

# Early Years Funding & Census

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**TORBAY COUNCIL**

# What is the Early Years Census?

- Each January the LA submits the EY census.
- The EY census is informed by the PVI sector and the nursery classes within the Primary sector.
- The census figures are used to calculate the Local Area budget; the EY block of the DSG.
- The budget is calculated by the DfE each year based on the previous year's final census data, then adjusted in July based on actuals.

E.g. the 2020-2021 EY block was initially calculated using the 2019 census numbers (because it is set prior to the census) and was then adjusted in July 2020 based on the January 2020 census numbers.

Budgets are usually calculated and adjusted as follows:

Financial year April 2019 to March 2020

5/12 of 2019 census numbers (to account for April 2019 to August 2019)

7/12 of 2020 census numbers (to account for September 2020 to March 2020).

- Officers estimate the July adjustment to provide a forecast outturn position for the budget; this is tricky to achieve precisely due to the census' being in 2 different places and being based on PTE (part time equivalent) attendance; impacted by stretched offers within the PVI sector.
- Every academic year is therefore funded using one census return, once adjustments are made.
- The aim of the DfE is to fund Local Areas at the mid-point of the academic year (hence spring), allowing for lower attendance in autumn and higher attendance in summer which then should provide a balance.

## The last 12 months....

- **Spring 2020** – normal census process, no impact from pandemic
- **Summer 2020** - all settings were funded as usual
- **Autumn 2020** – LAs were given guidance that they should fund EY providers as if the pandemic were not happening.
  - DfE confirmed that Autumn 2020 would be funded using January 2020 census figures
  - Torbay used the recommended process of using Autumn 2019 figures as a minimum funding guarantee for group providers.
- **January 2021** – the DfE returned to participation funding
  - Currently, the 2021-2022 budget will be based on 9/12 January 2020 census and 3/12 January 2021 census.

# What does that mean financially?

## Summer 2020

Average attendance numbers in summer

**307**

(this started at 72 children and increased to 708 across the term)

Number of children funded weekly in summer

**1999 3&4YOs and 351 2YOs**

Approximate funding

**£1.5m**

## Autumn 2020

Total of funding paid to ensure providers received  
Autumn 2019 funding as a minimum

*(Aut 2019 funding minus Aut 2020 final funding)*

**£326,000**

# Census numbers

## Spring 2020 census numbers

2YO	3&4YO Uni	3&4YO Ext
360.66	1676.5	617.71

## Spring 2021 census numbers

2YO	3&4YO Uni	3&4YO Ext
293.99	1598.01	615.67
-66.67	-78.49	-2.04

*Note – these numbers are still subject to change and are not finalised*

## Estimated numbers based on 9/12 January 2020 and 3/12 January 2021

2YO	3&4YO Uni	3&4YO Ext
343.99	1656.88	617.20

# Impact of census numbers

<b>Adjustment</b>					
	Current census	New census (based on 9/12 and 3/12)	Adjustment (new – current)	Adjustment £ (adjustment x per child annual rate)	Per child annual rate
2YO	360.66	343.99	-16.67	<b>-£50,162.51</b>	£3,009.60
3&4YO uni	1676.5	1656.88	-19.62	<b>-£48,989.53</b>	£2,496.60
3&4YO ext	617.71	617.20	-0.51	<b>-£1,273.27</b>	£2,496.60
				<b>-£100,425.31</b>	

This estimate shows that we should expect a negative adjustment and early indicators suggest it will be in the region of £100k. This is subject to change based on duplicate checking cross-LA areas (Devon are still in the process of uploading their census') and other amendments.

# Forecast final position

- A rough estimate shows the EY budget will be overall £35,000 underspent.
- The SEND Alfey budget is forecast to be £18,000 overspent.
- This means that when we receive the negative adjustment in the region of £100,000, we will be approximately £83,000 overspent.

## Important note...

- Depending on the government's decisions around EY funding over the next 12 months, the low census numbers on this current census could have a significant impact on the 2022-2023 budget because 5/12 of that budget will potentially be based on these figures.

# Principles for future spend management

The Local Area is dedicated to passing the maximum funding to providers and recognises that each year there is a budget surplus or deficit that needs to be addressed. The following principles are recommended for agreement by Schools Forum for Officers to apply in these circumstances:

- Basic funding (the hourly rate for 2, 3 and 4 year olds) is calculated and paid to providers. This is participation funding based on termly headcount submissions and is for all eligible children to cover the cost of their early education.
- Part way through the year, after the January census, Officers estimate the final budget position for the Early Years block.
- Where there is a surplus budget, this will be used to enhance the next deprivation payment, allowing for an increased per-child rate; dependent on the number of eligible children.
- Where there is a deficit budget, this will be deducted from the deprivation budget, resulting in the minimum per child-rate being paid to providers. There is a guarantee that providers will always receive the minimum amount, even in the event of a deficit budget.