



## **Implementing the Single Funding Formula How is it affecting you?**

### **A progress report on how the implementation of the Single Funding Formula is impacting on Maintained Nursery Provision and Children's Centres in England September 2009**

#### **Introduction:**

The Government announced in June 2007 that local authorities will be required to design and implement a single local funding formula for funding the Free Entitlement to early years provision for 3 and 4 year olds across all sectors. The aim is to improve fairness and transparency in the way that funding is allocated to providers who deliver the Free Entitlement, and thereby support its extension to 15 hours, to be delivered more flexibly from September 2010.

Guidance issued by the Department for Schools and Families (DSCF) in July 2009 stated that at time of publication, local authorities should have gained a clear understanding of typical provider costs and be at the stage of starting to build their formulae in preparation for consultation and development of transition plans over Autumn 2009.

DCSF guidance sets out sixteen 'core principles' for the design and implementation of the Early Years Single Funding Formula (EYSFF) which must be observed by all local authorities. The sixteen principles are as follows:

The development of an EYSFF should:

1. Support effective and efficient distribution of resources at the local level;
2. Facilitate greater flexibility of provision so that parents have greater choice in how they use their free entitlement;
3. Preserve diversity and choice in the market;
4. Incentivise improvements in the quality of provision *and recognise the ongoing costs associated with quality;*
5. *Support the narrowing of the achievement gaps and recognise the additional costs associated with children from deprived backgrounds;*
6. *Be clear and transparent.*

With regards to the operation of the formula:

7. The same factors should be taken into account when deciding the level of funding for each sector;
8. Decisions must be transparent and any differences between the sectors should be justifiable and demonstrable;

9. The level of funding should be broadly cost-reflective and all the main cost elements should have been considered explicitly;
10. There should be no perverse incentives and any change in the formula must not endanger sufficiency of provision;
11. The formula must be based on common cost information from both the PVI and maintained sector and all costs and public sources of incomes should be considered;
12. Settings should be funded on the basis of participation, not places or similar factors. *Participation must be counted on a termly basis, at the least, and this will be required in regulation.*
13. *An additional factor to support sufficiency and sustainability will be allowed but this must not be used widely and must have clear criteria;*
14. The formula must take into account the sustainability of all settings, giving sufficient stability to all sectors to plan for the future and improve quality;
15. Transition from the current funding mechanism to the future funding mechanism must be planned and managed carefully, and based on a clear impact assessment;
16. The application of the formula in different settings should be based on common operating principles wherever possible; *All aspects of the proposed EYSFF must be the result of partnership working with all those involved, and final decisions on structure and operation of the formula should be made only after widespread consultation.*

Work with the pilot authorities has indicated that the most significant implications of the EYSFF are for maintained sector providers, particularly where place-led funding has until now been the norm for early years provision, and where settings have been running with spare capacity.

In most of the pilot authorities, nursery schools have been shown to have the highest cost base. Whether this translates into a significantly higher rate per hour appears to depend fundamentally on the extent to which:

- The costs are absorbed by a sufficiently large number of hours of provision, thereby leading to an acceptable cost per hour of provision;
- The costs can be shared by other services, thereby leading to a sharing of management, administration and premises costs.

Department for Children, Schools and Families guidance states that in determining funding for nursery schools under the EYSFF, local authorities must remain aware of the presumption against closure of nursery schools. Therefore, local authorities must undertake detailed work to ensure that the costs and funding of maintained nursery schools have been examined fully as part of the cost analysis, and that these costs are fully reflected. However, where applicable, local authorities must be able to demonstrate the reason for higher base rates for nursery schools and avoid large lump sum supplements, where they are not cost-reflective, and are designed to simply perpetuate existing funding differences. Instead they must work closely with any nursery school that will see substantial reductions in their funding.

