# **Supplementary Papers for Schools Forum**

Date: Tuesday, 6 February 2024 – 10.00am



# 5. Early Years Single Funding Formula 2024-25

A new Early Years Single Funding Formula (EYSFF) for BCP is required for April 2024 and consultation with the early years sector has now concluded.

The DfE notified local authorities of their funding agreement on 29 November 2023, with substantial changes from 2023-24. A group of provider representatives helped to shape the proposal and indicated that their preference was to avoid consulting with the sector during or just before the Christmas break, which Children's Services agreed to.

The governments biggest expansion of childcare entitlements begins this year and the proposed EYSFF includes funding rates for the children of working parents aged 9-36 months for the first time. These changes, along with a revision to the way children with SEND are funded, introducing a Deprivation Supplement to support our most disadvantaged 9–36-month-old children, a significant uplift in the Council's central functions and the introduction of a contingency fund formed the proposed EYSFF.

31% of providers engaged with the consultation and were, overall, supportive of the proposed EYSFF. The consultation response may be seen in Appendix A.

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# **SCHOOLS FORUM**



Report subject	Early Years Single Funding Formula 2024-25
Meeting date	6 February 2024
Status	Public Report
Executive summary	A new Early Years Single Funding Formula (EYSFF) for BCP is required for April 2024 and consultation with the early years sector has now concluded.
	The DfE notified local authorities of their funding agreement on 29 November 2023, with substantial changes from 2023-24. A group of provider representatives helped to shape the proposal and indicated that their preference was to avoid consulting with the sector during or just before the Christmas break, which Children's Services agreed to.
	The governments biggest expansion of childcare entitlements begins this year and the proposed EYSFF includes funding rates for the children of working parents aged 9-36 months for the first time. These changes, along with a revision to the way children with SEND are funded, introducing a Deprivation Supplement to support our most disadvantaged 9–36-month-old children, a significant uplift in the Council's central functions and the introduction of a contingency fund formed the proposed EYSFF.
	31% of providers engaged with the consultation and were, overall, supportive of the proposed EYSFF. The consultation response may be seen in Appendix A.
Recommendations	It is RECOMMENDED that:
	Schools Forum recommend the proposed 2024-25 EYSFF to Cabinet.
Reason for recommendations	The recommendation demonstrates a balanced position of the funding available for distribution to the early years sector, support for disadvantaged children and those with additional needs and funding required for central council functions.

Portfolio Holder(s):	Councillor Richard Burton, Children and Young People
Corporate Director	Cathi Hadley, Corporate Director Children's Services
Report Authors	Amanda Gridley, Service Manager-EH1  Darren Buckley, Senior Childcare Sufficiency and Funding Officer Steve Ellis, Management Accountant-Children's Services
Wards	Council-wide
Classification	For Recommendation

#### Background

- The 2024-25 DSG early years block funding rates have increased by 4.7% for 3and 4-year-olds, with two brand new funding rates introduced for eligible children aged 9-36 months old.
- Early years funding for 2024-25 has been estimated by the DfE based on the January 2023 census with the prior year comparative in table 1. Funding is to be finalised in summer 2024 and 2025 for each year, respectively. There is a significant increase year on year due to the largest ever expansion of childcare entitlements taking effect from 2024-25.
- 3. From April 2024 working parents of 2-year-olds will have an entitlement to 15 hours per week childcare funding, increasing to 30 hours from September 2025. This is a brand-new entitlement aimed specifically at working families that fulfil eligibility criteria.
- 4. From September 2024 working parents of 9-month-old children will have an entitlement to 15 hours per week of childcare funding, increasing to 30 hours per week from September 2025
- 5. Disadvantaged 2-year-olds will continue to be eligible for 15 hours per week in 2024-25, with no change to the entitlement criteria.
- 6. A summary of the early years settlement for 2024-25 is provided in table 1 below:

Table 1: Early years funding settlement 2024-25

DSG Funding	2023-24 Forecast	2024-25 Forecast	Annual Change Reason for Change		Annual Change		Reason for Change
ranang	£000's	£000's	£000's	%			
Early Years	21,093	35,054	13,961	66%	Increase in funding and introduction of new age group entitlements		

7. The early years block is distributed according to a national funding formula (NFF) with funding allocated to the local authority in accordance with the School and Early Years Finance and Childcare (Provision of Information About Young Children)

- (Amendment) (England) Regulations 2024. The regulations impose some restrictions on how the funding can be allocated to early years providers, as well as detailing the central expenditure that can be charged to the grant within the block.
- 8. Included within the DSG, but outside the early years funding formula, there are prescriptive amounts included in the total early years funding in table 1:
  - a. early years pupil premium (EYPP) for eligible children with an estimated increase of 3.0%.
  - b. disability access fund for one off payments to settings for eligible children with an increase estimated at 3.2%.

