



Bournemouth, Christchurch and Poole Council

Proposed Changes to the Early Years Single Funding Formula for the Free Early Entitlement for 2, 3 and 4 Year Olds for April 2023 – March 2024

Outcomes of the Consultation

12 December 2022

The Early Years Single Funding Formula consultation paper and online link for response was emailed to 301 childcare providers registered for early education funding within Bournemouth, Christchurch and Poole Council (BCP) on 14 November 2022. Several reminders were issued, including an article in the Early Years and Childcare News bulletin.

Three briefing events were held. Two in person on 21 November and one virtually on 23 November. A further two virtual briefing event were made available on 1 December.

The consultation close date was 11pm, 9 December 2022.

Total issued 301

Type of Setting	Total Issued	Response (Number)	Response (%)
All Respondents	301	96	32%
Childminders	149	24	16%
Day Nursery	75	34	45%
Pre-School	59	31	53%
School Nursery	14	7	50%
Independent Nursery	4	0	0%

Overall, 32% of the sector returned feedback on the consultation. The sector feedback for only groups and school based settings in isolation is 47%.

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

This document also includes any comment left by a provider (anonymised where necessary).

During the consultation period the Council held five briefing sessions and kept a record of provider's questions from each. These questions, and the answers given, were circulated to all providers on 2 December and are included at the end of this document.

Question 1:

Please indicate your support for your preferred option presented in this consultation.

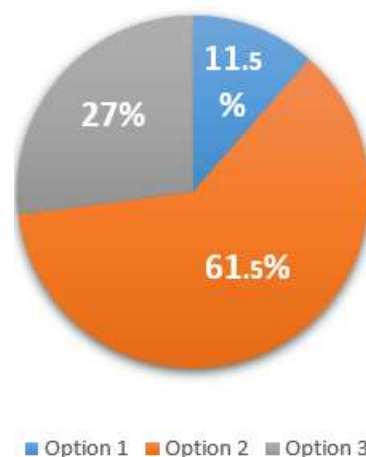
In selecting your preferred option, you may wish to consider the impact of the proposed change in rates on your sustainability and your capacity to meet the demands of children currently eligible for Tier 1 SEND funding and Deprivation funding.

Option 1: Use the potential increase in funding from the DfE to raise the provider base rate by 11p per hour for 3 and 4 year olds and 8p per hour for eligible 2 year olds. Tier 1 SEND rates to be removed and Deprivation supplement to be reduced by 25% to 40p

Option 2: Use the potential increase in funding from the DfE to raise the provider base rate by 13p per hour for 3 and 4 year olds and 8p per hour for eligible 2 year olds. Tier 1 SEND rates to be removed and Deprivation supplement to be reduced by 38% to 33p

Option 3: Use the potential increase in funding from the DfE to raise the provider base rate by 8p per hour for 3 and 4 year olds and 8p per hour for eligible 2 year olds. Tier 1 SEND rates to be removed and Deprivation funding retained at its current rate of 53p.

Type of Setting	Option 1	Option 2	Option 3
All Respondents (96)	11 (11.5%)	59 (61.5%)	26 (27%)
Childminders (24)	4 (17%)	17 (71%)	3 (12%)
Day Nursery (34)	2 (6%)	20 (59%)	12 (35%)
Pre-School (31)	4 (13%)	21 (68%)	6 (19%)
School Nursery Class (7)	1 (14%)	1 (14%)	5 (72%)

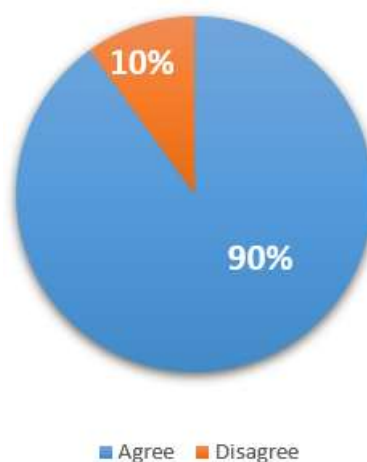


Question 2:

We propose to make no change the current eligibility criteria for the Deprivation Supplement or SEND Tier 2 funding. Also, we do not intend to change the 0.4% retained for Central Services or introduce any further elements into the funding formula.

Do you agree with this proposal?

Type of Setting	Agree	Disagree
All Respondents (90)	81 (90%)	9 (10%)
Childminders (23)	21 (83%)	2 (17%)
Day Nursery (33)	31 (93%)	2 (7%)
Pre-School (29)	24 (80%)	5 (20%)
School Nursery (5)	5 (100%)	0



Question 3:

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

Additional comments shared by providers are presented in the next section.

