

## Report Details

<b>Date:</b> <b>2 October 2025</b>	<b>Item 13</b> <b>Type of report:</b> Decision
<b>Report title:</b>	<b>Early Years Funding Consultation</b>
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### PURPOSE OF THE REPORT

1. This report sets out the intention to consult with Early Years providers about changes to the weighting of funding provided in each term.

### RECOMMENDED ACTION FOR SCHOOLS FORUM

That the Schools Forum

- Note the council will undertake a consultation with Early Years providers on changes to the number of weeks funded in each term.

### BACKGROUND INFORMATION

2. Under the current system, the majority of local authority funding for Early Years provision is based on the January school census and early years census.
3. The recently introduced expanded entitlements however, are being funded on termly census data, and the DfE has notified local authorities of their intention to move all Early Years funding to this basis for the 2026/27 financial year.

### KEY ISSUES FOR CONSIDERATION

4. The number of weeks that the DfE will be funding per term will not match the number of weeks that Southwark Council funds it's providers.
5. The move to a termly funding basis will most likely lead to a reduction in funding received by Southwark Council (based on modelling of the last three years).
6. In an attempt to avoid the need to reduce the hourly rate and to reduce the level of risk and consequently the level of contingency held, The council is proposing to consult on bringing the number of weeks that providers are funded for each term in line with the number of weeks that the DfE funds each term.
7. The outcome of the consultation will come back to Schools Forum for a final decision when setting EY rates for the next financial year.

### 8. CONCLUSION AND NEXT STEPS

9. A consultation will be undertaken with Early Years providers on the proposed changes.