### **Methodology:**

Work undertaken by Early Education in the course of the *Nursery Schools Now* project during 2008/09 noted a growing anxiety among headteachers of the impact of the single funding formula. There was concern that the services offered by nursery schools, such as access to early education for

the most disadvantaged children, extended services for families and support for other settings would not be reflected in the EYSFF structure and that this would lead to a reduction in the quality and range of services that maintained nursery schools could offer.

During the summer of 2009, a semi structured electronic questionnaire was designed to gather quantitative as well as qualitative information on the likely impact of the single funding formula on maintained nursery schools. Information was gathered on

- The role that maintained nursery schools had in the development of the single funding formula in their area;
- The single funding formula base rate;
- Variants of the single funding formula base rate;
- Whether the single funding formula would encourage quality of provision through raising qualifications and training of staff regardless of where they work;
- Incentivising quality and flexibility through the single funding formula;
- Participation led funding;
- Transitional arrangements; and
- The impact of the single funding formula on the school.

**Results:**

The following results are based on the responses of 138 heads and teachers in maintained nursery school provision between the 26<sup>th</sup> June and the 24<sup>th</sup> July 2009.

**1. Developing the Single Funding Formula**

Only a small number (10.2%) of respondents to the Early Education ‘Implementing the Single Funding Formula Survey’ were in local authority areas that had been involved in the pilot of the single funding formula. It was noted by a number of respondents, that not having the benefit of being part of a pilot programme had put many local authorities at a distinct disadvantage.

*“Our local authority was not a pilot area – it might in theory be a single funding formula but the reality is that the formula will be different in every area! The local authorities who were part of the pilot have had a head start in trying to make this work. They’ve identified the problems but I’m not sure whether any of the pilot areas have identified any solutions. The timescale that we have to try and make this work so that all parties are satisfied doesn’t make for an easy task.”*

**Table 1: Was your local authority a Single Funding Formula pilot area?**

	Percentage
<b>Yes</b>	<b>10.2%</b>
<b>No</b>	<b>89.8%</b>

The majority (89.6%) of respondents to the Early Education ‘Implementing the Single Funding Formula Survey’ did confirm that there was maintained nursery school provision representation on the schools forum as local authorities sought to develop the single funding formula.

**Table 2: In developing the Single Funding Formula in your local authority area, have you had a maintained nursery school representative on the schools forum?**

	Percentage
<b>Yes</b>	<b>89.6</b>
<b>No</b>	<b>10.4</b>

The Early Education ‘Implementing the Single Funding Formula Survey’ however revealed that not quite two-thirds (63.1%) of maintained settings had been included in their authority wide cost survey. A number of respondents suggested that in the course of discussion and negotiations with local authorities that maintained settings were at a distinct disadvantage due to their lack of precise knowledge as to what their settings cost to run beyond their devolved budget responsibilities and the apparent inability of the local authority officials being able to provide this information for them.

**Table 3: Has your local authority included you and your maintained nursery school in their authority wide cost survey?**

	Percentage
<b>Yes</b>	<b>63.1</b>
<b>No</b>	<b>36.9</b>

## **2. Setting the Single Funding Formula Base Rate**

Little more than a third (36.5%) of the respondents to the ‘Implementing the Single Funding Formula Survey’ believed that their local authority has a good understanding of the costs of maintained nursery schools. While the majority (59.1%) of respondents acknowledged that there was some understanding of the costs of maintained nursery schools within the local authority teams tasked with setting the single funding formula base rate, many described the knowledge of those making the decisions as ‘patchy’. Many also believed that maintained settings were ‘pre-conceived as expensive’ by those tasked with setting the single funding formula without having taken the time to understand the additional costs of maintained nurseries.