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

Remarks under Question 1: Option 1

Use the potential increase in funding from the DfE to raise the provider base rate by 11p per hour for 3 and 4 year olds and 8p per hour for eligible 2 year olds. Tier 1 SEND rates to be removed and Deprivation supplement to be reduced by 25% to 40p

Pre-school	Any option that reduces the deprivation supplement will have a devastating impact on our sustainability. Losing Tier 1 will have an impact on how we can support children with SEND and will ultimately reduce the number of children with SEND that we can support in the setting.
Pre-school	To improve sustainability further it may be worthwhile considering removing 2-year-olds from the SENIF altogether until they are 3 years old. It is recognised that Individual child development between the ages of 2 and 3 years old is rapid and as children mature SEN needs become more apparent, particularly nearer the age of 3 years.
Pre-school	We only ever have a few children eligible for deprivation funding so the more money in funding for us may help us with staying open for the future especially with minimum wage going up in April.
Pre-school	If the funding was only increase by 8p per hour for 2 years and 11p for 3 & 4 year olds, I fear we as a setting would have to close. We are a church run setting so look to make no profit, as it stands we can only just survive. With the increase in outgoings, but most of all the increase in the wages bill we would not be able to continue unless the funding is increased.
Pre-school	We have a lot of children on SEN Tier 2, we are one of the only pre-schools in this area actively taking all children regardless of their needs. We have no children on Tier 1 so this does not affect us this year, and as part of the way we run our setting the child who would usually qualify for Tier 1, we would be doing anyway as part of our regular work with all children who receive additional targeted support whether we would receive Tier 1 support for them or not. We also have a lot of children who get the deprivation supplement so for us we would not like this to change. We would only welcome a change to this if it was to go on Provider postcode again, as this was very beneficial to us being where we are based.
Pre-school	Finding it impossible to continue to offer childcare with such low rates paid to the Providers

Remarks under Question 1: Option 2

Use the potential increase in funding from the DfE to raise the provider base rate by 13p per hour for 3 and 4 year olds and 8p per hour for eligible 2 year olds. Tier 1 SEND rates to be removed and Deprivation supplement to be reduced by 38% to 33p

Day
Nursery

The sector actively pursues a policy of early intervention meaning that children with additional needs are identified early, that referrals to other agencies are made and additional support is put in place. All this is done without any financial support which results in longer term savings and there is strong evidence to suggest that early intervention prevents children from escalating through the SEN “system” to the point that they add to the financial drain on the High Needs Block. This is therefore already a significant but unseen financial contribution to the HNB.

Providers are in the main aware that there is a limited pot of money coming in from central government and that this consultation is an exercise in how to best share out the extremely limited amount of money that there is. The borough however does need to recognise that the base rate is the only “secure” funded income that providers receive and that whilst ethically and morally no one wants to take funding streams (deprivation and SEN) away from children who need it most that is the only way that the base rate is going to be increased to any reasonable level.

We as a sector already support children of deprivation holistically with our time and energy without financial gain in order to reduce gaps in learning. This is a vocation and not just a job; however that dedication is often taken advantage of and as a sector we are under appreciated.

Pre-school

We have a lot of children on SEN Tier 2, we are one of the only pre-schools in this area actively taking all children regardless of their needs. We have no children on Tier 1 so this does not affect us this year, and as part of the way we run our setting the child who would usually qualify for Tier 1, we would be doing anyway as part of our regular work with all children who receive additional targeted support whether we would receive Tier 1 support for them or not. We also have a lot of children who get the deprivation supplement so for us we would not like this to change. We would only welcome a change to this if it was to go on Provider postcode again, as this was very beneficial to us being where we are based.

School
Nursery

Whilst no option is ideal, this option will have a significant detrimental impact on the most deprived children and the most settings. I do not think that worsening support for this cohort of children is a workable solution and just kicks issues further down the road where they may have grown further. It will also impact on sufficiency as many providers will use the funding to support staffing. Too many providers are already closing and this will worsen the situation.

Remarks under Question 1: Option 3

Use the potential increase in funding from the DfE to raise the provider base rate by 8p per hour for 3 and 4 year olds and 8p per hour for eligible 2 year olds. Tier 1 SEND rates to be removed and Deprivation funding retained at its current rate of 53p.