## **Early Years Single Funding Formula (EYSFF)**

- 9. The Council is required to operate an EYSFF for all providers. The formula is applicable for 9-month, 2-, 3- and 4-year-old entitlements to childcare places delivered in pre-schools, day nurseries, independent schools, childminders, and in nursery classes within a small number of academies.
- 10. The formula for 3- and 4-year-olds is to include a universal base rate for all providers and a mandatory deprivation supplement to differentiate funding.
- 11. The formula for 2-year-olds includes a base rate for all providers and a discretionary deprivation supplement to differentiate funding between a disadvantaged 2-year-old and a working parent 2-year-old.
- 12. The formula for under 2's includes a base rate for all providers and a discretionary deprivation supplement to differentiate funding between a working parent and a working parent eligible for EYPP.
- 13. The formula must include a SEND Inclusion Fund (SENIF). The SENIF provides additional funding to support children with additional needs. Previously SENIF applied only for 3- and 4-year-olds, but from April 2024 this funding must be applied across all age groups.
- 14. SENIF is not provided under the statutory framework for EHCPs. Any EHCPs for children in the early years age groups are funded by the high needs block following statutory processes in addition to the inclusion fund within the EYSFF.

#### Consultation for 2024-25

- 15. Initial consultation took place with provider representatives in a sub-group of the Schools Forum to help shape the wider consultation with the sector. In partnership with this group the Council recommended the following to the sector:
  - To include the discretionary deprivation supplement as part of the formula for 9–36-month-old children.
  - To evolve the way children with SEND are assessed and funded across all age groups.
- 16. The Early Years Single Funding Formula consultation paper was distributed via email to 287 childcare providers within BCP on 9 January 2024 with responses requested by 22 January. 4 virtual consultation briefing events were held over a two-

- week period attended by 51 providers. 31% of the sector provided consultation feedback (88 responses of a possible 287).
- 17. The consultation responses (see Appendix A) show an overall approval for both proposals mentioned in 15.
- 18. The final hourly rates were confirmed by government on the 29 November 2023 and are summarised as follows:
  - 3 and 4-year-olds: funding rates to increase by 25p from £4.87\* to £5.60
     \*DfE enhanced the funding rate for this age group in September 2023 to £5.35
  - 2-year-olds a new funding rate set at £7.92
  - Under 2's a new funding rate set at £10.77
- 19. Councils are permitted to retain up to 5% of the EYSFF for central services such as administering the entitlement and providing support to providers and systems to operate the funding claims. Due to the financial pressures faced by the Council it was agreed that an increase in the Central Functions was required for 2024-25.
- 20. For 2024-25 it is proposed that that 2.5% of the EYSFF is retained for central an approximate 400% increase year on year (previously 0.5%). Providers were informed of this proposed change during the consultation and while some did question the level, providers overall did not disagree with the change.
- 21. As there are new early education entitlements being introduced this year and a change in census collections (three as opposed to one), it is proposed to hold approximately 1% of the EYSFF from the under 2's and 3- and 4-year-old formula as a contingency fund. This funding will be reserved to mitigate against any overspends in either age group (including any change to forecast SEND pressures).
- 22. This means that from the EYSFF an overall 3% of funding is not immediately available for providers.

#### **Proposed EYSFF 2024-25 for Cabinet Decision**

23. The tables below shows the impact of adopting the proposal for 2024-25, per age group.

Table 2: Proposed EYSFF – Hourly Funding Rates 2024-25

3 and 4 year olds Funding Elements	Allocation from Funded Rate*	EYSFF Provider Rate for approval	Note
Base Rate	£5.10	£5.10	Every child
Deprivation	£0.08	£0.33	Per eligible child
Inclusion Fund	£0.22	£2.43 / £4.86 / £7.49	Per eligible child
Central Functions	£0.14		
Contingency	£0.06		
DSG Funding per hour	£5.60		

<sup>\*</sup> the shaded grey allocations from the DSG funding levels are shown for context, some rounding may occur

2 Year Old Funding Elements	Allocation from Funded Rate*	EYSFF Provider Rate for approval	Note
Base Rate	£7.25	£7.25	Every child
Deprivation	£0.16	£0.65	Per eligible child
Inclusion Fund	£0.32	£2.43 / £4.86 / £7.49	Per eligible child
Central Functions	£0.20		
Contingency	£0.00		
DSG Funding per hour	£7.92		

<sup>\*</sup> the shaded grey allocations from the DSG funding levels are shown for context, some rounding may occur

Under 2's Funding Elements	Allocation from Funded Rate*	EYSFF Provider Rate for approval	Note
Base Rate	£9.88	£9.88	Every child
Deprivation	£0.08	£0.33	Per eligible child
Inclusion Fund	£0.43	£2.43 / £4.86 / £7.49	Per eligible child
Central Functions	£0.27		
Contingency	£0.11		
DSG Funding per hour	£10.77		

<sup>\*</sup> the shaded grey allocations from the DSG funding levels are shown for context, some rounding may occur

Deprivation eligibility is determined as follows:

- **3- and 4-year-olds** the supplement is added for those children that had formerly accessed disadvantaged 2 year old funding or those that are currently eligible for EYPP. The supplement is added only to the funding rate of the entitled child.
- **2-year-olds** the supplement is added for those children that qualify as a disadvantaged 2 year old, or those that are currently eligible for EYPP. The supplement is added only to the funding rate of the entitled child.