**Table 4: What do you think is the level of understanding within your local authority of the costs of maintained nursery school?**

	Percentage
<b>Good Understanding</b>	<b>36.5</b>
<b>Some Understanding</b>	<b>59.1</b>
<b>No Understanding</b>	<b>4.4</b>

*“This is all supposed to be about a levelling the playing field but my maintained nursery school is already starting on the back foot. Our funding is complicated. We’re a children’s centre as well and we have funding from a number of sources – some of which supports the setting generally and some of which is earmarked for specific purposes and/or children. I know all about that but those around the table responsible for making the books balance couldn’t get their heads around the fact that maintained settings are often a much more complicated structure with much more complicated children and families than other independent, private or voluntary settings. We do things that those settings will never do. .... As for capital costs and the like, well that’s really complicated and the domain of the local authority..... We’re not masters of our own destiny like a private business – we are in effect a public service and that needs to be recognised.”*

**Table 5: Has the single funding formula base rate been set in your local authority yet?**

	Percentage
<b>Yes</b>	<b>19.2</b>
<b>No</b>	<b>80.8</b>

Of those maintained nursery schools and children's centres who responded to the survey, more than three quarters were not yet aware of what single funding formula base rate had been set in their local authority area.

Of the 20 per cent of respondents who had been advised of the single funding formula base rate in their local authority area, base rates ranged from £3.25 for nursery classes and £3.50 for nursery schools and private voluntary and independent settings in one local authority to £5.80 in nursery schools and private voluntary and independent settings in another local authority area. Of those maintained settings that had been given an indication of their base rate, many noted that this was only proposed and was yet to be confirmed.

### **3. Variations on the Single Funding Formula Base Rate**

The majority of local authorities appear to have adopted base rate variations on the higher costs of teaching and other staff in nursery classes (71%), head teacher costs for nursery schools (75%) and education support and premises staff (52%). In the majority of local authorities, there have been no base rate variations to take account of the proportion of FTE children in a maintained school (71.7%), children's centres with nursery provision operating from maintained schools (81.4%), pupils receiving free entitlement (53.4%), agency supply teaching staff (95.1%) or bought in professional services to support the curriculum (96.7%).

**Table 6: Has your local authority adopted variants on the 'one base rate' model for the following:**

	Yes (%)	No (%)
<b>Higher costs of teaching and other staff in nursery classes</b>	<b>71</b>	<b>29</b>
<b>Head teacher costs for nursery schools</b>	<b>75.8</b>	<b>24.2</b>
<b>Education support and premises staff</b>	<b>52.5</b>	<b>47.5</b>
<b>Proportion of FTE children in a maintained school</b>	<b>28.3</b>	<b>71.7</b>
<b>Children's Centres with nursery provision operating from maintained schools</b>	<b>20.3</b>	<b>81.4</b>
<b>Pupils receiving free entitlement</b>	<b>46.6</b>	<b>53.4</b>
<b>Agency supply teaching staff</b>	<b>4.9</b>	<b>95.1</b>
<b>Bought in professional services to support the curriculum (eg music)</b>	<b>3.3</b>	<b>96.7</b>

#### 4. Creating a level playing field?

Almost all of those maintained nursery schools who responded to the survey did not believe that the single funding formula would create a level playing field in the early education and care market through raising qualifications and training of staff.

**Table 7: Government guidance states that rates must be set to enable a level playing field in the market and encourage quality of provision through raising qualifications and training of staff regardless of where they work. Do you believe this will be achieved?**

	Percentage
Yes	3.1
No	96.9

There was significant concern from respondents as to how the promotion of effective practice, that is often led by the maintained sector will be continued within the context of the single funding formula and the impact that this will have on quality across the early years sector. There was also concern as to how the impact of money spent to improve effective practice in PVI settings will be measured.

