term. We would be grateful if you were able to confirm that this approach is consistent with Government guidance – and also confirm that Government will continue to provide the funding needed to us on the basis of this decision, by further clarifying the Department’s guidance – by February half term at the latest. We look forward to hearing from you as a matter of urgency.

We are copying this letter to West Sussex MPs and West Sussex Early Years providers.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Paul Marshall". The signature is fluid and cursive, with a prominent flourish at the end.

**Paul Marshall, Leader**

A handwritten signature in black ink, appearing to read "J Russell". The signature is cursive and contained within a thin black rectangular border.

**Jacquie Russell, Cabinet Member  
for Children and Young People**