**Under 2-year-olds** the supplement is added for those children that are currently eligible for EYPP. The supplement is added only to the funding rate of the entitled child.

#### SEND inclusion is funded as follows:

(All age groups) Providers are funded per hour for all early entitlement hours accessed, based on three levels of need which is determined by a weekly panel of special education needs officers. Tier 1 at £2.43, Tier 2 at £4.86, tier 3 at £7.49.

## **Options Appraisal**

24. Options were considered in the consultation processes with the early years sector, and (on 6 February) Schools Forum.

#### Summary of financial implications

25. The early years formulae are set within the funding envelope of the DSG and therefore have no impact on the general fund.

#### Summary of legal implications

- 26. The consultations undertaken and the formulae recommendations are compliant with the School and Early Years Finance and Childcare (Provision of Information About Young Children) (Amendment) (England) Regulations 2024.
- 27. Funding rates for early years in 2024-25 must be provided to the sector by 31 March 2024.

#### Summary of human resources implications

28. There are no human resources implications for the Council. Any implications from funding levels are for early years providers.

## Summary of sustainability impact

29. None.

# Summary of public health implications

30. Should appropriate funding not be allocated to meet the needs of pupils with SEND within BCP, there may be health and well-being implications for this group of the population leading to reduced health equalities locally.

# Summary of equality implications

31. An equalities impact assessment has not been undertaken. The DfE have undertaken equality impact assessments in determining the structure of the funding formulae and how funding is to be allocated. The local formulae are aligned with the national schemes.

#### Summary of risk assessment

32. There are no risks to the Council from the implementation of the funding formula within the Regulations and published guidance.

# **Background papers**

None

#### **Appendices**

Appendix A: Proposed Changes to the Early Years Single Funding Formula for the Free Early Entitlement for 2, 3 and 4 Year Olds for April 2024 – March 2025: Outcomes of the Consultation.

# **Appendix A**



# **Bournemouth, Christchurch and Poole Council**

Proposed Changes to the Early Years Single Funding Formula for the Free Early Entitlements for April 2024 – March 2025

Outcomes of the Consultation 24 January 2024

The Early Years Single Funding Formula consultation paper and online link for response was emailed to 287 childcare providers registered for early education funding within Bournemouth, Christchurch and Poole Council (BCP) on 9 January 2024.

A total of 51 providers attended four virtual briefing events held during the consultation period, two of which were evening sessions.

Providers received several reminders about the ongoing consultation and the importance for feedback on the proposals. The consultation closed at 11pm, 22 January 2024.

#### **Total issued 287**

Type of Setting	Total Issued	Response (Number)	Response (%)
All Respondents	287	88	31%
Childminders	138	45	33%
Day Nursery	74	25	34%
Pre-School	57	16	28%
School Nursery	13	2	15%
Independent School Nursery	5	0	0%

Overall, 31% of the sector returned feedback on the consultation. The sector feedback for only groups and school based settings in isolation is 30%.

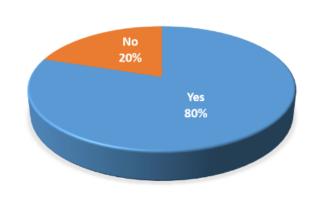
The outcome from each question asked within the consultation is summarised below.

This document also includes full comments left by a provider (anonymised where necessary).

#### Question 1:

The use of a deprivation supplement for children aged 9 – 36 months old is discretionary for councils. Do you agree that a deprivation supplement is allocated to children claiming funding as a 9 month to 2 year old, if they meet eligibility criteria?

Type of Setting	Yes	No
All Respondents (88)	70 (80%)	18 (20%)
Childminders (45)	42 (93%)	3 (7%)
Day Nursery (25)	15 (60%)	10 (40%)
Pre-School (16)	11 (69%)	5 (31%)
School Nursery Class (2)	2 (100%)	0 (0%)



# Feedback from providers

There was some uncertainty about the eligibility criteria for children proposed to be eligible for the deprivation supplement and several providers preferred the allocated funding to be split across other age groups/base rates, A question was also raised regarding the destination for any underspend in this category.