*“I don’t believe that there is a clear understanding of what quality provision is. The inclination is to level but I’m afraid that the level will be lowered rather than raised.”*

*“There is not enough control over what happens to the money devolved into non maintained settings. While some of their owners and managers have a real commitment to quality they are private businesses who have corporate parent owners and shareholders who make money from the business. Providing quality is expensive and impacts of the bottom line which is their priority.”*

*“Many independent nurseries pay minimum wage and only some staff have relevant qualifications. We have tried to involve the PVI in our local cluster training but no one ever came. Not because staff didn’t want to but because cover was never provided. They are profit making establishments and this is reflected in their practice. Their Ofsted inspections are nowhere near as rigorous as in maintained nursery schools.”*

*“In maintained nursery schools we act as training for many staff who go on to higher level qualifications, offer visits and student placements for other early years staff and aim to grow leaders for the future. Though foundation degrees and BA courses are funded the supply costs are not and our school is currently supporting six early years practitioners to obtain level 6 qualifications. This is not recognised and the early years single funding formula mitigates against providing high quality staff in nursery schools. I believe that nursery school staffing provides the benchmark for quality of staffing in early years settings throughout the county and this is being eroded by this initiative. As we work in the 4<sup>th</sup> most deprived ward in this local authority this is particularly important in any of the authority’s work involved in closing the gap.”*

*“Private childcare settings are there to make a profit for their owners – and in an owner/operator situation, provide their income as well. They cannot afford to pay their staff as teachers and nursery nurses. Until this type of expertise becomes statutory, quality of provision cannot be provided on a level playing field.”*

## 5. How is your local authority expecting to incentivise quality through the new formula?

For the most part, respondents were not able to explain how their local authority was expecting to incentivise quality through the new single funding formula arrangements. Responses of “no information yet”, “not sure” and “yet to be determined” were frequent in this qualitative open ended question. Some questioned as to whether incentivising quality was even on the agenda.

There was some suggestion that quality would be incentivised by the numbers of qualified staff in the setting.

*“As far as I am aware, the more qualified staff we have, the more money we will get”.*

*“Through the level of qualification – we agreed that any other measure was too subjective and quickly out of date”.*

*“The Early Years Working Group proposed that a qualifications premium is allocated to those settings employing more highly qualified staff which will raise the quality of the offer. It is envisaged that if settings employ leaders who have completed a recognised Early Years graduate qualification (as defined by the CWDC), this would generate an amount of £50 per pupil or a lump sum of £1500 per annum”.*

*“Different rates according to the quality of the staff – so settings with an EYP or teacher get the highest rates”.*

Of those who did have information there was some evidence that local authorities were choosing to only incentivise settings in the private, voluntary and independent sectors – at the expense in some cases of the maintained sector.

*“The Private, Voluntary and Independent sector will have access to funding for their staff to do the EYPS course, to raise standards. However the maintained nursery schools will not be able to access this grant and don’t have access to the SureStart grant”*

*“The nursery schools will not have access to a ‘quality’ supplement to fund EY Professional Status but the PVI sector will.”*

Of significant concern was a sense from some respondents that they did not believe that their local authorities appreciated the need for funding to improve or maintain quality in provision.

*“The notion of rewarding ‘Quality’ has not previously been considered by our authority as the expectation was that all settings will be required to provide high quality so there has been no reward nor even commitment to maintaining the six ‘good/outstanding’ (Ofsted rated) maintained nursery schools that currently exist in our authority. We were initially told that ‘quality’ would not be an issue in deciding upon funding.”*

*“They’ve sent out a letter advising up to keep quality in mind!”*

*“The local authority had no plans to ‘incentivise’ quality.”*

The following mechanisms were identified by respondents as routes that local authorities are taking or considering taking to incentivise quality.

*“Our local authority is developing a Quality Improvement Scheme. It’s a great idea but settings are not obliged to agree to it, or sign up for it. There will be a ‘quality’ bonus sum added to the base formula for those settings who meet the targets set in the scheme. But currently we do not know how much of a difference this payment will make to the base formula.”*

*“Through settings attaining credits in QUILT (quality assurance scheme), EYP and QT. They have chosen not to use OFSTED criteria.”*

*“They are including a supplement for quality based on the most recent Ofsted inspection report and a supplement for having an EYP in place”*

## **6. How is your local authority expecting to incentivise flexibility through the new formula?**

For the most part, respondents were not able to explain how their local authority was expecting to incentivise flexibility through the new single funding formula arrangements. Responses of *“no information yet”*, *“not sure”* and *“yet to be determined”* were again frequent in this qualitative open ended question.

