

Subject:	Compensation Payment for Early Years Providers		
Date of Meeting:	11 January 2021		
Report of:	Interim Director of Families, Children and Learning		
Contact Officer:	Name:	Caroline Parker	Tel: 01273 293587
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Ward(s) affected:	All		

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1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The paper outlines the use of officer urgency powers by the Interim Executive Director, Families, Children & Learning to agree Early Years Free Entitlement (EYFE) coronavirus-related compensation payments, in accordance with DfE guidance, for early years providers who had a lower number of children in autumn term 2020 compared with autumn 2019.

2. RECOMMENDATIONS:

- 2.1 That the Committee notes the use of officer urgency powers by the Interim Executive Director, Families, Children & Learning to agree the recommendations for funding compensation payments for early years providers:
- a. Providers of EYFE for two-year olds to be compensated at 100% of the difference between autumn 2020 hours, and an average of their total hours from autumn 2017, 2018 and 2019.
 - b. Private, voluntary and independent providers of EYFE for three and four-year olds to be compensated at 60% of the difference between autumn 2020 and autumn 2019 hours and maintained providers (schools) to be funded at 100%.
 - c. The small number of childminders who may be eligible to apply for compensation will be considered individually.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The context and background information are set out in the attached paper. It was not possible to delay this decision until a full committee meeting because EYFE compensation payments to early years providers needed to be made in the autumn term because that is the term to which the payment relates. The amount of money in the early years block of the DSG available for compensation was not known until after the October 2020 headcount when providers submitted their hours for that term. After that time was needed to review different compensation options. Delaying the compensation payment until the spring could have

jeopardised the finances of some early years' providers.

- 3.2 The Government announced on 18 December that they will return to funding the childcare entitlements based on the number of hours taken up by children from the start of the spring term 2021. This means that there will not be compensation payments for providers in the spring term.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 This is included in the attached record of urgent decision.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Schools Forum was consulted on 7 December.

6. CONCLUSION

- 6.1 To fund early years providers as set out in the recommendations.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 These are set out in the attached record of urgent decision.

Finance Officer Consulted: Steve Williams

Date: 04/12/20

Legal Implications:

- 7.2 These are set out in the attached record of urgent decision.

Lawyer Consulted: Liz Woodley

Date: 24/11/2020

Equalities Implications:

- 7.3 The aim of the compensation is to ensure the sustainability of childcare providers. This will help ensure that children with protected characteristics can continue to access childcare. Funded two-year olds are the most disadvantaged children and so providers of EYFE for two-year olds were compensated at 100% of the difference to ensure that places continue to be available.

Sustainability Implications:

- 7.4 The aim of the compensation is to ensure the sustainability of childcare providers so that children can access childcare near to where they live.

Brexit Implications:

- 7.5 None.

SUPPORTING DOCUMENTATION

Appendices:

1. **RECORD OF URGENT DECISION** - Compensation Payment for Early Years Providers

Background Documents

1. DfE Guidance: [Use of free early education entitlements funding during coronavirus \(COVID-19\)](#)