#### Local authority response

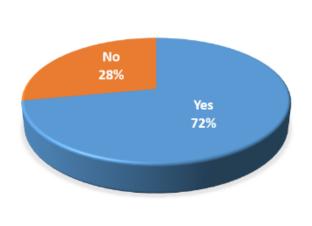
The Council's intention is to use the deprivation supplement only for those children whose families qualify for the Early Years Pupil Premium or those that qualify as a disadvantaged two year old, therefore the most in need children. Both of these entitlements use national criteria for eligibility and neither have changed for several years. The Council is also keen to ensure that children of a deprived background are supported as much as possible within the confines of the funding formula. In the unlikely event of an underspend with this supplement, balance funding would support the SENIF.

The majority of respondents agreed with our proposal to introduce a deprivation supplement for 9 – 36 month olds, which intends to support places for disadvantaged children, therefore Children's Services will recommend that this element of the formula is put forward for approval.

# Question 2:

Do you agree with the change proposed for higher needs SEND children (the change in the eligibility criteria and the change in funding rates)?

Type of Setting	Yes	No
All Respondents (88)	63 (72%)	25 (28%)
Childminders (45)	38 (84%)	7 (16%)
Day Nursery (25)	14 (56%)	11 (44%)
Pre-School (16)	9 (56%)	7 (44%)
School Nursery Class (2)	2 (100%)	0 (0%)



# Feedback from providers

Several providers commented on this question and many shared the feeling that three tiers was excessive for this supplement, and reducing the tiers could increase the relevant base rates. Providers also left feedback that despite the increase in the higher level of SEND supplement it was not enough to fund 1:1 care for those children most in need.

## Local authority response

Providers should be aware that Children's Services looked at other local authority examples for the Inclusion Fund to understand different ways of working for 2024-25. SEND tier levels for individual children will be reviewed on a termly basis, which gives scope for movement to different levels. With regular reviews we anticipate much more movement of SEND funding rates per child as they develop under your care, or that more funding is deemed to be required.

It should be noted that the SEND Inclusion Fund is a contribution to the care of children with high and complex needs rather than a direct like for like fund for 1:1 care. We do appreciate the additional cost of caring for children with SEND and advise that the base rate for all children, which now includes an additional 2p to support with making reasonable adjustments, should also be included in providers calculations, for instance a 3 year old with Tier 3 SEND would be funded at £12.59, a disadvantaged 2 year old at £15.39 and a working parent 9 month old at £17.37. These levels further increase with EYPP and deprivation supplement.

We see that the majority of providers agreed with our proposal but it is clear that group providers, although overall supportive, had some questions and queries about the proposed change. All feedback is taken into account, however as the proposal received broad approval Children's Services are minded to recommend this change to the Council.

#### Question 3:

Please use this section to provide any additional comments you wish to make.

# Feedback from providers

Many childminders used this section to express concern and dissatisfaction over the significant fall in base rate between a 1, 2 and then 3 year old child. Their concern also includes the challenges this sector have regarding ratio's versus group provision. A childminder also asks why they (or their childminder peers) could not be involved in any decision making.

We've received several comments across the sector regarding the proposed 1% contingency funding being retained and what might happen in the event of an underspend.

Group providers were keen to highlight that the average increases proposed here are not close to the National Living Wage and other cost increases being faced.

We also saw comments regarding the use of the word 'free'.

#### Local authority response

In terms of ratio and base rate challenges, both elements in this are of a national interest, as the DfE are the body that will decide on ratios and the level of funding for each age group it will pay to local authorities. with the local authority able to then manage that on a smaller scale, but still using funding levels assigned by the DfE. Several years ago the DfE required each sector type to be funded equally, therefore the Council are unable to account for childminders and ratio's when deciding the EYSFF for all.

During informal briefing sessions during the consultation some providers raised a similar question as from their perspective the proposed funding rate for 1 and 2 year olds exceeded their private rate, but the 3 year old rate then fell below and were asking how they might manage that. The local authority can't give business advice in this respect and if a funded hour happens to be higher than the rate you would ordinarily charge, this should be seen as a benefit for the business. Providers retain the right to raise a consumables and services charge against funded hours (for all age groups), and should be mindful of the impact of additional charges, especially on the most disadvantaged parents. Where parents are unable to pay for meals and consumables, providers who choose to offer the free entitlements are responsible for setting their own policy on providing parents with options for alternatives to additional charges.

Regards involvement in the EYSFF decisions being made, there is a vacancy for a childminder representative on the Early Years Sub Group. Any childminder that would like to be a part of this group for future funding consultations should contact the Eary Education Funding Team in the first instance.

The budget will be closely monitored throughout the year. The DfE are requiring three census collections in 2024-25 and will fund the Council based on that data collected (which will be mid term, rather than end of term) this means that children that start after the census date (funded as an adjustment) are unlikely to be funded by the DfE until the following term. Some of this is

mitigated by children leaving after census date of course. The last time three census collections were made in a year (during the pandemic) the Council funded more hours than reimbursed for. The Council don't want to propose a cut-off date during a funding term, therefore propose to utilise the contingency fund where required. Any significant variance in funding will be discussed with Schools Forum.

