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[Department
for Education](#)

Guidance

Coronavirus (COVID-19): financial support for education, early years and children's social care

Updated 22 October 2021

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This guidance sets out the financial support that is available for different types of education, early years and children's social care providers in England.

The government has put in place a number of funding and financial measures to support organisations during the COVID-19 pandemic. These are intended to be temporary, timely and targeted, to support public services, people and businesses through this period of disruption.

All organisations are expected to have adequate and effective governance

arrangements and controls in place to ensure public funding is spent effectively and appropriately.

Main changes to previous guidance

We have updated this guidance to reflect the withdrawal of the Coronavirus Job Retention Scheme (CJRS) and the Self Employment Income Support Scheme on 30 September 2021.

Funding and financial support for businesses

For many programmes, the government will continue to provide funding at normal rates, for example, schools have continued to receive their core funding through the dedicated schools grant (DSG) throughout the pandemic, to ensure business continuity and payment of staff. Local authorities have also continued to receive high needs funding as part of the DSG and should continue to pass this on to providers (including the top-up funding in respect of individual children and young people) at the normal rates.

Where funding continues to be paid, we expect providers to continue to provide that service in so far as is possible, and in accordance with the relevant guidance.

Where activities have changed, staff should be redeployed as best supports the COVID-19 response and should continue to be paid as normal, even if typical duties cannot be carried out.

Support for businesses that pay business rates

In addition to existing business rates reliefs, the government has outlined further support via the business rate system which may be relevant to the education, early years and children's social care sectors.

There will be a [business rates holiday](#) for many nurseries in England for the 2021 to 2022 tax year. Providers on Ofsted's early years register will occupy the properties that will benefit from the relief, which will provide the early years foundation stage. Billing authorities may not grant the relief to themselves.

Nurseries may also qualify for discounts to their business rates. Nurseries that will benefit must be on Ofsted's early years register and they must use their premises to wholly or mainly provide the [early years foundation stage](#) of education.

Any enquiries on eligibility for, or provision of, the grants or holidays should be directed to the relevant billing authority.

Recovery Loan Scheme

The Recovery Loan Scheme supports access to finance for UK businesses as they grow and recover from the disruption of the COVID-19 pandemic.

The scheme is to help businesses of any size access loans and other kinds of finance so they can recover after the pandemic and transition period.

The scheme is open until 31 December 2021, subject to review.

Loans are available through a network of accredited lenders, listed on the [British Business Bank's](#) website.

The early years sector can apply to access support via this scheme. To find out more visit [Recovery Loan Scheme](#).

Statutory Sick Pay (SSP) relief for small and medium-sized enterprises

The government has introduced a rebate scheme to allow small and medium-sized (SMEs) businesses to reclaim Statutory Sick Pay (SSP) paid for staff sickness absence due to COVID-19.

This refund will cover up to 2 weeks' SSP per eligible employee who has been off work because they have been ill with the virus or have had to self-isolate because of it.

Employers must maintain records of staff absences.

Read more about the [SSP relief for SMEs scheme](#).

Coronavirus Job Retention Scheme for furloughed workers

The Coronavirus Job Retention Scheme (CJRS) was withdrawn on 30 September 2021.

Claims for September needed to be submitted by 14 October 2021 and any amendments must be made by 28 October 2021.

Refer to the [CJRS](#) guidance for further information.

Supplier relief

The [supplier relief for schools](#) guidance is aimed at helping maintained schools and academy trusts understand how they should support their suppliers through the COVID-19 pandemic.

Which options should be used

Due to the variety of organisations in the education, early years and children's social care sectors and the different types of support on offer, it may be appropriate for organisations to access a mixture of different support. However, we expect that all relevant organisations should first consider any potential options to reduce their operating cost and secure commercial loans (including the Recovery Loan Scheme) before seeking to access other support schemes.

We are considering appropriate measures to monitor the use of these schemes in order to detect any duplication of funding and will be considering potential options to recover misused public funding as required.

Early years

This section will be relevant to early years providers that are employers, and that usually have a mix of public income (largely this will be funding for the free early education entitlements, also known as dedicated schools grant or 'DSG' funding) and private income (largely this will be the fees that parents pay for childcare beyond the free entitlements).

From 30 September 2021

The CJRS and Self-Employment Income Support Scheme was withdrawn on 30 September 2021. Claims for September needed to be submitted by 14 October 2021 and any amendments must be made by 28 October 2021.

The sector has also benefitted from [business rates holidays](#) and business loans and will continue to have access to the business rates relief [nurseries discount](#) available until 31 March 2022.

You could qualify for business rates nurseries discount if both:

- your business is on Ofsted's early years register
- your premises is wholly or mainly used to provide the [early years foundation stage](#) of education

Eligible businesses have received 100% relief for the full 2020 to 2021 tax year and 3 months' relief at 100% in the 2021 to 2022 tax year between 1 April 2021 and 30 June 2021.

66% relief is available for eligible businesses for the rest of the 2021 to 2022 tax year (1 July 2021 to 31 March 2022) up to a total value of £105,000.

Nurseries discount is available on top of any other business rates relief you are eligible for.

The sector may also benefit from the [Recovery Loan Scheme](#) (available until 31 December 2021). The Recovery Loan Scheme is to help businesses of any size access loans and other kinds of finance so they can recover after the pandemic and transition period.

If eligible, you could receive:

- term loans or overdrafts of between £25,001 and £10 million per business
- invoice or asset finance of between £1,000 and £10 million per business

Loans are available through a network of accredited lenders, listed on the [British Business Bank website](#).

