

DERBYSHIRE COUNTY COUNCILSCHOOLS FORUM12<sup>th</sup> December 2016Report of the Strategic Director for Children's ServicesEarly Years Funding: Responses to Consultation1. Purpose of the Report

To share with the Schools Forum the feedback from respondents to the Authority's Early Years consultation.

2. Information and Analysis

The Authority's Early Years consultation document was shared with all nursery, primary and special schools and early years PVI providers at the start of November 2016. Consultees were invited to complete a proforma response form to indicate their support or otherwise to a number of proposals. Responses were required by 30 November 2016.

Summaries of the responses from schools and PVI providers are attached as Appendices 1 and 2 respectively, and show the number for or against a particular proposal together with any comments made.

It is expected that the responses, and in particular the views expressed, will be helpful to the Authority and Schools Forum in determining a way forward. A further report setting out draft proposals for 2017-18 will be presented to the Forum's meeting in February.

3. Other Considerations In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.4. Background Papers

Consultation published 2 November 2016.

5. Strategic Director's Recommendations

That the Forum:

- (i) notes the responses to the consultation; and
- (ii) Agrees to consider the views expressed in determining the Early Years funding arrangements for 2017/18.

**Jane Parfremment**  
**Strategic Director for Children's Services**



Do you agree with the proposed phasing towards a common hourly rate as set out in Table 2?						
		Yes	No	Don't Know	Total	
Respondents		20	23	5	48	
		41.7%	47.9%	10.4%		
Respondents with an EY setting		14	18	1	33	
		42.4%	54.5%	3.0%		
Bearing in mind Derbyshire's reduced levels of funding, do you agree with the proposed common hourly rate of £4.10 per hour?						
		Yes	No	Don't Know	Total	
Respondents		8	33	7	48	
		16.7%	68.8%	14.6%		
Respondents with an EY setting		4	26	3	33	
		12.1%	78.8%	9.1%		

**Q3. If you consider the common hourly rate above is too low, what measures should the LA consider to increase this?**

- ECaT - Ask all schools to pay for training and resources.
- EYIS - Merge with school support as Ofsted is now monitoring under one framework.
- Parents to make a contribution from the child's DLA towards when support and guidance sort.
- How often is contingency fund used? Could it be safely reduced?
- The hourly rate is too low to sustain Nursery School provision and possibly reviewing the LA central spend for early years after 2018 may support the retention of Nursery Schools.
- An element from each of the budgets within the summary of central EY spend could be allocated to the nursery schools budgets after 2018 in order to retain the 8 nursery schools.
- A financial commitment similar to sports premium in recognition of physical development provision
- A reduction in spend on pupil premium outside of the EYFS in relation to the closing of gaps to increase accountability
- Not enough is known about formula supplements to comment on which part can be reduced
- Reduction in central spend, pre-school EY service for SEN children
- Reduce central Nursery budgets, specifically, insurance, licences, catering, DBS checks and broadband.
- Reduce the cost of the Early Years Improvement Service and move towards a school led/systems leadership model (ASIA role or similar), and potentially link with feeder schools in the case of stand-alone pre-schools and nurseries.
- Removal of Every Child a Talker service- staff within settings could be trained to do this and support each other from delegated budgets.
- That the changes are untenable in the current financial situation, that once again the schools are being hit when we have to provide a teacher for every nursery class at the

same rate as PVI providers who don't. Therefore contingency is the only area that can be reduced as part of central spend.

- Reduction in central spend. If the budget is reducing in overall terms then central services costs need to be reviewed and at least reduced on a pro-rata basis compared to the reduction in overall funding. It is also noted that currently central spend is 7.8% in 2016-17 and this is required by the EFA to be capped at 7% in 2017-18 and 5% thereafter. Particular targets for efficiency would be EY Central Support Costs and the costs of the EY Improvement Service as these are very large overheads. Nursery and Central Services budgets should share the impact of the funding reductions but where possible reductions in central spend should be prioritised in favour of retaining front line services at nurseries.
- It's a hard decision, but I would support reducing the nursery school lump sum. Maybe long term nursery schools need to be affiliated to local primaries to reduce the staffing and premises costs?
- Bring in line Nursery schools lump sum. Encourage more parents to choose schools not PVI and reduce EY improvement service cost.