The following arrangements were identified.

*“Flexibility payments are made to settings who offer parents the opportunity to take their 15 hour entitlement over 3 days or more – no more than 10 hours in one day. The criteria for this are clearly set but the monitoring and uptake are largely left to the setting.”*

*“We have been told that there will be a financial bonus for the most flexible of settings, but we have no breakdown of what this will actually look like. We are an inclusive nursery, 50% of our children are welcomed in on SEN placements on the recommendation of a multi-professional panel. Many of our children have complex needs – flexible entitlement does not best meet their needs to have a rhythm to their day, so it also does not allow me to staff the nursery in a way which allows for every child’s entitlement to high quality care and education.”*

*“By arranging payments to reflect an hourly rather than a sessional rate.”*

*“The suggested base rate is calculated on a per child, per hour rate. Thus you will only receive funding for the hours each child attends. Ideally, the more flexibly you offer the hours the more ‘popular’ your setting will be. Not everyone has to offer the full 15 hours. Maintained settings will have problems where their teachers can only have a maximum of 5 hours contact a day.”*

There was also some concern expressed by respondents as to whether flexibility incentives might be to the detriment of the child’s continuity of care and early education. The following response is indicative of the sentiment expressed.

*“Funding the most flexible options more favourably will mean that in order to access any additional funding children will not be attending the nursery on 5 consecutive days. Continuity of learning/peer groups etc. will be totally lost. Flexibility suits parents – not children.”*

## 7. Additional Supplements

The most likely additional supplement that respondents knew would be added to their basic single funding formula was one to address deprivation. Eighty per cent of respondents believed that they would also receive a 'deprivation' supplement in addition to their single funding formula base rate. Perhaps more disturbingly, many respondents were not aware of any additional supplements to support children with special educational needs (SEN) or English as an additional language (EAL).

Less than a third (29.8%) believed that they would also be in receipt of a 'quality' supplement.

**Table 8: Has your local authority included additional supplements?**

	Yes (%)	No (%)
Deprivation	80.0	20.0
Quality	29.8	70.2
Rurality	14.3	85.7
SEN	44.1	55.9
EAL	16.7	83.3

*"Although I believe that there will be a deprivation supplement, the reality for us is that there will be a considerable reduction in the amount of 'deprivation' funding that we received previously. At this stage, I don't know how much – or how I might replace it."*

*"There is going to be a huge cut in the amount of funding that I receive for SEN. Under this structure I will receive 40-50% less for SEN provision".*

*"While an SEN supplement has been agreed in principle, we are nowhere near agreeing how it will be included. EAL has been lost in the debate about full time places".*

## 8. Participation led funding

Many respondents reported that while there had been an indication from the local authority as to how they intended to count pupils for participation led funding, many were unsure of the detail of these new arrangements.

**Table 9: There are many questions about how to count pupils for participation led funding, and when to make adjustments to providers' budgets. Will your indicative budget be based on (select as appropriate)**

	Percentage
Census data	54.9
Actuals	60.6
Estimate based upon likely take up	2.8
FTE places	4.2

Many indicated that there would be a combination of methods engaged. These included:

- Using the annual census as a baseline and making termly adjustments based on termly update counts;
- Submitting termly data on attendance and then being funded retrospectively;
- Submitting data termly and then being funded on the average of those three terms;

- Funding will be term by term on the basis of census data – with the opportunity for an annual clawback.

Some respondents indicated that the structure of the participation led funding would take away their ability to plan strategically and maintain the professionalism instilled in their settings.