It is appreciated that the increase in staff wages is not complimented by each part of the EYSFF, but providers will understand that the Council can work only with the funding rates it receives from government. Providers should continue to lobby government in this respect.

The word 'free' is technically part of the entitlements offer in legislation. Locally we had, several years ago, amended our publicity material to reflect 'funded childcare' in support of providers rights to request voluntary contributions to government funded childcare in line with the statutory guidance (the April 2024 guidance has now been published here).

BCP Council greatly value and appreciate the work that all our providers do for our children every day. Your contributions to the early education of young minds is never taken for granted and through this Early Years Single Funding Formula we have aimed to make the best use of the budget provided to us. Following the sectors overall positive response we will propose to School's Forum that this formula is recommended for approval.

# **Provider Comments**

The following section contains all comments made by providers, per question, anonymised where necessary. Comment boxes are alternately shaded only for presentation.

#### **Comments under Question 1:**

The use of a deprivation supplement for children aged 9 - 36 months old is discretionary for councils. Do you agree that a deprivation supplement is allocated to children claiming funding as a 9 month to 2 year old, if they meet eligibility criteria?

Childminder	What does deprivation and or discretionary mean? Some parents are accessing food banks regularly with both parents working but don't meet criteria for deprivation
Childminder	I feel all children should benefit from the extra money shared equally
Childminder	I think a deprivation supplement should only be used from 2 years old as it is now as children gain more experiences from this age for it to benefit them.
Day Nursery	Base rate to be increased for 3-4 year olds
Day Nursery	Has there been any research to understand how many children in the 9-36 month bracket will be eligible for deprivation funding? Is it really necessary and what happens to any excess money in that pot that isn't used? We know there are increasing levels of SEND children requiring support. Surely the deprivation supplement for 9-36 months would be better used, added to the SEND fund as the rates quoted for SEND are still too low, particularly for the children with the most complex needs.
Day Nursery	I would split the deprivation supplement across all children

Day Nursery	Information provided is inadequate to make a comment on the grounds that we have no idea what would or wouldn't meet the eligibility criteria. Also some of the maths in the proposed funding rates don't add up. Total funding budgets are not known and weighted averages are not clear.
Day Nursery	It would be difficult to "police" and ensure the child is receiving the extra support in place from the deprivation supplement. I'm not sure if there could possibly be better use for the deprivation supplement in early years via centres/hubs etc.
Day Nursery	It would be preferable to increase the base rate - specifically 2 year old rate as this has reduced from the Autumn and Spring rate
Day Nursery	Look at some of those children that are not eligible for the funding.
Day Nursery	The base rate could be higher across the board
Day Nursery	The maximum money needs to go towards the main funding rates for 3-4 year olds.
Day Nursery	This deprivation funding should go to children aged 2, 3 and 4years as their overall funding is lower.
Pre-school	give more to the 2 year plus children who are entitled to the deprivation supplement
Pre-school	I feel it should be from 2 years in line with the 2 year funding. Children younger than this would be attending full day care so will have families that are working.
Pre-school	Universal credit covers the 0-24 months with a higher payment, 3 year olds yes
Pre-school	Would prefer any monies for this were used to increase the base rate.

# **Comments under Question 2:**

Do you agree with the change proposed for higher needs SEND children (the change in the eligibility criteria and the change in funding rates)?

Childminder	3 tiers may prove to be too complicated to administer
Childminder	Far too low rates. And eligibility criteria far too strict. Some children just don't apply as they are not SEN enough
Childminder	I feel the 2 tier system should remain and that there isn't a need for another level for SEND
Childminder	I feel they are too high
Childminder	I would like 2 levels and more put into the base rate.
Childminder	Not sure
Childminder	There is more than enough being skimmed off for SEND already. Another additional tier is unnecessary
Day Nursery	All children need more funding to cover the sessions regardless of SEN
Day Nursery	Based on our setting, it seems unnecessary to add a third Tier and would be more beneficial to add any additional funds to the base rate.
Day Nursery	Higher funding rates for SEN children to help support 1-1 staff needed for the children who need this