Do you agree with the proposal that Nursery Schools should be responsible for some or all of the costs set out in Section 4.2?						
		Yes	No	Don't Know	Total	
Respondents		26	13	9	48	
		54.2%	27.1%	18.8%		
Respondents with an EY setting		19	10	4	33	
		57.6%	30.3%	12.1%		
If not, what alternative reductions in central spend should the Authority consider to comply with DfE's central spend limits?						
		ECaT	EYIS	EY SEN	EY Central	Contingency
Respondents		11	10	9	11	11
	of 13	84.6%	76.9%	69.2%	84.6%	84.6%
Respondents with an EY setting		9	9	8	9	10
	of 10	90.0%	90.0%	80.0%	90.0%	100.0%

- As a member of the Alfreton Nursery Teaching School Alliance, GEEC alongside the other 7 nursery schools could cover some of the above. At GEEC we have extensive expertise in ECAT, ECAM, Early Years Improvement / Support and SEND. This expertise could be rolled out across the maintained and PVI sectors as school to school/setting support. We have adequate space in the centre to provide training courses for settings in the High Peak, which would mean that training was offered more locally to High Peak settings. (Currently a large number of courses are held in the Matlock and Chesterfield areas.)
- The school system should be able to be self-sufficient in the above services. There is enough sector led talent to take these on board based in schools.
- Schools have to pay for EY services therefore Nursery settings should be treated the same
- Schools now have more opportunity to join teaching school alliances and purchase together to buy support.

- An element from each of the budgets within the summary of central EY spend could be allocated to the nursery schools budgets after 2018 in order to retain the 8 nursery schools.
- Our Early Years provision consists of a Nursery and Reception class. Within our Early Years team we have funded training for our own staff to receive ECAT training and Talk Boost training which now deliver ourselves. We work collaboratively with other Early Years providers locally in Derbyshire to form a strong cluster maximising improvement initiatives and training opportunities
- The easy answer would be “all of them” as we feel very passionately that we have worked hard to obtain and retain our Ofsted outstanding status.
- The one specific area that we would definitely say needs reducing prior to cutting the maintained nursery provision funding is the Early Years Improvement Service.

Would you support a review of the Authority's Early Years provision?						
			Yes	No	Don't Know	Total
Respondents			36	1	11	48
			75.0%	2.1%	22.9%	
Respondents with an EY setting			26	1	6	33
			78.8%	3.0%	18.2%	

#### Q7. What areas should the Authority's review focus on?

- The LA review should focus on the sustainability of Nursery Schools and the long-term funding difficulties we are facing. Nursery Schools have been proven to impact on children's long term life chances. There are only 8 Nursery Schools in DCC and we should be protected as other schools in the authority.
- The review should have high quality provision as its central focus and should consider the percentage of services accessed by nursery schools in relation to PVI's and other schools (as there are only 8).
- As recognised by Ofsted, nursery schools provide high quality early years education and robust , effective safeguarding practice, leading to excellent progress in children's development and outstanding outcomes. This should be reflected in the review of the LA's early years provision. (against all other early years providers ie PVI's, nursery units, childminders – one common hourly rate, one common measure of EY education.
- The extent to which the Early Years improvement service improves Early Years provision based on a budget of £922,000 per year.
- Possible federation of some smaller school nursery settings to save money on staff ( eg requirement for a Headteacher). Viability of smaller PVI settings and the spread across county- eg too many in certain areas which are not full??
- Delivering statutory services.
- Partnership working with other agencies whilst limiting additional costs to schools.
- As schools move towards the shared models of leadership, perhaps a similar model could be adopted for EY services. Good schools could support other providers –

including PVI Sector. This could create EY hubs with shared support/ services/ best people to promote strong outcomes for Derbyshire children.

- Equity of provision? There should be a minimum standard of provision in terms of staffing, resources, facilities and standards across the county for all EYFS children which is not dependent on where they live- if it is known how close we are to this then no review would be necessary.
- The fact that schools have to have qualified teachers and a headteacher and private settings don't have to follow the same regulations. The review should focus on ensuring the quality and sustainability of Nursery Education, children's development and outcomes, as recognised by Ofsted. Nursery Schools should share the same protection as other maintained schools. The review should also consider the percentage of services accessed by Nursery Schools in relation to PVIs and other schools, as there are only 8.
- Review to focus on the impact of the centrally held services- (i.e.) what impact does the EY Improvement Service have on ensuring high standards within all PVI's and nurseries? As this is centrally funded is it held to account and if so how? As with the funding for disadvantaged pupils does the funding impact upon improved outcomes for children?
- Profits gained by PVI Providers. Qualification level of staff in EYFS settings, to ensure best provision.
- Can provision be made within schools reducing the need for more headteachers? Should all schools have a nursery? Would that be more cost efficient? Should there be an allocated nursery in each cluster that all children have the opportunity to attend?
- Overlap in services. Settings working together more closely to share resources, staff etc. Central support rather than separate services. Assets – eg. charging private nurseries attached to Children's Centres appropriate rents or allowing them or others to purchase the buildings no longer in use.