Childminder	<p>An increase of only 8p is derisory. The amount of deprivation we get is minimal, and not at sustained numbers. Why is Tier 1 SEND funding being reduced? We have found this very helpful in the past.</p>
Day Nursery	<p>It is widely recognised that Providers are increasingly unable to accommodate children with SEND due to underfunding and ongoing staffing/recruitment crisis. But we are regularly asked to accommodate new children with SEND with no or very little funding. We already accommodate an increasing number of children within our settings additional needs who do require support for which we are unable to qualify for funding for them. We have to fund this ourselves.</p> <p>Why are children with more complex needs being supported by the SENIF and not the High Needs Block as the guidance from the government clearly states?</p> <p>Most definitely all 2 year olds should be funded from the High Needs block and if this is not deemed affordable sadly it has to stop. It is not deemed statutory by the government and therefore cannot be taken from the Early Years with the current crisis of funding any longer.</p>
Pre-school	<p>Sadly, it doesn't really matter if the increase to the base rate is 8p or 13p, this level of funding will NOT be sufficient to keep this setting alive. WE WILL CLOSE at the end of the academic year, if not sooner, if something is not done to support the PVI settings.</p> <p>Most of our children benefit from SEND and Deprivation funding, by removing/reducing this funding you are hitting those that need the most support, the hardest.</p>
Pre-school	<p>If the funding was only increase by 8p per hour for both 2,3 & 4 year olds I fear we as a setting would have to close. We are a church run setting so look to make no profit, as it stands we can only just survive. With the increase in outgoings, but most of all the increase in the wages bill we would not be able to continue unless the funding is increased.</p>
Day Nursery	<p>It is wonderful having high ideals and principles, BCP cannot reasonably expect the early years sector to foot the bill given the ongoing underfunding crisis and all of the associated issues that arise from that. BCP must be prepared to put money into the funding pot too.</p>
Pre-school	<p>As already said we only have a few children eligible for deprivation funding so more money in the 2,3 and 4 year old funding would be more beneficial for us.</p>

Remarks under Question 2: No further changes

We propose to make no change the current eligibility criteria for the Deprivation Supplement or SEND Tier 2 funding. Also, we do not intend to change the 0.4% retained for Central Services or introduce any further elements into the funding formula

Childminder	Less money needs to be retained by BCP and easier access needs to be given to providers to get advice on potentially SEND children in their settings. Children's centres need to be inclusive to childminders and provide more sessions and support as most are unable to identify SEND children owing to no funding for training in being able to do so. This system fails children who rely on us to give them the best start to life.
Childminder	Take away or minimise the deprivation supplement to raise the base rate.
Day Nursery	I believe the 0.4% retained for central services should be decreased and all government funding should be passed to the parent (via the provider)
Day Nursery	By removing Tier 1 for SEND, this will leave settings at a loss supporting children who do not meet the criteria for Tier 2. Tier 2 SEND criteria should be lowered
Pre-school	Raise the base rate otherwise there will be no preschool/nursery for the children to attend. As they will close
Pre-school	Retaining the 0.4 % is not something that I would agree with.
Pre-school	We have 4 children with SEND Tier 2 funding (this is 15% of our children). It is not sustainable for us to continue bridging the gap between what we get and what is costs to provide support.
Pre-school	BCP has its ideals to support all 2,3 and 4 year olds with SEND. However, with such financial vulnerability within the sector the council can no longer continue to put their ideals onto providers by continuing to support funded two year olds with SEND, which is not a statutory requirement. This of course does not sit well with our own ideals and inclusive practice but the alternative is possible closure. Those identified 2 year olds with SEND will have access to other BCP Local Offer Programmes that will continue to support them and prepare them for an Early Years Setting until their 3 year old funding commences and they can be fast tracked through SEND support.
Pre-school	Perhaps BCP Council should consider operating a setting for 2 year olds with SEND. It should be noted that a 2 year old who would qualify for Tier 2 SEND funding would be significantly delayed by 4 or more areas. Additional support funding only provides some support for a child when it is likely that that two year old would need more than some support resulting in the setting plugging the gap.
Pre-school	Hold all changes to funding until at least we have got through the cost-of-living crisis. Not remove Sen tier 1 funding the term before the children are due to start school.