Children's social care providers

Ensuring that vulnerable children remain protected is a top priority for the government. Our aim is to ensure that children's social care providers can continue to provide care to vulnerable children and operate effectively during the COVID-19 pandemic.

We are asking providers to remain open and to continue to deliver care and support to their vulnerable children and young people. We would anticipate local authorities continuing to fund any contracted or commissioned providers, but where appropriate, providers may wish to consider accessing support measures for which they may be eligible to help them remain operational during this period, such as the business interruption loan schemes. Refer to the respective guidance page for more information.

As placements will continue to be needed, local authorities will continue to pay fees to children's social care providers.

High needs funding

Local authorities have an important role in making sure that the high needs funding they receive as part of their DSG is used effectively in making educational provision for children and young people up to the age of 25 with education, health and care (EHC) plans, and other vulnerable children and young people.

Local authorities will continue to receive their high needs funding and should continue to pay it to schools and colleges for the pupils and students whose placements they have agreed. This should follow the completion of any necessary review of their EHC plan if a plan is required, and appropriate risk assessments. The normal funding arrangements will apply, as set out in the [high needs operational guide for the year beginning April 2021](#). The Education and Skills Funding Agency (ESFA) will also continue to pay high needs funding directly to academies and colleges in the normal way.

Schools, colleges or other institutions may need to make temporary changes to the education and support of young people with EHC plans due to staff absence, self-isolation or the closure or partial closure of a setting on public health grounds. In these cases, they should let the local authority's special educational needs and disability (SEND) team know and keep these changes in place for as limited time as possible. They should also discuss any new requirement for high needs funding with the relevant local authority.

In some cases, high needs placements and top-up funding may not have been confirmed before the start of the term in which the pupil or student is expected to start or continue their education or training programme. In these cases, the school or college should speak to the commissioning local authority to see if it would be possible to be paid on account, with later reconciliation of top-up funding amounts when the placements and funding levels are finally agreed. This will ensure staff can remain in employment and be available when the special provision is needed.

Local authorities should confirm the funding associated with high needs placements as soon as possible after the placement(s) are agreed.

Residential provision in schools and colleges

State-funded residential special provision is delivered in various types of settings, including:

- local-authority-maintained schools
- special academies
- non-maintained special schools
- independent schools
- special post-16 institutions

Some independent schools have joint registration as a children's home and are effectively funded by local authorities that place the children in those settings.

For residential school and college provision, while the educational costs are funded from local authorities' dedicated schools grant and (for academies and colleges) funding directly from ESFA, the local authorities' social care budgets may meet the residential costs. You should therefore discuss the cost and funding implications of any temporary interruption of residential provision with the relevant local authority in the normal way.

Local authorities will continue to receive funding for the education and social care provision they commission. We expect them to continue to pay for residential costs in the normal way so that the employment and payment of staff supporting children and young people who require residential provision can continue.

Alternative provision

For alternative provision (AP) local authorities should continue to pay high needs funding for places and services, and top-up funding for permanently excluded pupils placed in pupil referral units (PRUs), AP academies and AP free schools in the normal way.

Where schools pay top-up or other funding for their pupils attending AP, or pay for other SEND or AP services, we expect the normal arrangements for these payments to continue.

AP settings and the local authorities and schools that use their services should work closely together to assess the need and demand for those services. They must help ensure that local capacity is maintained where places and expertise will be needed for the long term, for example, to support schools with any rise in behaviour and mental health issues because of the pandemic.

We are aware that some AP settings have faced reductions in income due to lower-than-normal commissioning activity. Special and AP academies and free schools that are experiencing financial difficulties can approach ESFA for assistance.

Local authorities have similar processes to support PRUs in financial difficulty and can set aside funds within their high needs budget for this purpose.

Independent schools

Mainstream independent schools

Registered independent schools have been able to access a range of government financial support during the pandemic. Where these support schemes continue to operate, independent schools are able to continue to access these packages. It continues to be up to individual schools to determine how to access the schemes that are available.

There is no change to our expectation regarding schools that continue to receive public funding, such as for looked after children placed by a local authority or local authority support for pupils with EHC plans.

Independent special schools

Most pupils in independent special schools have been placed there by local authorities under an EHC plan, funded from the high needs block of the DSG.

Local authorities will continue to receive their high needs budgets and should continue to pay top-up and other high needs funding to independent special schools. This is so they can continue to employ and pay staff supporting children and young people with SEND.

Some independent special schools also have pupils who are funded privately instead of under an EHC plan. These institutions should only access the support schemes identified in relation to the proportion of staff that is not supported through public funding and only to the extent that the school is facing a loss of income because the children have been withdrawn by their parents leading to a loss of fee income.

Further education and apprenticeships

Further education and apprenticeship providers include:

- further education colleges
- sixth form colleges
- designated institutions
- independent training providers
- adult and community learning providers
- higher education institutions where they provide further education or apprenticeships

They are funded in 3 main ways:

- by grant
- under a direct contract for services with ESFA
- through a funding agreement with ESFA (where provision is delivered under a contract for services between a levy-paying employer and an apprenticeships training provider, or advanced learner loan funded learning)

Where the provider is continuing to receive public funding through any of these routes they should continue delivering this provision where feasible, including through remote delivery.

Higher education

During and after the COVID-19 pandemic, our aim is for higher education (HE) providers to continue to:

- deliver HE provision
- support the needs of students, both on and off campus

We will work with HE providers to help them access the range of measures on offer to support financial viability and sustainability.

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