

EARLY YEARS REFERENCE GROUP

Minutes of the meeting held via MS Teams on Thursday 24 September 2020 at 1.00pm

Present: Zoe Raven for Laura Andrews – Acorn Childcare
Anne Ball – Olney Pre School
Anne Blake – Wendy House, Emerson Valley.
Helen Middleton – Early Years Alliance

Natalie Fowler – Knowles Nursery School
Kirk Hopkins – Oldbrook First School

Julie Godwin – Early Years Placement Officer
Sonia Hattle – Senior Finance Business Partner
Michelle Hibbert – Schools Strategy and Corporate Accountant
Simon Simms – Head of Service – Education Access
Attendance and Sufficiency **(Chair)**
Belinda Woodcock - Early Years Improvement Partner

Also Present: Sue Puddifoot – Note taker

1. Opening Matters

1.1 Introduction, welcome and apologies

Simon welcomed everyone to the meeting and explained the changes that had taken place at MKC and that he had replaced Marie Denny as Chair of the committee. Each member introduced themselves.

No apologies for absence had been received however, Zoe Raven was attending for Laura Andrews.

Carol Taylor, Regional Director, Childbase, Julie Dodds - MK Focus and Rosemarie Jones - Headteacher, St Mary Magdalene Catholic Primary School were absent. (Julie and Rosemarie subsequently sent belated apologies.)

Simon further explained that documents had been circulated in advance for the group to consider and to enable any questions or feedback to be submitted prior to the meeting. No questions had been received but members would be able to ask questions during the meeting.

Belinda Woodcock asked about having childminder representation on the committee and this would be discussed under item 3 on the agenda.

1.2 Notes from meeting of 6 February 2020

The minutes of the meeting held on 6 February 2020 had been circulated and were agreed as a correct record.

There was one action point on the allocation of the deprivation factor, which was included as a subject on the agenda.

2. Discussion Items

2.1 2019/20 Outturn and 2020/21 Budget

The briefing note detailed the current budget position.

Sonia explained that the final Early Years allocation outturn for 2019/20 had been confirmed at £21.317m, an increase of £0.024m on the provisional allocation due to the increased numbers at the January census. There was a surplus carry forward balance of £0.076m to 2020/21, a worsened position of £0.441m on the original budget.

The table in 3.4 of the report gave the draft outturn position, still to be reviewed by the DfE in October 2020.

The variations to the budget were:

- Early Years block expenditure £0.176m.
- In year expenditure for 2 year olds and 3 and 4 year olds was higher by £0.134m and £0.118m respectively and this was covered by the contingency.
- The pupil premium grant had an underspend of £0.004m to be carried forward to 2020/21.
- The disability access fund was underspent by £0.036m, also carried forward to 2020/21.
- The Early Years inclusion fund had an underspend of £0.034 due to a reduction in demand.
- Due to Covid-19 the agreed additional central funding for the Time for Two's campaign was not able to take place so this funding of £0.038m would be returned to the Early Years central expenditure block.

Sonia pointed out that the contingency was very low at 0.03%, much lower than she would like.

There was no forecast yet for the 2020/21 budget and no block 2 funding information however, a forecast would be prepared and brought to Schools Forum on October.

The group noted the report.

2.2 Deprivation funding

This item was included as an action item from the last meeting and a paper had been circulated giving background and modelling of funding options for deprivation, with the benefits and risks detailed:

Option 1 – Current method.

Option 2 – Using bandings in Option 1 but then funding the percentage of eligible children for either just universal hours or universal and extended hours, rather than all children.

Option 3 – Calculating deprivation funding based on a fixed rate for all providers who have 40% or more eligible children, the funding is then calculated based on the total budgeted hours.

Option 4 – as 3 but the funding calculated based on either the universal hours or the universal and extended hours.

A table was included to show the estimated changes to funding rates.

The Chair explained that the final decision would lie with the local authority on how to pay out this funding and this group would inform Schools Forum of their views and preferences. If changes were recommended, a consultation would be carried out and this would have to be done by the end of December for changes to be put forward by February 2021.

Views expressed in the ensuing discussion included:

- Not enough information to see how it would affect providers. All were short of money and allocations should stay as they were to maintain expectations and now was perhaps not the time to make changes.
 - What would be the impact on providers? Would any be disproportionately affected by the different options? Sonia and Michelle would incorporate this into further modelling.
- Action SH & MH**
- Allow providers to maintain security and leave any decision until next year so that budgets could be made on what providers expect to receive.

Clarification was also given on why this exercise had been done. Deprivation funding had been allocated on a historical basis and a request for modelling of other methods was made at the last meeting. There had been concern that those also receiving early years pupil premium were being double funded. However, deprivation was more holistic on where settings were based and they were making good use of it.

