

Additional Comments Collated from the Consultation Responses

The key issue that should be being addressed is the disparity in per pupil funding between schools in Nottinghamshire. I am disappointed that this was not addressed as part of the consultation as there appears to be no logical reason for perpetuating the situation.

The Early Years funding has not been increased in over 10 years, in that time the cost of living has risen, there has been the addition of wanting a graduate workforce and with the introduction of the pension payments and living wage, there is likely to be less Early Years provisions in the future. Therefore how will those left be able to provide the 30hrs Free Entitlement, as there will be a shortage of places available

In previous years we have questioned the use of the consultation because as a small school we understand we only have a small voice and don't feel listened to. I have described our school in terms of size as the 'Luxembourg, amongst the large powers of the EEC'. We need the Schools forum to help make the decisions which the politicians Nicky Morgan, and Kenneth Clark, are sympathetic to, but can only point us back to the work of the Schools forum. Kenneth Clark wrote to my Chair: 'I do think it is important that we support schools of this kind, which are very popular with some parents and achieve very good results.' I do hope that this year we will see the Forum recommend the Lump Sum increase to £120 000.

If PVI's are not given a fair deal in providing the free care then, for many, the setting will not be able to cover the funding shortfall needed in providing the care. The funding has not increased for many years and this along with the new 'living wage' means that the proposed funding is not sufficient for providing quality care. Many settings will be forced to employ younger less experienced staff which in turn will lower the overall quality of care.

The proposed 2 year old funding does not cover the extra in staff costs as generally 2 yr old funded children need additional staff time.

School budgets should be monitor due to the amount of things/books/paper etc which they bin just because it is the wrong colour etc

This consultation is timely because a radical review of Early Years Funding is necessary to maintain the stability of the sector, particularly in the light of the increase to 30 hours free childcare for 3 and 4 year-olds. Our setting achieved Outstanding in our Ofsted inspection, not least because of the quality and consistency of our staff team, none of whom are on zero hours and/or term-time only contracts. Costs continue to increase with auto-enrolment for pensions and the introduction of the Living Wage impacting on this and future years costs. We can only sustain our current staffing models with an increase in funding.

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Please look at how school are expected to use their notional SEN funding (deprivation funding, prior attainment funding and LAC funding) to top up AFN and HLN children. Schools who have low levels of these 3 streams are topped up if their total amount is less than their number of AFN/HLN children multiplied by £6000. This would imply the funds are to be used for High level low frequency SEN. But the funding formula states this is to support low level high frequency SEN. Are there more HLN children in areas of deprivation? If not then funding should respond and acknowledge this. It currently leaves schools in non-deprived areas having to use all their funding for low level high frequency SEN to top up High level low frequency SEN. In our experience this can be to £10k x many and with future projections a school like ours will just not have any money to meet the needs of some of most vulnerable children, and coupled with the impact of little deprivation funding [quite rightly] / naturally low pupil premium numbers [3.7%] / but key numbers of high level, low frequency SEN the future looks incredibly grim.

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The weightings for IDACI funding distribution need to be looked at. The table in consultation documents would lead most people to think an IDACI band 5/6 child would get double the funding of an IDACI band 1/2/3/4 child. Splitting the pots then dividing by eligible children means that the IDACI band 5/6 actually get many times as much funding. Please look at how school are expected to use their notional SEN funding (deprivation funding, prior attainment funding and LAC funding) to top up AFN and HLN children.

Please look at how school are expected to use their notional SEN funding (deprivation funding, prior attainment funding and LAC funding) to top up AFN and HLN children. It is deeply disturbing to hear of strange and rather unfair discrepancies between levels of HLN being awarded across the county. The EHCP seems to be having a huge impact on this. Schools who have low levels of these 3 streams are topped up if their total amount is less than their number of AFN/HLN children multiplied by £6000. This would imply the funds are to be used for High level low frequency SEN. But the funding formula states this is to support low level high frequency SEN. Are there more HLN children in areas of deprivation? I would be surprised as it is my understanding that there is not a statistical link between deprivation and HLN instances. If not then funding should respond and acknowledge this. It currently leaves schools in non-deprived areas having to use all their funding for low level high frequency SEN to top up High level low frequency SEN.