Remarks under Question 3: Any other comments

Day Nursery	The LA MUST do more to reduce business rates for early years settings. It is unacceptable and unfair that we have to pay, especially the increase of 69% I will have to pay next year! Daylight robbery!
Pre-school	More money on base rate
Pre-school	We have 4 children with SEND Tier 2 funding (this is 15% of our children). It is not sustainable for us to continue bridging the gap between what we get and what is costs to provide support.
Pre-school	Any money paid to BCP to access any form of Early Years SEND training by providers or schools, does this money go back into the SENIF fund? Also there was a policy change that an allocated BCP Early Years SENCO could continue to support a child with SEND to transition into reception class, does this time and resource continue to funded out of the SENIF fund? Although these children are still Early Years children, should there be some contribution from the schools to support this service.
Childminder	The higher base rate is better as all children receive this.
Day Nursery	This is a vocation and not just a job; however that dedication is often taken advantage of and as a sector we are under appreciated.
Day Nursery	With regards to send and two year olds. In an ideal world where Early Years is funded correctly support for send two year olds if not all two year olds maybe a ;possibility at the right funded rate. However, it is NOT a statutory requirement and therefore under these very difficult times to avoid settings closing or not being able to take children NO monies should be paid from the SENIF funding pot towards this. All monies SHOULD go towards the base rate to provide ALL funded children a quality start in their early education. Funding of £6.30 is not sufficient to cover a member of staff at present for these children with more complex SEN but we do the best we can because we care about the children. If BCP want to go down this road of funding Sen two year olds then the higher level of Sen funding should come from the Higher Needs Block. at the minimum wage rate to cover a member of staff so settings aren't paying out of their own budgets.
Day Nursery	Our rateable value has increased by 75% from April 2023, the National Living Wage is due to increase by 9.7%. Energy costs have tripled, and foods costs are going up. We are currently in a staffing crisis and, nationally, are heading for a recession. We are therefore unable to increase our fees to parents to cover all these extra costs. From January we will be reducing our overall capacity due to staffing. We are seeing an increase in children entering the nursery with increased needs due to the pandemic; as a setting we are expected to arrange and attend meetings, often at short notice, to support the families, taking staff out of ratios and away from the children. All research shows that early intervention results in better life chances but we can only do this with a higher level of funding and support. Whilst we acknowledge the comments with regards to the reason why the Tier 2 costs have not increased since 2019, the contribution towards the additional costs incurred in providing the correct support for SEND children is decreasing in real terms.
Day Nursery	How much saving is made having removed the Tier 1 SEN funding and where has this money been redeployed? Having determined that it is not mandatory to fund 2 year old SEN children, how much additional saving could be made here? Given the poor level of funding on the base rate and the deficit in the SEN fund, why are the LA not cutting unnecessary spending (2 yr SEN) and doing all they can to make improvements in the statutory areas.

Day Nursery	I hope whichever option is chosen will help to relieve the dire situation of underfunded settings who may have to close if they are no longer viable-parents are struggling financially but we cannot offer a service which we cannot sustain
Day Nursery	I do not believe that the SENIF funding for 2 year olds should be funded as it is not a statutory requirements
Day Nursery	We hope government will soon see how many settings are struggling with chronic underfunding & settings closing everyday. We are thankful for the sub-committee being our 'voice' for the sector in partnership with BCP & whatever financial support BCP are able to pass on to settings will be greatly appreciated & help to maintain required childcare places across the Boroughs.
Day Nursery	Our rateable value has increased by 93% from April 2023, the National Living Wage is due to increase by 9.7%. Energy costs have tripled, and foods costs are going up. We are currently in a staffing crisis and, nationally, are heading for a recession. We are therefore unable to increase our fees to parents to cover all these extra costs. From January we will be reducing our overall capacity due to staffing. We are seeing an increase in children entering the nursery with increased needs due to the pandemic; as a setting we are expected to arrange and attend meetings, often at short notice, to support the families, taking staff out of ratios and away from the children. Based in an area of deprivation, we not only see an increased level of SEND children but also an increased number of children with additional social care needs. This results in more staff time, attendance in meetings and completion of paperwork. All research shows that early intervention results in better life chances but we can only do this with a higher level of funding and support. Whilst we acknowledge the comments with regards to the reason why the Tier 2 costs have not increased since 2019, the contribution towards the additional costs incurred in providing the correct support for SEND children is decreasing in real terms.
Day Nursery	The National Living Wage is due to increase by 9.7% and our rent is due to increase by 18.1% from January. Energy costs have tripled, and foods costs are going up. We are currently in a staffing crisis and, nationally, are heading for a recession. We are therefore unable to increase our fees to parents to cover all these extra costs. From January we will be reducing our overall capacity due to staffing. We are seeing an increase in children entering the nursery with increased needs due to the pandemic; as a setting we are expected to arrange and attend meetings, often at short notice, to support the families, taking staff out of ratios and away from the children. Based in an area of deprivation, we not only see an increased level of SEND children but also an increased number of children with additional social care needs. This results in more staff time, attendance in meetings and completion of paperwork. All research shows that early intervention results in better life chances but we can only do this with a higher level of funding and support. Whilst we acknowledge the comments with regards to the reason why the Tier 2 costs have not increased since 2019, the contribution towards the additional costs incurred in providing the correct support for SEND children is decreasing in real terms.
Day Nursery	There are a number of settings (which I guess will only increase) that are choosing 'not' to provide care for children with complex SEND needs, resulting in some settings becoming saturated with SEND children as parents desperately seek support. This is 'not' inclusive practice as these are amongst some of the most deprived children....and I find this a very hard pill to swallow because that goes against the entire ethos of early years and being inclusive. The amount of parents we have who visit, say 'we went to visit a setting down the road and they said they have no experience in X,Y,Z so to come and visit you'...is wrong...as everyone has access to the same training!