*“If numbers fall I will have to lose staff – professional development and retention has always been excellent. I believe in ‘growing your own’ staff team .... the single funding formula seems to have lost the core purpose of what early education is for. We’re not just a business”.*

*“We will not be funded until a child has actually started. I have 100 children to start in September! I will have to stop home visits and staggered entry in order to get money from the month of September. Quality and care will be a thing of the past.”*

Many had concerns about ensuring that appropriate provision would always be available – particularly for those children and families in need of it the most.

*“There is an expectation that we will count our children like the schools – ie; numbers on roll on a specific day. The challenge here will be around how we fund the places for children with complex special needs – I don’t know whether we would be penalised because the panel had held a vacancy? - and around settling-in – will this create huge pressure to ‘get children in’ rather than spend time phasing their entry?”*

## 9. Adjusting the single funding formula following implementation

Few respondents knew whether it was the intention of the local authority to manage any adjustment of the single funding formula once it had been implemented.

**Table 10: Do you know how your local authority intends to manage any adjustment of the single funding formula once it has been implemented?**

	Percentage
<b>Yes</b>	<b>17.6</b>
<b>No</b>	<b>82.4</b>

While many respondents indicated that many local authorities were sympathetic to the plight of both maintained and private, voluntary and independent settings in the challenges that they face with the implementation of the single funding formula and had committed to an impact review at the end of the first year of implementation, there was significant concern from the respondents that the impact of the implementation of the single funding formula would be “immediately irreversible” and would “create chaos” in early years settings.

*“The impact of this is going to be huge. Our nursery schools budget has been cut by 20% - that means letting staff go and a reduction in the services that we offer immediately in order for the books to balance. It’s no good saying in a years time this isn’t working – the consequences of these proposals must be understood and addressed now!”*

## 10. Transitional arrangements

The majority of local authorities (74.1%) were yet to announce whether there would be any transitional arrangements put in place when implementing the single funding formula.

**Table 11: Has your local authority announced what transitional arrangements will be put in place when implementing the single funding formula?**

	Percentage
Yes	25.9
No	74.1

However, a range of ‘protection proposals’ appear to be beginning to emerge. These include:

*“2-3 year protection – it’s not yet agreed what level of change it will protect however the school formula currently includes a 3% change protection factor) so I’m guessing that we can expect the same.”*

*“There are no transitional arrangements as such – but the Minimum Funding Guarantee (adapted) will be offered if schools are adversely affected.”*

*“It has been proposed that transitional protection be applied at 60% for the first year and 30% for the second year. This will be applied to any negative variance above £100 and will be funded from ISB. Transitional protection will only apply to schools’ as PVI settings will continue to be funded on the termly headcount and on the same hourly rate.”*

*“There will be two years transitional funding during which the loss to nursery schools will not be greater than £15,000.”*

*“Losses will be limited to a maximum of £15,000 in 2010-11 and £30,000 in 2011-12 after which there is no protection.”*

*“In the first year we will receive a transformation budget that represents two thirds of our current budget and in the second year we will receive one third of our current budget. Over the next three years we will have to reduce our costs by two thirds in order to attempt to balance our budget. We are informed that the local authority, through the schools forum will pick up the redundancy costs for 8 of our staff.”*

*“Three years protected budget for transition to single formula funding”.*

## 11. The impact of implementing the single funding formula in your school?

Respondents were asked to describe what the anticipated impact of implementing the single funding formula would be on their maintained nursery school. The comments below reflect the sentiments of many of our respondents.