Day Nursery	I DO NOT agree with the changes proposed. Retain the existing funding strategies as it is now. The expected workload will fall even more on the Providers/settings. Settings will lose out as the majority of children will fall into Tier 1 (if they are lucky to get funding). Monies could be used from Tier three to raise Tier one and Tier two amounts to help cover staffing to work with the children  The information is too woolly not enough consultation on this in a short space of time. Staff are under a lot of pressure now spending hours of unpaid time on Sen paperwork etc.  Impact on staff and setting will lead to more staff leaving and settings closing. We have a big skills shortage at present.  With BCP already struggling with overspending of the DSG and the Government looking at putting them under the 'Safety Valve Scheme' for SEN leave Early Years alone.
Day Nursery	I don't have enough information about how it will work and how people would qualify to say I agree with it
Day Nursery	Increase the base rate for 3-4 year olds
Day Nursery	Level 3 is still being grossly underfunded as this level of need requires 1:1 support. Settings are currently struggling to recruit and maintain their standard teams and would require a dedicated SEND practitioner for this level of complexity which isn't going to be met by £7.49 per hour.  Use the deprivation funding from the 9-36 month age bracket to boost the level 3 hourly rate.
Day Nursery	None of the rates fully support children with additional needs in the settings. There is just not enough money being put towards children with special needs.
Day Nursery	Previously a 2 tier funding rate was provided so if this was continued more could be added to the base rate
Day Nursery	The proposal does not address the real problem which is that meeting a childs needs cannot be judged on an hourly rate without considering the impact on the setting including staff and other children
Day Nursery	Tier 2 funding rate could be higher
Pre-school	It is the higher needs we as a setting are struggling with, the ones that need 1:1 support. I would rather have more money to help staff having these children as the current rate does not cover wages to support these children. For every child we accept that needs 1:1 support we make a huge loss to be able to support them. I cannot see how adding an extra tier will help those that really need it.
Pre-school	It works with the 2-tier system, it is much better to have a child on Tier 1 with some money than to change the criteria and the child to be removed as SEN. This is something that should be done over time and at the start of a new academic year. Already have one child whose funding is surprisingly being cut from April 2024.
Pre-school	To only have two rates of SEND funding

We do not agree that 2p should be added to the base rate for every child suggesting it can be pooled together to make reasonable adjustments for those children needing them. Either the base rate should include this 2p to increase the base rate for all children regardless of need or the SEND Tiers need to change to make allowance for children who need reasonable adjustment or have a single need making this a 4 tiered system

Pre-school

Would the use of the 2p per hour be monitored?

Would parents know that their funding allocation includes a SEND supplement as set out in the attached appendix 1?

Currently the proposed Tier system does not give a clear enough criteria on how need will be assessed.

we don't really know enough about the change to say yes.

we would need to understand the criteria for the different levels

we would also need to understand what evidence would be required termly to support the team making the funding levels decisions.

Changes in support usually means changes to staffing levels also and this can make it even more difficult to employ and keep staff.

Pre-school

Pre-school

Would prefer to keep the 2 tiers and any monies not used added to the base rate

#### **Comments under Question 3:**

Please use this section to provide any additional comments on the overall formula that you wish to make (optional)

# Childminder

2 year funding and 9 month funding will be a great help. The 3 to 4 however still low and misleading to parents. I would like the 3 to 4 funding to match the cost of living. Where its OK for nurseries to have a higher ratio, us childminders will and have been struggling to pay our incoming bills. We feel that we are seen as unprofessional and inadequate to deal with higher ratios. We work so hard supporting our community yet not seen by ofsted and the government despite having to offer the same learning and expectations as a nursery.

#### Childminder

Additional support for these groups of children are vital to help support best outcomes. Individual specific needs including specialist equipment, safety, play and learning, the list is endless!

Funding formula's are so tricky as you feel your choosing a loss from group for another to gain. No easy outcomes!!

As a childminder I do not have the same age brackets as a nursey does so I would prefer all the base rates to be of a higher rate as all my children receive the same level of care.

#### Childminder

3 & 4 year old funding needs to be paid to me at my hourly rate not under it. SEND funding is really hard to access as I have tried to get it for a child I looked after.

I really hope this expansion of funding from the government works out as parents are relying on it but fully don't understand it doesn't cover the full year!

#### Childminder

I am concerned about the difference in rates. When a child reaches 3 the amount drops significantly. This is going to have a huge impact on a childminding setting as we do not have the scope to increase our numbers when children reach 3 years of age so this will have an effect financially.

# Childminder

I am in complete disagreement with the whole thing. Rates are low. National wage going up in April. Childminders can't boost their ratios. How can we accept more hours from the children already in our care. The funding asks a lot of work outside of working hours. Do we get paid for that. No. Asking for a consultation once everything has been agreed seems a bit ludicrous to be honest. Why could the childcare workforce not get involved in the decision that the government just puts through. A lot of my childminder friends want to give up and it is such a shame. We are stretched to the limit as it is. We don't even know the rates so just accept it and then we tell you how much you get paid. That somehow doesn't seem right. It is very difficult to find staff already in early years. This is definitely not encouraging a dedicated workforce in the sector.

I do not see the need for 3 tiers for SEND. As a loan childcare provider with a smaller ratio i'm unable to offer one to one care.

I feel it would be better for many providers to include this proportion of funding to the base rate.

As a childminding setting I do not get the same level of support as that of a nursery who can employ support practitioners able of offer one to one to a child.

For my business it would be better to keep the base rate as high as it can be so I can support all children.

