



**Early Years Consultation on a Local Funding Formula
for 9 months – under 3-year-olds**

Summary Report

January 2024

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Education Support Services

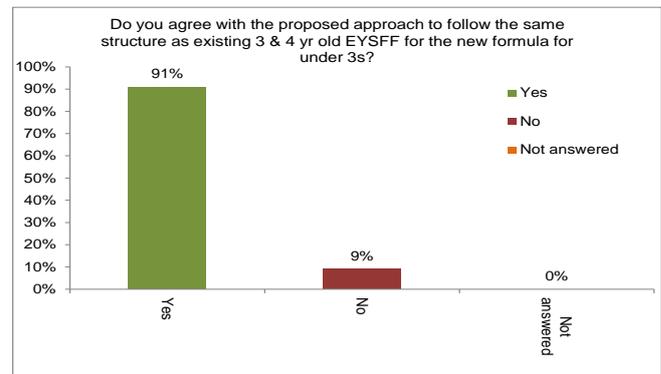
The consultation ran from 18th December 2023 until 17th January 2024 and was shared with providers in all sectors. 33 responses were received, 6 from day nurseries, 4 from pre-school playgroups, 21 childminders and 2 school nurseries. This is a response rate of 17.5% across all setting types.

Responses received:

Provider Type	Number of responses	Number of settings	Response rate
Day Nurseries	6	39	15%
Pre-school Playgroups	4	26	15%
Childminders	21	96	22%
School Nurseries	2	27	7%
Total	33	188	17.5%

Question 1: Overall, do you agree with our proposed approach of following the same structure as in the existing 3 & 4-year-old Early Years Single Funding Formula for the new formulae for 2-year-olds and 9 months to 2-year-olds?

	Responses	
Yes	30	91%
No	3	9%
Not answered	0	0%



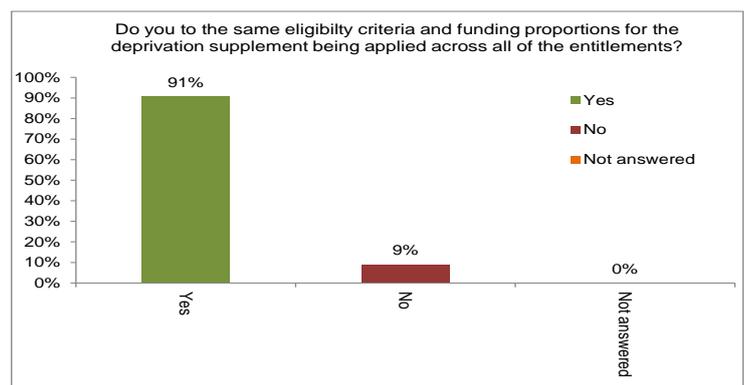
Responses by sector type

	Yes		No	
Day Nursery	4	13%	2	67%
Pre-school Playgroup	4	13%	0	0%
Childminder	20	67%	1	33%
School Nursery	2	7%	0	0%

DN	No	Making each term 12.67 weeks causes too much of a discrepancy - particularly highlighted with the last term being 15 weeks long and the current term being only 10.
CM	No	I feel we should be paid for the actual amount of weeks in the term rather than 12.67 weeks
CM	Yes	Very unsure why there is such a difference between rate of age groups though
CM	Yes	The formula structures sound very reasonable. However monthly payments instead of termly payments will be essential to childminders when more of our clients are accessing funded hours.
DN	No	additional costs saving such as 0% VAT status could help achieve further funding so its not top sliced.

Question 2: Do you agree to the same eligibility criteria and funding proportions for the deprivation supplement being applied across all of the entitlements?

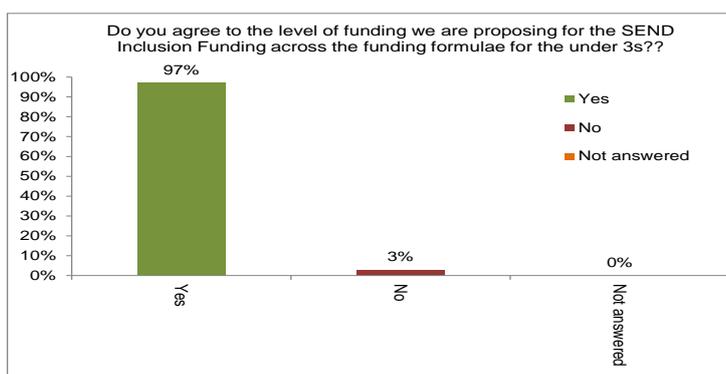
	Responses	
Yes	30	91%
No	3	9%
Not answered	0	0%



DN	No	Completely agree with the proposed Pupil Premium allocation. As the deprivation supplement is not means tested we would be in favour of scrapping this with the proceeds being put toward an increased hourly base rate in order to minimise the gap in funding that York has compared to the significantly higher funding rates being apportioned to other LAs.
CM	No	The deprived children should receive a higher rate
CM	Yes	Yes, this makes sense. However given the proportion of total funded hours for providers including deprivation supplements, monthly payments will be essential in order to offer spaces to children

Question 3: Do you agree to the level of funding we are proposing for the SEND Inclusion Funding across the funding formulae for 2-year-olds and Under 2-year-olds?