Day Nursery	<p>BCP 2 year old SEND funding is not mandatory and should be considered to be scrapped and added to the base rate.</p> <p>Additionally All SEND payments should come from the HNB and not the base rate, to increase the base rate.</p>
Pre-school	Fully agree with tier 1 cancelled.
Pre-school	It again saddens me that NMW went up 9.7% and funding hasn't had the same increase. Meaning we will again be putting these costs on to parents to make up from their increase in salary and benefits which is kind of Nauru the NMW useless.
Pre-school	More money is needed in funding rates to ensure that smaller settings can continue to stay open as well as larger organisations. With wages increasing the amount of funding is not at the same level.
Pre-school	We are massively struggling in this sector and are currently running at a loss. We feel that as the council are not obliged to fund 2-year-old spaces, that money would be better spent providing a better base rate for our 3- and 4-year-olds. Also, it is extremely difficult when those two-year-olds have an additional need. The SEN funding should be taken from the high needs block.
Pre-school	We are very pleased that BCP are continuing to recognise the importance of supporting 2-year olds who qualify for SEN2 funding. These children make up the majority in our setting currently and have done for many years now. It is nice to see/hear that even though BCP Council do not have to support our 2-year olds with SEN, they choose to do so, as that shows there is a commitment from them to work alongside and support us to get all SEN children as early as intervention as possible, to support their development needs as we move forward through their early years.
Pre-school	<p>The preamble of the consultation document touches on the principles which underpin the work of both the Council and the sector to promote fair access and assist the LA in championing the needs of vulnerable children and families.</p> <p>However it has been established that there are "Red Lines" e.g., what BCP will/won't sign off on. This in effect makes this less of a consultation and more of a Hobson's Choice.</p> <p>Whilst it is wonderful that BCP has high ideals and principles, BCP cannot reasonably expect BCP's early years sector to foot the bill for those ideals given the ongoing underfunding crisis and all of the associated issues that arise from that. Neither should BCP expect parents to prop up inadequate funding through private fees. If BCP wishes to persist with these high ideals then BCP must be prepared to put money into the funding pot too.</p> <p>There appears to be a dearth of councillors and council officers offering to take pay cuts to fund their ideals but it would appear that BCP is more than willing for PVI early years providers to take the financial hit yet again. This consultation response seeks to "encourage" BCP to explore other ways of increasing the local base rate. BCP's intransigence in respect of their "Red Lines" means that this consultation has been a missed opportunity to do just that, given that BCP have elected to put the needs of a "balanced budget" before the needs of the youngest children of the borough.</p> <p>Outside of the 3 "deliverable" options being proposed this consultation response would urge the council to re-consider their "Red Line" in respect of the SEN Inclusion fund (SENIF) funding. Splitting the funding for early years SEND between the Early Years Block and the High Needs Block (HNB) could result in a better provider base rate whilst retaining both Tier 1 and Tier 2 funding for the borough's early years SEND children.</p>

Government guidance, namely "[Guidance Early years entitlements: local authority funding of providers operational guide 2022 to 2023](#)" published 25 November 2021 clearly states that:

"5.3 Special educational needs inclusion fund (SENIF)

Local authorities are required to have SENIFs for all 3 and 4-year-olds with SEN who are taking up the free entitlements, regardless of the number of hours taken. These funds are intended to support local authorities to work with providers to address the needs of individual children with SEN. This fund will also support local authorities to undertake their responsibilities to strategically commission SEN services as required under the Children and Families Act 2014."

Currently BCP also use the SENIF to fund the SEN of funded two year olds – this is not a statutory requirement and is not something that BCP's PVI sector can afford.

Approximately 15% of the SENIF pot funds the SEN of funded two year olds. As this is a BCP "ideal" then rather than impose this on the PVI sector if BCP wish to continue with this non-statutory funding then serious consideration should be given to funding these needs from another pot; perhaps the HNB or not funding the SEND needs of funded two year olds? Unfortunately the latter option could result in PVI providers being unlikely to be able to accommodate funded 2 year olds with SEND as the adjustments that would be needed would be beyond reasonable without financial assistance.