**Q8. Please add any other comments you wish to make in respect of the issues raised in this consultation or the DfE's proposals.**

- The closure of nursery schools would have a significant detrimental impact on the number of high quality nursery education places available in Derbyshire. This will affect almost 1,000 children many with SEND.
- The Effective Provision of Pre-School Education (EPPE) project has become well known for its contribution to policy in early years care and education. The following key findings strengthen the argument to retain Nursery Schools.
  - Pre-school experience enhances all-round development. There are significant differences between preschool settings and their impact. Good quality can be found across all types of settings; however quality was higher overall in settings integrating care and education and in nursery schools.
  - Settings that have staff with higher qualifications have higher quality scores and their children make more progress. Quality indicators include warm interactive relationships with children, having a trained teacher as manager and a good proportion of trained teachers on the staff.

- In 2014, the Chief Inspector of Schools, Sir Michael Wilshaw reported that in most disadvantaged areas the quality of early years provision went down. However he also noted that “it is widely accepted that progress in early years for children from low income backgrounds depends on attendance in the highest quality settings. The only early education provision that is at least as strong, or even stronger, in deprived areas compared with wealthier areas is nursery schools.” (Ofsted 2014) Therefore there is plenty of evidence to prove the impact nursery school education has on outcomes for children. At GEEC our outcomes for children and the children’s attainment has been rated OUTSTANDING by Ofsted in four consecutive inspections – the last being in October 2016.
- The current proposal for a common funding formula fails to recognise that maintained nursery schools are schools and as such, bear costs over and above other providers because of their structure and staffing.
- If the proposed funding changes go ahead then nursery schools will not be viable in two years’ time. The skills, knowledge and experience these eight nursery schools have gained will be lost. There is no capacity for our children, many with SEND, vulnerable 2 year funding or entitlement to pupil premium, to be catered for elsewhere.
- At South Normanton Nursery School, we are in agreement of a common hourly rate in the best interest of the children, so long as the measure of the quality of EY provision is common regardless of the type of provider. We can work innovatively around the reduction in the common hourly rate, (if the 30 hours extended entitlement allows) however the removal of the lump sum and rates would be devastating and would result ultimately in a massive decrease in the quality of provision and subsequently standards. The reason we are outstanding is as a result of our current structure, both financially and in skills and expertise.  
Increase our capacity to take up to seven year olds and you would see huge improvements at KS1 and KS2!!
- We were a little surprised to receive this consultation questionnaire and feel that some schools may simply look at figures and decide a particular department could be cut without knowing what their role is in full. We would also like to know if PVI providers are aware of the consultation and hope that all the departments referred to in Appendix 2 have been informed that people may suggest them as a way of cutting back.
- Clarity and advice on the lawful requirement for schools to provide a teacher for pupils of Nursery age when funding does not allow for it.
- As an Infant school each year we take children into our school from a range of pre-school provision. Without exception the children who attend our local nursery school are the best prepared for school. The children are able to settle quickly and are ready to begin more formal structured learning. The quality of early years’ provision is an essential building block in the children’s development. The government’s expectation on children to achieve so much during their primary school years is highly dependable on the children achieving the best possible start.
- Ill thought out with negative impact upon children, especially deprived children.

- These funding reductions will have a profound impact upon Nursery Units and will cause deep concern within the sector as they are being implemented at the same time as increases in the costs of employment of the relevant staff.
- I am assuming that we will take every opportunity to lobby government and point out the futility, stupidity and short-sightedness of doing anything that reduces early years budgets at the very point at which children are coming into nurseries and schools with the poorest language skills, social skills and general levels of development that many of us have ever seen.
- I feel this will deter settings from offering the 30 hours
- I am only sorry it has come to this and in no way hold the council responsible for its actions. Derbyshire has always been an outstanding early years provider, often leading the way nationally. As a workforce we will adapt, and move forward, because our children will always be our priority.