*“Without some considerable flexibility in the application of the formula, I believe that the single funding formula will lead to a significant reduction of our budget and inevitably to a reduction in staff. I fully expect that this will include a reduction in teachers. This can only impact negatively on quality that can be delivered in this setting. It will also seriously compromise projects, like our work*

*with creative agents that considerably enhance our development. Ironically, it will also lessen our ability to be a source of support and shared learning for other practitioners and centres in the city.”*

*“Stress on the budget holder – the head teacher. Threat to staffing, if the school is not full we won’t secure enough funding. Material and in particular consumable resources will be the first element to suffer and we therefore won’t be able to maintain delivering quality.”*

*“Our local authority is anxious to protect our setting. We are the only stand alone maintained nursery school in the local authority – formerly an early excellence centre and now part of the children’s centre ‘hub’ in an area of low deprivation) we are fighting to maintain our ‘teaching hospital’ profile whilst remaining an Ofsted ‘outstanding’ nursery with specialist pre school Autistic Disorder Spectrum unit, oversubscribed ‘stay and play’ sessions, lunchtime wrap around care that is noted for its effective work with parents.”*

*“It is amazing that within an agenda that has as a priority improving quality across all settings, nursery schools who have some of the highest quality and most effective provision are facing issues of sustainability and the likelihood of closure.”*

*“As a school we are required to meet all Ofsted standards as well as childcare standards. It can’t be done without the right staff in the right place doing a professional job. It isn’t possible or in the interests of children to half do the job.”*

*“We received the proposed figures this week. Our school will lose £153,365. We have been told that we no longer need Deputy Headteachers. Just looking at the head’s teachers and nursery nurses salaries alone, without any support staff, we are £50,000 short. We are looking at redundancies on a massive scale. We could not possibly maintain the high standards that we are renown for.”*

*“We manage on the budget we have now but each year it has become more difficult to find the funds to do all that we are required to do as a school and as an Early Years setting. We have had none of the responsibilities of a school removed from us to create this level playing field. The budget cut we will face will be devastating and as a small school we have less opportunity to absorb these cuts. Any reductions in staff will see more pressure put on the remainder as the responsibilities do not go away – there will just be fewer people to share them. Workload and stress will increase with its obvious consequences. There is simply no good news in any of this.”*

*“Our funding will be greatly reduced. This will impact on staffing and resources. Supporting families will be much harder. The single funding formula risks undoing all the progress that has been made in early years education over the last 10 years.*

## **12. In conclusion**

Respondents were asked to make any further comments in relation to the single funding formula. The following comments reflect the sentiment of those comments made.

*“It’s all a bit of a mess really. I don’t think that the government have thought through the ramifications.”*

*“I have seldom felt more despondent. There is no recognition of the value of nursery schools amongst other participants on the single funding formula working group. All the local authority*

*appear to be interested in is the bottom line and it doesn't seem that the PVI are particularly satisfied with what they might get out of this horrendous system either."*

*"The lateness in receiving definite official information for the settings funding, coupled with the lack of background understanding of those making the decisions threatens to derail early education provision in England. Quality and continuity costs. I have grave concerns."*

*"I do believe in an even playing field – I want all early years settings to be as good as the maintained setting that I work in. But this means more funding for all settings – not just spreading more thinly, the funding we already have."*

*"I am concerned at the timescales. I have been informed that budget allocations will not be decided until after Christmas and so far, we have no indication as to whether we will gain, remain the same, lose or significantly lose. This naturally has implications for future planning – including staffing levels."*

*"I do wonder if the government has understood the implications of this process. As many state nursery schools are of a very high quality and in areas of disadvantage, what do they think will replace them? What this means is that all early years will be funded on a fragile basis. The children in this school are given a golden opportunity to get a foot on the ladder of educational success and without us I wonder how they will fare. Why on earth do government see "the market" as the answer to the education and care of our youngest children?"*

*"It's not a fair playing field – and although the PVI sectors deserve more, it should not be at the expense of losing our nursery schools."*

*"Like many nursery schools we have gone the extra mile year on year – taking on the NNI and Children's Centre initiatives and many other responsibilities – all geared to the interests of children and their families and based on a model of high quality education with care. As a reward, we are going to be subject to a process which the government wouldn't dream of putting primary or secondary schools through. I shudder at what the next year will bring."*

*"Without the high quality of the maintained sector, as noted in the EPPE research, who will provide the drive to move the early years forward?"*