Furthermore, the guidance considers the issue of "Sources of funding" and clearly states:

"Local authorities should establish their SENIFs using funding from the early years block and/or the high needs block of their DSG allocation."

Currently BCP funds the SENIF wholly from the Early Years Block claiming that to take funding for this from the HNB would not fit with their plans to attempt to reduce the HNB deficit. There is no realistic end to the HNB deficit issues, not just in BCP but other local authorities, given the Government's woeful underfunding of this pot. However, Government have previously put additional funding into the HNB in a sticking plaster attempt to shore up the overspending and it is quite reasonable to expect them to do so again. BCP should also consider whether they are misappropriating funds from the Early Years Block to pay for early years SEND that should rightly be paid from the HNB.

Again considering Government guidance, the Eligibility paragraph of section 53 states:

"Local authorities should target SENIFs at children with lower level or emerging SEN. Children with more complex needs and those in receipt of an education, health and care plan (EHCP) continue to be eligible to receive funding via the high needs block of the DSG.

This would suggest that the SENIF should be funding the needs of SEN children currently meeting the lower Tier 1 criteria whereas the HNB should be funding the needs of SEN children currently meeting the higher Tier 2 criteria.

Lower level or emerging SEN cannot reasonably be a descriptor applied to children with SEND needs placing them 12 months and more behind their chronological age.

Moreover, BCP's [Additional SEND Payment Policy](#) would appear to be in direct contradiction of that Government guidance as it states that:

"1.6 Additional SEND payments are intended to support children as part of the graduated response at either Universal Plus / Partnership Plus Level, as defined in the Early Years Graduated Response Toolkit."

The policy defines Partnership Plus: “The highest level of SEN support where more specialist approaches are sought, despite implementing Universal Universal Plus interventions / support. Children / young people at this level will be on SEN Support and some may be supported through multi-agency assessments.

Surely needs at the highest level of SEN support should be funded from the HNB and not the SENIF.

This consultation response therefore asks:

Is using the SENIF to fund “The highest level of SEN support” compatible with the government guidance which states that the SENIF should be used children with lower level or emerging SEN?

Why is the SENIF being used to support children with more complex needs rather than the High Needs Block?

Given that BCP is fully aware of the impact that underfunding of the “free” offer is having on the early years sector nationally and locally it is still appropriate that it is using the SENIF to fund the SEN of funded 2 year olds when this money could be used to increase provider base rates? This is after all not a statutory requirement!

BCP is fully aware that BCP PVI providers are increasingly unable to accommodate 2, 3 and 4 year olds with SEND as they are unable to meet their needs as a result of underfunding and ongoing staffing and recruitment issues. Given that this is the case what plans do BCP have for any underspend of the SENIF that may arise as a result of children with SEND not having access to early years provision in the borough? Alternatively what plans do BCP have in place to fund alternative provision for these children?

Finally have BCP given any consideration to the increased SEND costs that will be needed when the borough’s youngest children reach mainstream provision having neither had their SEND needs identified early or any early interventions used to support their learning and development at the earliest opportunity. At best the current approach is a false economy, at worst if fails the very youngest children in the borough.



Early Years Single Funding Formula 2023-24

Provider Consultation Briefings

(Note that these minutes reflect the 5 briefing presentations, with providers questions from the events combined)

DATE/TIME:	Monday 21 November 2022 4.30pm & 7.00pm Wednesday 23 November 2022, MS Teams Virtual Event, 6.30pm Thursday 1 December 2022, MS Teams Virtual Events, 4:30pm & 6:30pm,
VENUE:	BCP Queens Park Learning Centre, 21 November MS Teams Meeting, 23 November MS Teams Meetings, 1 December
MEETING CHAIR:	Tanya Smith, Head of Service – School Planning and Admissions
PRESENT:	Amanda Gridley – Early Help Services Manager (Education) Steve Ellis – Management Accountant – Children’s Services (Education) Iwona Onik – Early Education Funding Team Manager Darren Buckley - Senior Childcare Sufficiency and Funding Officer BCP Day nurseries, preschools and childminders
APOLOGIES:	n/a

ITEM	SUMMARY OF DISCUSSION FOR EACH ITEM AND THE OUTCOME	ACTION
1.	<p>Welcome, Apologies and Introductions</p> <p>TS welcomes providers and BCP officer representatives introduce themselves.</p>	
2.	<p>Presentation for providers</p> <p>TS introduced the PowerPoint presentation setting out the options for consultation for the EYSFF for 2023/24. SE highlighted the key points in each of the options. The slides are attached.</p>	

3.