#### Childminder

I feel if a child meets the criteria at any age the setting should qualify for a supplement in a way that it can support that child but adding another level seems unnecessary.

What happens to the "contingency fund" should it not be needed or used ??? Will it be reimbursed to all providers as happened previously in Poole.??? This too doesn't seem necessary if we are wanting to keep that 3/4 year old funding at a sustainable level to keep settings open for business for prospective parents.

#### Childminder

I have concerns regarding the massive drop in funding amount from 9 month - 2 year old rates and the 3 and 4 year old funding rates. For a childminder, due to ratio requirements, this will have an impact on there business staying financially viable.

I would like to challenge BCPs decision to take a contingency fund of 1% from under 2's and 3-4 yr old funding rates.

# Childminder

If this is to happen, I feel it should be ring-fenced and, if not used, be refunded to us.

#### Childminder

Ideally, for childminders I'd like to see the 9 month to 3/4 year old funding rate the same rather than the different rates that is aimed at nursery ratios.

# Childminder

Need to be paid in August, have staff wages and bills to pay, especially as most children will be on funding

#### Childminder

Need to have monthly payments that include August, 3 terms of 4 months payments

# Childminder

The monies being retained for 'contingency', I am unable to see what happens to this if it is not needed for the purpose stated. I would presume that it will be reimbursed to providers as before under Poole Council. Whilst I understand that you have to ensure that you give out the information as per government guidelines, as a provider who does not have day to day dealings with SEND funding and funding formula jargon, a briefer, easier to understand version alongside jargon version would be helpful.

#### Childminder

This formula is something new for both: providers and parents. We will see after this year the benefits and the disadvantages.

This should have been sorted before the onset of this term to allow settings to financially plan.

I've been contacted by parents wanting spaces for 2 year olds as they have a code. I cannot commit to accepting funded places if I don't no the financial implications to my business.

#### Childminder

Eg payment dates (I want preferably monthly payment dates for each calendar month so I can financially plan and hourly rate being paid to me.

I'm unsure I can even remain in childcare due to the financial impact. It may well be more financially viable to work any unskilled job with minimum wage increases from April.

With the new funding coming into place the funding amounts changing due to the child's age does not suit well in a childminding setting.

I appreciate they have been appointed in this way because of the way ratio's work within a nursery or larger group setting.

#### Childminder

If there is a way to propose a different way of calculating funding for childminders I think it needs to be looked at because we are unable to take on more children for instance because a child turns 3.

I think most childminders would prefer a set hourly rate across all of the age ranges that would match our hourly rate, this would also stop many having to charge a voluntary consumable sustainability fee alongside funded places for 3 and 4 year olds

- 1. FUNDING IS STILL NOT THE HOURLY RATE OF A PERSON AND IN SOME CASES IT NEEDS TO BE.
- 2. THERE IS LOTS OF TALK ABOUT THE DEPRIVATION AMOUNT WHICH IS 100% NEEDED FOR THOSE FAMILIES BUT WHAT ABOUT THOSE WHO DON'T REALLY NEED IT THE FUNDING SHOULD BE TIERED ..... WHEN YOU HAVE A CLEANER/SHOP WORKER CLAIMING THE SAME AS A HOSPITAL CONSULTANT THERE IS SOMETHING GRAVELY WRONG WITH THE SYSTEM THE FUNDING SHOULD BE BASED ON EARNING YES, BUT NOT AS A £24,000 SALARY CLAIMING THE SAME AS A £99,000 SALARY THAT IS WHAT YOU SHOULD BE GOING TO CENTRAL GOVERNMENT WITH.

# Day Nursery

- 3. THE RATE OF 3% DOESN'T REALLY FALL IN LINE WITH THE INCREASE OF WAGES!!
- 4. WHAT HAPPENS TO THE CONTINGENCY FUNDING IF IT ISN'T ALL USED?

# Day Nursery

3-4 funding is not high enough. We need to be at a position where we can offer the funding without any extras having to be charged

#### Day Nursery

Agree with proposition

# **Day Nursery**

As always, the more that can be added to the Base rate (particularly for 3 & 4 yo children), the more it will help settings to be sustainable and reduce unnecessary costs for parents/carers. Thank you for your ongoing support. We appreciate this is not an easy time for BCP either!

#### Day Nursery

Due to the contingency fund being allocated to BCP, should the overspend not be used, this should be distributed back to providers for parents.

First of all I would like to say thank you to the team as I know from many years experience that it is not an easy task. However, I feel that this year it was not really a consultation more of an information session in an even shorter space of time. The general feeling amongst providers is that the decision has already been made and that it is a tick box for the LA to say they have consulted with providers.

## **Day Nursery**

Please stop changing the EHCP forms. If you are going to review in the future please include Early Years Professionals from Nurseries not just from schools who will have a better understanding of Early Years

1% contingency monies being held back from Early Years. If this is not spent what is BCP's intention? the money should go back into Early Years NOT the DSG pot for everyone.