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Are there more HLN children in areas of deprivation? If not then funding should respond and acknowledge this. It currently leaves schools in non-deprived areas having to use all their funding for low level high frequency SEN to top up High level low frequency SEN. The consequences of this are enormous, for example:

- With 6 HLN pupils in a primary school of 200 children, we are expecting an £85,000 budget deficit for 2015/16.
- We have been audited by the LA for the quality/reasonableness of our provision for the support of the HLN pupils based against the funding provided and we were seen to in line with the LAs expectations.
- Our budget was also audited and the deficit was acknowledged as being completely down to the extra financial provision needed from our budget for the HLN pupils.
- We are no longer able to support any extra HLN pupils as we haven't got the financial resources for the £6,000 needed from our budget so we can apply for extra funding.
- We are concerned that we will not be able to be an inclusive school for our community.
- We are not able to run any intervention programmes for any other children including low level SEN (those who are not HLN/AFN) or children showing any concern.
- We are not able to have a TA for the FS.
- Both these points have already shown in a lack of progress and attainment for the FS, classes and individual children affected. We are concerned about the overall effect of the progress over the year.
- The governing body are concerned that more parents are becoming aware of the fact that a disproportionate part of the budget is spent on a small minority of HLN children.

I am very concerned about the impact of the gap between SEN funding and the actual cost of providing the support needed. Schools who have low levels of deprivation funding, prior attainment funding and LAC funding are topped up if their total amount is less than their number of AFN/HLN children multiplied by £6000. This would imply the funds are to be used for High level low frequency SEN. However, the funding formula states this is to support low level high frequency SEN. In short, support for high level needs children is being topped up with funding intended for low level high frequency and this is clearly a disincentive to inclusion. I would also like to know if there is a correlation between numbers of HLN children and deprivation?

Concerns around notional SEN funding and schools having to use all funding for low level high frequency SEN to top up High level low frequency SEN would be useful to understand this further as funding formula supports low level high frequency SEN – confusing.

Please look at how schools are expected to use their notional SEN funding (deprivation funding, prior attainment funding and LAC funding) to top up AFN and HLN children. Schools who have low levels of these 3 streams are topped up if their total amount is less than their number of AFN/HLN children multiplied by £6000. This would imply the funds are to be used for High level low frequency SEN. But the funding formula states this is to support low level high frequency SEN. Are there more HLN children in areas of deprivation? If not then funding should respond and acknowledge this. It currently leaves schools in non-deprived areas having to use all their funding for low level high frequency SEN to top up High level low frequency SEN.

There are two big issues here for me: The first is the double funding of Pupil Premium children. I have no wish to see money taken from deprived areas however the increase in PP funding should be reflected by a decrease in the deprivation percentage. We can only see the effects of this with some modelling. I am not sure what the minimum % is allowed to go towards this pot but whatever it is we should be able to see the effects of reducing it 20%, 3%, 2.5%, 2% etc. I hope it is possible to do this in time for any changes to be voted on for next year's budget allocations. The second is the serious financial penalties for a truly inclusive school. Having to find £6,000 for each funded SEN pupil, and then finding that HLN money does not anywhere near cover the cost of having a HLN pupil in mainstream, means a harsh situation for schools who get a reputation for offering good support.

Can it be considered how school should use their SEN funding, deprivation funding, prior attainment funding and LAC funding to top up AFN and HLN children? Where HLN children are should be considered and funding allocated to represent where they are. Currently schools in non-deprived areas are having to use all their funding for low level high frequency SEN to top up High level low frequency SEN.

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Settings should be given the autonomy to run their businesses as they see just and true; they should be able to converse and correspond with parents/carers in the manner that suits their establishment. We are not a one size fits all economy, we are not a communist country and as such parents should be allowed to choose where they send their children based upon the facilities and services they receive. We are private providers; being told how we charge for our services is an infringement on our human rights. Everyone was quite happy with the previous system, they all new where they stood; the figures were there for all to see without need for debate. Now under the new provider agreement we have had to change our complete administrative process to replicate the methodology that suits the government and our parents are up in arms. These are intelligent human beings who are being made to feel like complete morons by the very people who claim to be helping them...how ironic?!

Having to use money to top-up HLN children – SEN Funding needs to be reviewed.