Questions from providers

Questions were taken during the course of the presentation and again at the end. A record of questions and answers taken at both sessions are set out below.

1. Question: In respect of the cost to deliver SEN, how does the Council know that the £6.30 and £2.00 SEN rates are set at the right level and why is the Council's focus on SEN?

Response: The SEN rates were set at BCP's formation in 2019 in conjunction with providers. It is acknowledged that the rates have not increased since. The reasoning being that any increase in these rates would lower the potential base rate paid for all children and an increased SEN funding at the expense of the base rate was not popular with the sector. Local authorities are required to have SEN inclusion funds for eligible 3 and 4 year olds. Locally, this is funded from the Early Years block and the pressure/demand on this fund impacts on how the funding is allocated within the formula.

2. Question: What would happen if the DfE's funding settlement was higher or lower than the illustrative figures used in this consultation?

Response: It is possible that the actual amount will be higher/lower. Should this be the case, the Council would pro-rata any change against the formula.

3. Question/Comment: There is an ongoing increase in SEN children but providers cannot afford to increase staff with these levels of funding.

Response: The Council recognise that the sector is very much in crisis and understands that issues faced across the sector including staffing, skills and recruitment, increased number of children with SEN, complexity of needs, funding and cost pressures and the impact of the pandemic. The Council meet regularly with the DfE to share information and intelligence from the sector and the DfE use this information to feed into policy and decision making.

DfE response

The Council reported that it has met with DfE since the Early Years Leaders and Managers event on 29/9/22 to share the issues/solutions document submitted by BCP providers. The DfE liaison team agreed to share this with their policy team. The Council requested a formal reply from DfE and look forward to the response shortly which will be shared with the sector. The DfE representatives were going to find out who best might respond and were reluctant to second guess who might be best able to respond.

4. Question: Is there a timescale for the DfE response to provider concerns?

Response: No, though there is a further meeting with DfE mid-December when we will receive an update.

5. Question: Last year, the Council had a preferred option so why did the Council bother to do a consultation?

Response: The views of providers is important in the decision-making process. All options being considered must achieve a balance of interests and the Council's preferred option last year helped best achieved this. However, the Council acknowledged in the report to the Forum last year that there was no one best option to apply in 2022/24. The process of developing and formulating options for this year's consultation has been very different. There has been in- depth discussion with the sub group resulting in agreement about the options for consultation for 2023/24. This means that all options are deliverable and there is no one preferred option. All responses to the consultation will be important in determining the option recommended. If there is a majority view in favour of Option 1, 2 or 3, there is no reason why this wouldn't be recommended in the report to Forum. It will be for members to approve the recommended option though Officers are unable to pre-empt the outcome of formal reports.

6. Provider's comment: Providers already subsidise, through, for example, undiagnosed children who are therefore not yet funded. It is insulting that the Council offer low SEN funding rates.

Response: The rationale for reducing T1 SEN rate is that a higher base rate will help support reasonable adjustments and drawing in support from other sources/being jointly creative will be important in meeting need. The increased demand arising from higher numbers of children requiring support puts pressure on the formula since any increase in SEN funding rates will intensify pressure on the base rate.

7. Question: Why has the Council decided to continue with the SEND funding for 2 year olds when there is no statutory requirement to do so? The following information is requested: how many 2 year olds receive SEND funding, how much they are costing, therefore how much could be saved if they weren't receiving the SEND funding?

Response: AG reported SEN 2YO funding was started at the request of providers in 2018. These data will be collated and shared. About 15% of all SEND funded children are 2 year olds.

8. Question: If providers are not accepting SEND children due to lack of funding/staff etc, what happens with the unspent money?

Response: This circumstance would ease pressure on the budget though it is important to be clear that is highly unlikely that this would result in unspent/underspending compared with the total funding available in the early years block/SDG. This reflects that there is pressure on the SENIF that arises from demand from increased numbers of children with SEN needs, there is a projected shortfall of £400k.

9. Question: Why can't the SEND funding be taken out of the High Needs Block?

Response: The pressure on the HNB is already significant and the Council operates with a High Needs deficit. The Council has a High Needs Recovery Plan to reduce the deficit and major transformation is planned to develop a sustainable service. Further pressure on the HNB would be counter to the Council's aim to contain the deficit as much as possible.

Comment: The main need of SEND for 2YOs is health, so why is the Council not linking into Dorset Health for money?

Response: We continue to work with our partners in health across Children's Services to meet need.

10. Question: As the SEND tier 1 will be removed, what additional support will be there for speech and language children?