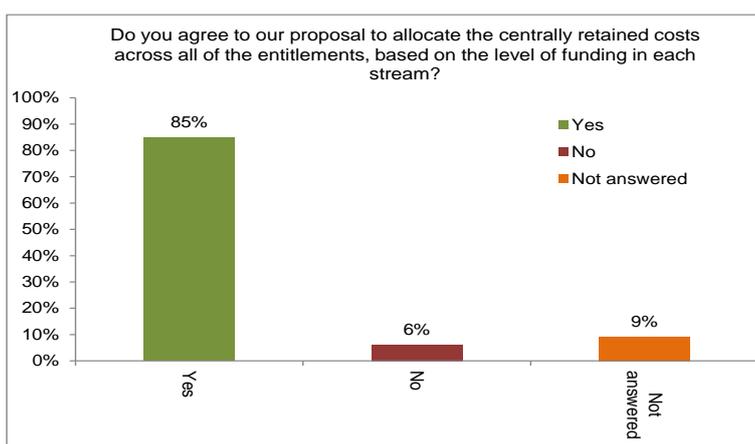
	Responses	
Yes	32	97%
No	1	3%
Not answered	0	0%



CM	Yes	I don't have any so don't know what it is. Need more info
CM	Yes	Yes, the level of funding for SEND inclusion makes sense. However to provide sustainable places for SEND, we must change to monthly instead of termly payments.
DN	No	and access to it is insufficient

Question 4: Do you agree to our proposal to allocate the centrally retained costs across all of the entitlements, based on the level of funding in each funding stream?

	Responses	
Yes	28	85%
No	2	6%
Not answered	3	9%



CM		I don't understand the question
CM	No	I think we should get the full amount
DN		Unsure
CM	Yes	Yes, the centrally retained costs are essential to the high quality of support we receive in York for early years. However monthly payments instead of termly will be a huge benefit to childcare settings staying open and providing spaces.
DN	No	No as the top slices on 3&4 year funding impacts too much on rates

Additional Comments

DN	Looking at the national average funding figures, York is way behind other areas of the country and this makes a competitive childcare offer far more difficult to deliver here.
CM	The survey information and questions are hard to understand. I cannot fully answer based on the information you have given us. The main concern is the funding paid for 12.67 weeks. Parents think they get 15 hours a week and this makes us lose out especially in the autumn term. The funding being paid termly in 2 amounts is simply not working for childminders especially those on universal credit. I understand there may be plans in place to eventually move to monthly payments. If we could please be kept up to date with this as from September it is possible a lot of childminders on universal credit are going to lose Universal Credit payments the months the funding is paid when most of our children will be funded. The months funding isn't paid we won't be meeting our minimum income floor and this is just not sustainable.
CM	It seems a tad complicated. A simpler version would be better. We are lucky to have you at the end of the phone and appreciate this. There's no section about the time to be paid. If it was a set time each term 30th Aug for Autumn term, 30th December for Spring term. It would be easier. Just bringing the the estimates forward. Our rates a a lot lower than other counties. It's a huge drop from 2 Yr old and 3/4 Yr old wouldn't it make more sense averaging it out. And if you only had just 3 year old, your wage will be lower.
CM	Childminders should be able to claim funding for family members just as nurseries can
DN	Please ensure that the amounts taken off for deprivation, SEN and centrally retained costs do not become too high, in that the funding amount per hour for all children is at an amount that is required to care for them.
CM	Sorry don't understand last question.
CM	I think funding rates should be equal, we should get the full amount and the way it is paid to us, 85% up front weeks into term is NOT going to be viable for childminders. In order for childminder to accept the funding the way in which we are paid needs to change. Monthly or weekly
CM	Providers should be paid this money monthly otherwise this isn't viable or if it can't be paid monthly with the inputting of details on the portal then at least the majority of it should be paid at the start/before the term and not a quarter/half way through the term like normal. Many providers will be on this funding come April and this won't help pay bills especially for childminders who rely on their monthly invoices.
CM	I strongly urge the council to invest in the software which will make it possible to pay childminders monthly instead of termly. I would even accept a lower hourly rate, if given the choice, in order to have monthly payments instead of termly. This would make it much more sustainable for me to accept funded places. Without this I will need to consider limiting the number of funded places that I can sustainably provide. Thank you.
SN	The Teacher Pension Grant has been absorbed into the nursery funding rates in 23/24, with another grant due in April 24, will there be a separate category in the local funding arrangements for nurseries who employ teachers?
DN	Get the VAT right and we could ensure that rates reflect this and funding issues might not feel so harsh
CM	I would much prefer to have a monthly payment of funding than the way it is currently paid