It was also noted that it was now a different time and circumstances had changed to those in February and providers needed stability.

The Chair confirmed that it was the general consensus not to do anything now. Therefore, there would be no consultation and the group would revisit and review the item in the future, perhaps next year.

2.3 Autumn 2020 Provider Funding

The report had been circulated to review the method of funding for early years providers for the autumn 2020 block, considering expected reduced attendance at settings due to Covid-19.

The DfE guidance had been that all providers should continue to be funded at 'broadly' the levels they would have expected to see in the 2020 autumn term had there been no Covid-19.

However, in reviewing the autumn 2020 estimated data against autumn 2019 actuals it was found that 41% of 3-4 year old providers and 35% of 2 year old providers had estimates in line or better than they did in 2019. Therefore a significant number of providers would be adversely affected if a straight autumn 2019 approach were made.

It was also noted that the contingency of £76k was a significant reduction on that of 2019/20.

Together with other information in the report, there were five options:

- Option 1 – Fund all providers as per the autumn 2020 actuals as normal.
- Option 2 – Fund all providers as per the autumn 2019 actuals.
- Option 3 – Fund all providers on the best position from options 1 and 2.
- Option 4 – Fund based on autumn 2020 submissions with a top up for providers who see a significant adverse outcome. (Recommended)
- Option 5 – funding based on autumn 2019 submissions with a review of providers who see a significant adverse outcome.

It was pointed out that option 1 would retain a carry forward of £1.1m and was not reasonable. Option 2 may see providers being discouraged in accepting new admissions if they were not being funded for them. Option 3 would use all the contingency and could mean double funding for children moving between settings. This left options 4 and 5 for discussion.

The group felt that option 4 made more sense. Could funding be increased from 90% to 95% of autumn 2019 as there should not be any underspending.

Sonia pointed out that a £76k contingency was not enough as £441k had been used in 2019/20. If there was an overspend this year, it would cause problems for the future.

The Chair confirmed that Option 4 was the preference for the group.

2.4 Post head count payments and notice periods for children leaving settings

This report outlined the process of claiming adjustment payments outside of block funding for children moving mid-term i.e. outside of the head count/census date. This would include children moving into the local authority from another and those moving between settings in Milton Keynes.

Option 1 – To continue with the current method of funding post head count payments by recalculating starters and leavers after the head count/census date.

Option 2 – Discontinue the post head count process and start funding for new starters and leavers at the start of the next funding block.

Option 3 – Continue to fund post head count but cut off the submission date earlier in the block. (dates given)

Option 4 – Continue to fund post head count but cut off the payments earlier in the block, as well as an earlier submission date. This would allow additional funding but at a lower level to encourage providers to accept children after the head count/census date.

Discussion favoured leaving the situation as present (Option 1) as settings may not take children if they were underfunded. Moves may be related to high mobility and domestic violence. It was pointed out that from an SEN point of view, successful placements must be made.

It was asked how manageable the current process was. Julie explained that this was currently a manual process with a new system due early next year which was more automated and should be easier to use.

The Chair summarised that the use of the new system would enable all considerations to be met and children would be funded with less administration. Therefore the view was to keep with Option 1 and to monitor the impact of the new system.

Julie went on to explain item 5 in the report – children leaving settings:

Early years funding provider guidance enabled them to claim funding when a child left their setting, until the end of their contracted notice period. The issue was that providers had varying notice periods with their parents ranging from 3 – 8 weeks.

The group discussed the two options given; 1 – do nothing and continue to fund according to the notice period agreed with parents or 2 – revise the wording in provider guidance to set a limit of 4 weeks to ensure consistency.

The group supported the revision to 4 weeks to provide consistency but with the caveat to allow more for vulnerable or SEN children. The 4 weeks should also include holiday periods.

Communications to inform parents were also discussed and Julie confirmed that changes would be highlighted when the new guidance was sent to providers.

Therefore option 2 was agreed with the additions mentioned to be included.

3.1 Review of Terms of Reference and Membership

Section 3.1 (b) to (d) of the Terms of Reference would be updated with the new MKC department titles.

Action - Clerk

There remained a vacancy for a PVI provider.

Including a childminder was discussed. Julie Dodds represented a childminder collective and it had always been a struggle to recruit childminders. New ways of meeting may encourage their attendance by making it easier to engage. Any recommendations would be welcomed.

The role of the Early Years Alliance was clarified as it had a collective voice and was now working with childminders. Acorn Childcare was the only day nursery representative.

Carol Taylor from Childbase would be contacted as she had not attended a meeting and her place could be re-allocated.

Action - Clerk

Sonia reminded members that matters discussed during the meeting should remain confidential until decisions were formally taken.

The Chair thanked all for their participation and the meeting concluded at 2.25pm.