Do you agree with the proposed phasing towards a common hourly rate as set out in Table 2?						
		Yes	No	Don't Know	Total	
Respondents		37	6	10	53	
		69.8%	11.3%	18.9%		
Bearing in mind Derbyshire's reduced levels of funding, do you agree with the proposed common hourly rate of £4.10 per hour?						
		Yes	No	Don't Know	Total	
Respondents		23	20	10	53	
		43.4%	37.7%	18.9%		

**Q3. If you consider the common hourly rate above is too low, what measures should the LA consider to increase this?**

- The reduction is acceptable to a minimum of £4ph anything lower and I would have to rethink offering funded places.
- We are concerned that the hourly rates are not reflective of actual Nursery tariffs, e.g. day rates £47.00 (10hrs). Whilst we welcome the higher rates of £4.10, the proposed delay in PVI's achieving this places further financial pressure on settings.
- We don't feel it is our responsibility to make a decision where the cuts are made or what measures are put in place, we just request to have the right to have the same entitlement as all other Early Year providers - we are all inspected under the same Ofsted guidelines. In a more timely effective manner than four years.
- The hourly rate is too low to cover the costs incurred in the delivery of funded hours for 3-4 year olds in the PVI sector. I understand that this is due to a shortfall in the funding provided by central government. The support and services Derbyshire County Council Early Years department offers PVI providers is exceptional and I would therefore be very reluctant to suggest a reduction in their central spend with the exception to the Nursery School budget.
- Early years is cruelly unfunded and we cannot continue providing free places effectively at this rate.
- There should be a reduction in Nursery School lump sums. It would create a more level playing field. I do not agree they have higher staff costs. We are a highly qualified team and have to work to lower ratios.
- Supplements and hourly rates should be consistent between providers. Currently we have the same expectations and obligations but different funding allocations. Nursery Schools should already be expected to pay separately for costs such as Broadband, DBS Checks etc. as PVI Settings need to find the money for these within their budget.
- Nursery School Lump Sum -reduce to 50%
- Nursery School Budget's - reduce by 20%
- Reduce Central spend and reduce or end the Nursery Lump Sum

Do you agree with the proposal that Nursery Schools should be responsible for some or all of the costs set out in Section 4.2?									
		Yes	No	Don't Know	Total				
Respondents		45	0	8	53				
		84.9%	0.0%	15.1%					
If not, what alternative reductions in central spend should the Authority consider to comply with DfE's central spend limits?									
		ECaT	EYIS	EY SEN	EY Central	Contingency			
Respondents		0	0	0	0	0			

- The plan is for providers to pay for these services so why should Nursery Schools and Nursery Units be exempt from this?
- EYI Service could be restructured to provide advisory service as required. Council overheads and support service costs to be audited for too large a % of service.
- Our EYIO is wonderful but we are not eligible for any of her time, we have developed our setting to outstanding on our own. Put the money where we can use it effectively to meet the needs of our setting.
- Should be monitored internally for each setting, is extra funding necessary for this service?
- There should be no reductions in the spend on ECAT, Pre School EY Service for Children with SEN, or the EYIS.

Would you support a review of the Authority's Early Years provision?							
		Yes	No	Don't Know	No response	Total	
Respondents		28	0	19	6	53	
		52.8%	0.0%	35.8%	11.3%		

#### Q7. What areas should the Authority's review focus on?

- Private businesses such as private nurseries and childminders, we are self sufficient and as such the funding will hit us most.
- Ensuring that childcare provision is of good quality and value for money and that sufficient provision is provided for those with most need, when they need it.
- Fair funding for all and not just continually supporting Nursery Schools. They should undertake a review themselves to begin self-funding for the shortfall. PVI'S don't have the luxury of support towards wages, insurance costs, replacement toys etc.
- The review should focus on all childcare providers who offer funded places receiving equal remuneration.
- More courses for childminders in area local to them.
- PVI Providers should have a significant increase as some pre-Schools and nurseries who share premises and have limited opening times will be forced to shut with the introduction of the 30hrs funding
- All areas to bring in line a more fairer system.
- I am in agreement that Nursery Schools should be responsible for all the responsibilities mentioned in this document, paying particular attention to special staff costs, insurance,

DBS background checks and capital maintenance. This would ensure that it is a level playing ground for all early years providers across the county which seems only fair considering we are all inspected by Ofsted under the same framework.