Response: In developing the options for consultation, it was agreed that needs at T1 level could be met by making reasonable adjustments and that a higher base rate could help in this (although it was acknowledged by both the Sub-group and the Council that this is by no means a perfect solution). It was noted that the cost of some individual placements for children with SEND, particularly out of area independent places is often, significant. Providers are encouraged to reflect this in responses to the consultation.

11. Question: What is the process for the publishing of funding rates?

Response: It is planned that the EY Sub-Group will meet before the information is released to all providers. It was reiterated that the EY Sub-Group and the Council are very much working in partnership and that the Sub-Group are representatives of providers.

12. Question: Does this mean that all providers will receive a copy of the consultation responses because some providers feel that the Sub-Group have an agenda and are not representative?

Response: The Council is able to share and be open about the consultation responses. There is no value in withholding information and the sector are welcome to see the outcome. The Sub-Group operates as a conduit and this year, the partnership between the Council and Sub Group has been productive.

13. Comment: It was noted that last year that there was not enough input from providers and that more providers need to put forward their views this year. Less than 20% of providers have responded to the Consultation document for 2022/23.

Response: A reminder of the deadline for responses to the consultation will be sent to providers to help maximise the response rate. The Sub Group has

a role in encouraging providers to respond and relay the importance and value of consultation – particularly reflecting the role of the Sub Group in the development of options this year.

14. Additional charges: A discussion took place surrounding additional charges. A participant asked if the Council would support providers who charge consumable charges. Officers confirmed that the Council already provide support, e.g., by removing the word ‘free’ from all publications. The Council is unable to support unlawful practice. All providers must provide funded places in accordance with the DfE requirements and are encouraged to be transparent with parents when producing invoices and in their funding policies.

15. Question: Will there be any change to the criteria for the SEND tier 2? This may impact if more children who would have been at tier 1 enter the tier 2 band.

Response: There are no plans to change the criteria, however providers are welcome to include their concerns within their consultation response.

16. Question: We have noticed a huge increase in children with SEN especially due to Covid. The government know this so why are we considering reducing or removing funding for them?

Response: Unfortunately, the total amount of funding available from government is limited and very difficult decisions are needed. There is no one option that delivers everything we need. These options provide a trade-off between low level T1 SEN need and an increase the base rate for all providers.

17. Question: I’m receiving daily visits from parents of SEN children that can’t find a place elsewhere as they’re being turned away. What is being done about this?

Response: We are aware that some of our parents are finding access to local places increasingly difficult. We are working with Portage, First response teams and Early Help/SEND colleagues to assist parents/carers. The Council understands the financial pressures and difficulties faced and Officers continue to provide feedback to the DfE.

18. Question: How many Tier 2 funded children go on to a specialist school?

Response: From last year’s cohort (i.e., children currently in reception) around 20% of children went on to specialist schools (Maintained and non-maintained)

19. Question: how many children receive deprivation please across BCP? in my setting its very high I would say off top of my head 70%

Response: Around 28% of children but around 25% of the hours from the EYSFF

20. Question: Can I ask how much BCP are planning to reduce their deficit for their HNB and can some of this be deferred to another year?

Response: The deficit is growing annually due to the increasing demand. As mentioned, the Council is working to implement its High Needs Recovery plan to contain the demands on high needs and create a sustainable service. The budget deficit increases annually so there is no opportunity for deferment.

21. Question: Are there any plans to remove the reduced funding for 4 year olds starting school? Lots of parents have been upset by this. I understand that Dorset council may be doing this differently?

Response: With the stretched offer for children that have four or five terms of entitlement, because children can't achieve a second full year of stretch, their hours are capped to the equivalent of those using the maximum term time entitlement. This occurs in the final one or two terms of their four or five term stretch. There are no plans to change this currently. Dorset do things differently insofar as in that council the capping occurs in the first or second term of a four or five term stretch, so the same as BCP, but at the start of the child's entitlements claim.

22. Question: Is there going to be an increase in SEND funding next year?

Response: The Council receives funding from government. There is no indication about future funding levels at this time. We understand that there is an increase in needs, especially due to our 'Covid babies' now entering early years settings. We have seen about a 24% increase in SEND.

23. Question: I think the option that I will choose won't be as popular, so won't get through. Do we find out the consultation results before it goes to Schools Forum?

Response: The responses from the consultation will be collated and shared with providers. We will show responses by type of setting. The outcome of the consultation will inform the recommended option in the report to Schools Forum.

Following the consultation briefing sessions on 21 and 23 November, there were two more sessions made available:

1 December afternoon for all group providers: no participants

1 December evening for childminders: one participant.

Comment from the participant: the session was very informative and helped to understand the consultation process and options presented.

