



# SCHOOLS' FORUM

22 June 2023

## EARLY YEARS WORKING GROUP

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### **The Impact of the Spring Budget on the Early Years Sector**

The Early Years Working Group met to discuss the impact the proposed changes outlined in the spring budget would have if implemented on all early year's settings and childminders in the Rutland area.

A teams meeting was held and a consultation document was sent to all provisions to ensure everyone had a voice. From this open consultation, the following points and comments have been raised:

- The sector would like to make clear that as a professional body they wish to maintain the exceptionally high standards of education and care currently received by all our young children currently in settings. To do this, we need to be able to pay our highly qualified and experienced staff competitive wages and this cannot be done on the current funding.
- If the funding is increased across the age ranges, this will have a negative impact on additional income such as fees/consumables which are currently being charged to cover daily running costs. I have therefore put the following questions to Andrew Merry on behalf of the sector prior to this meeting and as I am yet to get a response, I am hoping the answers will be part of his report today.

### **Finance and Funding**

1. The DSG underspend that has been published in the public domain. Managers would like to know how and when this will be spent/distributed amongst settings?
2. When will settings be advised of the uplift in funding proposed for September as this will have a major impact on budgets?
3. Central government has awarded £2.4 million to Rutland schools. Will any of this be allocated to the Early Years sector to support them?

We feel that the budget has been planned to encourage and support the needs of working families but not in consultation with a sector already under extreme financial pressure. With this in mind, we would like to see the removal of the word 'FREE' when discussing funding as it is confusing to parents and detrimental to business.

### **Increase to Ratio's**

The proposed increase in ratio's would, if adopted, put additional strain on already overworked staff teams and further impact on the ability for managers to provide CPD opportunities within working hours.

The original purpose of 2 year old funding was to 'narrow the gap'. This new funding criteria will only widen the gap as demand from higher income families will increase and those from poorer backgrounds will struggle as space to accommodate additional 2 year olds may not be possible for all settings.

## **SEND**

The government need to be aware of the increasing number of SEND children currently accessing care and the impact this has on both budget and staffing.

## **Business Planning/Staffing**

Business models for providers will need to change as many will have to look at the amount/flexibility of funded places they can offer going forward. Many settings are already planning for next year but without any clarity on funded income rates this is proving difficult and only exacerbates the staff recruitment issues currently faced by the sector as overstretched budgets struggle to cope with the current cost of living rises.

## **Conclusion**

In conclusion the sector feels that the budget has nothing to offer them as providers and may well impact on the viability of some smaller providers who are already struggling. The feeling is that they should have been consulted by either the DfE or the government before this offer was put in the public domain.

Kathryn Pullan  
Early Years Representative