- Faster and higher payments for SEND children.
- The quality of provision, which should include value for money for parents. All providers should be on a level playing field.
- Reduce the numbers of Teachers and Head Teachers.
- Consultation with Settings/Schools where clear information is given first. Capping the central spend for LA spending is effective, it should go to the "front line" who can research and assess training and development as we have done.
- I question whether the cost of a review would be of value.
- Funding inequalities e.g. reclaiming of funding for poor attendance/early collection when we suffer the cost of early arrival/late collection, non payment of lunch money and have no recompense. Also we are not funded for the admin, paperwork and phone calls to parents involved.
- To ensure that it is still viable for private businesses to still be able to operate without detriment to their business. Pre-School is committee run in a rural community.
- Central Nursery Schools budgets.
- Ensuring smaller providers get the support they need to keep running, especially those who are working towards offering the extended hours.

**Q8. Please add any other comments you wish to make in respect of the issues raised in this consultation or the DfE's proposals.**

- I as a childminder doubt very much that I'll be offering the funding long term, especially if the 30hrs comes in, its less p/h than I charge now, which is ridiculous as I'll be expected to be happy with it till 2020. The 3 times a year payment also needs to be looked at, I will have 3 children that will be eligible, I only have 6 on my books and can't afford to wait for my payments, it's ridiculous to even expect it.
- I fully agree it's time Nursery Schools begin subsidising their own nurseries. It will pave a way for all childcare settings being on the same page. They have the resources to cover their own costs but won't while the money is being provided.
- Well done for tackling this difficult situation in a well thought out manner and at an early stage.
- Alongside significant increases in cost base, e.g. living wage, rising business rates, utility increases, we have significant concerns over the sustainability of funding rates as proposed.
- Nurseries and Pre-Schools have higher child ratios than nursery schools so we have to employ more staff which costs more money. The rise in fees penalises working families with children under three who cannot claim 2yr funding, as we have to increase our fees to supplement the poor amount of funding we receive.
- Refer to question 1- we do agree there should be a common hourly rate just NOT phasing over four years to reach it.
- I am grateful to been consulted for my views, however I do not feel that I or anyone else without in depth knowledge of DCC's budgets can give informed and unbiased

suggestions on where money should be allocated. One thing I am certain of is that £3.98- £4.10 an hour is not sufficient funding to provide a childcare place. Parents will need to subsidise this rate.

- I strongly believe that all nursery settings should be given the same amount of money for the service they give. Nursery schools have their training and any adaptations paid for whereas a private setting has to pay for it ourselves.
- We don't think we can afford to offer the 30hrs funding as we will be unable to fund the shortfall it will create. We have wages, mortgages, utilities, training etc. to cover.
- I welcome the review and believe that bringing a common rate which applies for all providers will focus spending in schools where cost cutting can be achieved not to the detriment of the child's education.
- Poor quality of this consultation, there should have been a meeting to explain it all first. There are no guidelines to the terminology and my main concern is that it is not a fair consultation as we don't know what half of it means. LA to review Business Rates for PVI Sector. Press Government to reduce VAT burden also.
- We are an "Outstanding" provision for the last three inspections and I have been practicing for 33 years. I cannot see how we can maintain our level of childcare under the proposed hourly rate. I estimate to lose approximately £15.000 per year.
- Catering, DBS checks and broadband are all costly for the PVI sector.
- As we all offer the same early years care and provision we should all have the same amount of funding to provide the same opportunities and experiences.
- Today's rate of £3.92 and the expected increase to £4.10 makes the "free places" proposition less and less attractive. Central Government are increasing costs significantly but not adjusting the hourly rate in line.
- I am part of the PVI sector and out of our budget comes Broadband, high rents, food etc. which often leaves us struggling to deliver better wages, so an increased "fair" rate to all would be appreciated.
- Happy to see all providers being treated the same, gives value to those of us in the PVI sector who have to adhere to the same guidelines, curriculum etc. as school nurseries.
- We think cuts in the EYIS will eventually have the knock on effect of settings in Derbyshire not achieving a high percentage of good OFSTED ratings.
- We feel worried for the future of Nursery and the Early Years sector as a whole. We support our local community and we are a non profit making organisation and have a constant battle to keep our heads above water. We are full with funded children and many of our parents are interested in the 30hr funding too.
- We will be struggling to cover all our costs for the 30 hour funding if we only have £4.10p/h due to extra staffing and reduction in children.
- For Pre-Schools to take SEND children we need the extra funding which should be easier to obtain. We are not experts in this area and need help from the supporting services.
- It would be useful to have a breakdown of the current £2.48m that is spent and held centrally by DCC for Early Years Provision. As a community run Pre-School, it is disappointing to see the difference in funding for Nursery Schools as Nursery units in comparison to our rate and also the amount held centrally seems high and we don't feel that as provider we get "value for money" from central services that we can access.