# **Day Nursery**

Firstly under the proposed formula settings are taking financial risk away from the council (see funding retained page 5). From the funding received the base rate loses between 8 & 9% and this has been presented as an omnipotent bounty for providers when the reality is we have little control over any discretionary, budgetary or professional input.

## Day Nursery

Funding rate needs to be higher to keep us all in business and pay the staff better, staffing is a huge issue. Also the word free funding needs to be removed so parents all know they need to pay a top up: lots of other councils have done this and it's helped providers stay open

## Day Nursery

Happy BCP aren't taking a 5% top slice for admin but would like BCP to only take 1% as per previous budget. I understand that BCP are hamstrung with what they can give and understand it's not their decision on funding amounts

# Day Nursery

I am concerned that the SENIF Team will not be able to cope with the increased workload that this proposal will entail given that they are already struggling. My other concern is that weekly meeting may be unachievable, and this will demoralise an already stressed sector. The eligibility criteria should be reviewed to ensure it is quantifiable and not open to interpretation. In view of the fact that the National Living Wage is increasing by 10% (resulting in a £210k increase on our annual wage bill across the company in order to retain our existing staff and attract new candidates), the proposed (average) 3% gain for Day Nursery providers is not sufficient to support the currently underfunded sector. The contingency should be ring-fenced for the Early Years sector, especially in light of the massive deficit in the DSG.

# Day Nursery

The amount for SEND funding does not cover the cost to the provision.

Day Nursery

The maximum amount possible needs to go towards the main funding rates for children.

#### Day Nursery

There is a vast increase in SEND but what's important also is that staff/families know different strategies, help/support appropriate for the child

Day Nursery

There will always be a financial problem for providers if the base rate does not increase for 3-4 year olds

If the base rate for 2 yr olds and 9-24 months is achievable it is not acceptable when it drops down for 3-4 year olds

Day Nursery	We appreciate the increase in funding for 2 year olds and the new funding for under 2's being at a higher rate, however, the funding for 3 and 4 year olds is still not enough to cover the running costs of a day nursery in order for it to be 'free' without putting nurseries under significant financial pressure. Either the 3 and 4 year old funding needs to be increased significantly or the word 'free' needs to be replaced with 'subsidised.'
Day Nursery	When will the DfE publish the 'updated statutory guidance and amended regulations coming in to force?'
Pre-school	Are we going to receive training / support in preparation for changes in SENIF system. Is it possible to have face to face meeting about changes as before.
Pre-school	In the consultation, a contingency was discussed. I would like to query what happens to that contingency if it is not all used?
Pre-school	It is disappointing to see any decrease at all when we are all faced with so many rises in everything else.  It is concerning that there is a contingency fund needed and I would hope that would be ringfenced and returned if not needed.
Pre-school	Please ensure that the SEND Tiers include clear, concise differentiated criteria for assessment purposes. Thank you.
Pre-school	The figures that have been issued are so wrong. £7.49 to £7.25 is a cut. £4.97 to £5.10 is a 2.75% increase. Wages going up 9.8%. Since 2022 our wages (due to Government increases) have increased by 25%, but the funding has been no way near that figure. Speechless, tired, and running out of ideas on how to survive, we only ever want to break even.
Pre-school	To be accountable for refunding any 'contingency money' if this is taken and but not spent. We are aiming to provide a service for parents and BCP council so we need the support to ensure there are enough funded places. However, we are also running a business that needs to be sustainable. If we are not sustainable and cannot expand then families will not be able to find places that can take them.
Pre-school	We feel very strongly that the 1% contingency should, if not used, be paid back to all providers as a back pay of the base rate. Can we also question is the EYPP and DAF remaining at the same level?
Pre-school	We strongly suggest that the 2p is for base rate funding and taken off the Proposed SENDIF criteria.  We query the contingency fund, the information on this is not transparent. Following the information event evening it was asked how much taking 1% from 3/4 year olds and under 2's would generate. It was surprising that this figure was not to hand, how was this figure decided, is it just a guess?  It seemed, by the expressed communication, that BCP have already made up their mind that this figure will not be enough to cover the unexpected take up and if by some small chance it is that any surplus will be put into the SEND pot. there does need to be a caveat that any surplus will go back to providers. The following comment that was also made is concerning - "we need to make sure we don't have to take any of next years funding to cover the deficit"  We therefore need to consider that if central Government does not cover the free entitlement for all eligible children then once the funding is gone, it's gone. Enabling the Government to continually underfund the LA and providers and for providers to be penalised for an unknown shortfall is completed unacceptable.

Pre-school	we understand the need for a contingency fund but very firmly believe if it is not used then it should be ringfenced for Early Years providers and paid to them in the following year.
Pre-school	Would like a guarantee that the 1% contingency fund is paid back to settings if it is not used.