CURRENT FUNDING RATES

- Our current EYE funding rates vary between Local Authorities from £3.36/hour (Staffordshire) to £3.92/hour (Derbyshire)
- There are significant variances between additional funding available for deprivation across Local Authorities
- Annual funding rates are not inflation adjusted – as an industry we are significantly impacted by minimum wage legislation (3% increases in 2014 and 2015) and announced introduction of the national living wage from 2016 (further 7.5% increase)
- Our settings would not be sustainable on the basis of the current funding rates alone. Our prevailing session prices are on average £4.30/hour for a 10 hour session versus £5.55/hour for a half day 5 hour session. These rates are obviously significantly higher than those we receive for delivering EYE sessions
- We maintain staffing ratios well above the standard 1:8 staff to child ratio, employing a minimum of 3 supernumerary staff at each setting. We feel that the private daycare industry is being unfairly treated in terms of the hourly funded rates as compared to state nurseries, given the staffing ratios are commonly significantly more favourable in the private sector
- In addition the private sector are impacted by VAT costs on purchases as we are unable to recover these
- As a company we operate with group occupancy levels in excess of 75% - several of our settings are already operating with occupancy levels in excess of 90%
- Based on current staffing levels and actual childcare hours delivered the minimum hourly rate to sustain our current business model would be £4.89/hour. These rates would, however, need to increase over time to reflect the impact of forthcoming national living wage legislation, i.e. the increase from current national minimum wage of £6.50 hour to £9.00/hour by 2020 (in excess of 38% increase)
 - Staffing costs represent in excess of 55% of our direct cost base
- We currently offer EYE sessions in a variety of options, primarily 3 x 4 hour sessions per week (over 47.5 weeks) if the annual entitlement increases from 570 hours to 1,140 (i.e. 30 hours per week over 38 weeks) this could limit the number of children we can accept as for example we currently have availability for 3 cohorts of children attending 3 x 4 hour sessions per week, adjusting capacity for 30 hour booking patterns could effectively reduce our capacity by one third as we would only have availability for 1 cohort of children attending for 6 x 4 hour sessions per week (over 47.5 weeks) or 5 x 6 hour sessions per week (term time only)
- To date we have not as a company placed restrictions on the number of places available during each session for free entitlement places, however, the current funding rates will mean that we would have to introduce such measures to maintain profitability and ensure the long term sustainability of our settings

A more detailed breakdown of alternative's would have been useful.

We are a small setting which was set up with Capital Grant Funding to create spaces for funded two year olds in Netherfield. Any overall cut to funding when put alongside an increase in the minimum wage next year is going to put our business in jeopardy and put at risk the places we have created for vulnerable and deprived two year olds. We have worked hard to set up our business and can see that we have having a very positive impact on the lives of these children and indeed of their families too. We have had feedback from schools to say that they can see that the children who we have moved up are in a much better position that they would have been without having spent time in a two year funded place. We are achieving exactly what the Capital Funding was intended to do and we cannot continue to do this without proper funding. Morale in the early years sector is very low at the moment. We feel that we are doing a very important job giving the next generation the best possible start in life and this is not recognised at all by Government. We are unable to recruit the best possible staff because of the pay we are able to offer. We have lost much of the training opportunities we previously had and support from Early Years Specialist Teachers has been reduced to such a level that it is only provided for settings who require improvement. And yet alongside this, the bar for quality set by OFSTED increases year on year (which is how it should be of course but it is very hard to sustain with decreases in funding and support). Please, please do not do anything that will affect our sustainability. What we do is important to the children, their families and society as a whole. Thank you.

V important for my settings: Please look at how schools are expected to use their notional SEN funding (deprivation funding, prior attainment funding and LAC funding) to top up AFN and HLN children. Schools who have low levels of these 3 streams are topped up if their total amount is less than their number of AFN/HLN children multiplied by £6000. This would imply the funds are to be used for High level low frequency SEN. But the funding formula states this is to support low level high frequency SEN. Are there more HLN children in areas of deprivation? If not then funding should respond and acknowledge this. It currently leaves schools in non-deprived areas having to use all their funding for low level high frequency SEN to top up High level low frequency SEN.

VAT and busines rates are large costs to settings that cannot be reclaimed as schools can. This does not provide a level playing to provide quality care which is then passed to schools as pupils move on.

I am surprised I was only sent this document 24 hours before the deadline. I would also like more simple access to the actual funding you receive and the costs the council remove from the funding? I do not believe that the council have a true bearing on the financial pressures privately run settings are under, let alone understand the pressure that government legislation puts on any business. I would happily take the time to go through the strategies that we all face and maybe put you in the bigger picture as if funding reduces, it will only increase fees to parents, stop funded only places and reduce the number of settings available to our children.

Please also see the joint letter submitted by a group of schools to which Rob McDonough was a signatory. We have not repeated all of the comments within this document.

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