Responses to Early Education Funding Consultation on 3- & 4-year-old supplements and central retention

Number of responses	
Childminders	13
Group settings	26
Total	**39**

What is your preferred option for the deprivation supplement?	**Number of responses**
Option 1 - keep the existing rates per hour and IDACI range	9
Option 2 - keep the existing IDACI ranges with an inflationary increase of 1p or 2p per hour	16
Option 3 - keep the existing rates per hour with a lower band 1 IDACI score	1
Option 4 - lower band 1 IDACI score with an inflationary increase of 1p or 2p per hour	13

Do you have any comments relating to the deprivation supplement?

1. Our setting is not entitled to deprivation supplement despite supporting many families in need.
2. Some setting receive children from very different postcodes and should fairly receive the supplement.
3. It is hard to fully analyse the importance/impact of such supplements for settings as we have never been in receipt of them ourselves. As we are only eligible for the base rate (no deprivation or low income uplift) so any action that does not affect the base rate would be preferable to us.
4. All settings should be looking at their own incomes and working out ways to be sustainable using the other funding rates to cover shortfalls. Therefore the supplements aren't really valid anymore because more families get funding & therefore setting their own business mdl should enable them to make up the shortfall.

What is your preferred option for the low income supplement?	**Number of responses**
Option 1 - keep the existing supplement rates and income thresholds	13
Option 2 - don't have a low income supplement	12
Option 3 - increase the income thresholds by 25%	9
Option 4 - increase the income thresholds by 50%	5

Do you have any comments on the low income supplement?

1. I think this was useful before all children became funded. Now with the new rates and every child being funded I feel this money could be better used elsewhere.
2. Due to government funding, most childminders and settings are receiving the higher threshold amounts if not above this amount therefore scrap the bands and increase the base rate for everyone.
3. As a setting not eligible for this supplement an increase in base rate would help support our financial sustainability.
4. Everyone is now earning more. Stop low income supplement & make it the same for everyone.
5. I don't think by adding the supplement works for childminders as one year you'll have more 3-4 yr olds the following you won't and I seem to always miss out on the higher rate due to changing supplements.
6. Impacts more settings.
7. Childminders have consistently been left out of the equation when it comes to funding. Having this uplift has meant I have been able to offer the funding without any additional costs to parents as required however without it I would be paid less once a child is 3 years old than what I would charge privately for those hours. Until childminders are given recognition that their funding models are not the same as nurseries we won't be paid fairly. - many childminders have missed out on this supplement due to the way the bands have been set which has not been fair and a point we have continued to raise each year~ childminders should have defaulted for this from the beginning.

Do you agree with the increase in central retention to £1,211,845?	**Number of responses**
Yes	14
No	9
Don't know	16

Do you have any comments about central retention?

1. We understand the theory of retaining funds for your pay increases, but will always struggle to agree that money intended for settings does not make it's way to us. Support to settings is not as it once was. We have always been self sufficient and every year feel less and less supported by the council, team and training offerings.
2. Whilst i accept it is to pay for some services relating to early years, i think taking extra money to cover your pay rises is unacceptable in the current climate. Our staff are working for minimum wage, we can barely afford to pay them as it is, its going up again by another 50p an hour next year, is our funding going to increase significantly to help us cover that or are we sacrificing our funding for you to get a pay rise instead??
3. It was increased significantly in 2025/26

4. We barely have contact with the best start in life advisors and as childminders all ‘benefits’ / places to meet have been taken away from us so over the last 3 years we have recieved less and less support.
5. It would be nice to see a breakdown of how this is spent. We would then be better placed to see if it offers 'value for money'. Also any plans to change or enhance support offered in the coming year might impact thinking. We appreciate the need to cover local government pay awards. However, it is important that settings are supported too. Central government needs to address the long-term underfunding of the early years, the sustainability issues caused by the expansion of 'funded' childcare, the impact of meeting their rules with regards funded places and any increase in funding not tracking increases in staffing costs (minimum wage, NI contributions etc.).

6. I am happy for the central retention to increase. Provided we continue with the best start in life hubs, and early years supports. We desperately need more send support & advice & training & available speech & language support that is small and accessible to send children, not just group sessions. Please continue with this & use the funds to help early years get all children supported as its too late when at school. The send support system is in crisis nationwide & Dorset are making a difference . I really appreciate my early years team & the funding team who are always there for help. Thankyou
7. Awaiting more information to understand if 3.2% is proportional to the rise in hourly rate for settings

8. As a provision, we do not receive significant benefit from this central retention. The majority of external support comes from our Multi-Academy Trust.
9. Not enough information available

10. I do not agree with the central retention percentage. Settings are not getting value for money from central retention. BSILA response times are not acceptable. Their advice is non committal and settings are expected to complete further paperwork which we do not have the time to do.
Funding applications are processed by settings, we should be receiving payment from central government to process the funding that they have forced settings to receive. I propose that parents apply for the funding through their government childcare accounts and choose where they send their children and spend the funding. This will alleviate the enormous amount of paperwork that settings have to undertaken to administer the funding process and remove the need for local government to administer. Therefore, increasing the base rate and helping to ensure the future of settings.

Do you have any other comments regarding early education funding?

1. Increase base rates for 3 and 4 year olds generally for all childminders so that we are not forced to move them on as we can not afford to keep them.
2. It needs to rise significantly, preschools are struggling financially and have been for a few years now, funding has not risen in line with minimum pay rises, we are all struggling to keep afloat

3. Whilst the age bracket pay structure works for nurseries where child: staff ratio changes depending on age, as childminders it causes great fluctuations in the amount we earn as we are restricted to 1:3/1:4 children … meaning we earn a maximum of £30per hour if we have all under 2's, or potentially £16.35 if we have all 3/4yr olds … once our expenses are taken out we are not earning minimum wage if we have all 3/4year olds … and as a childminder it is hard to 'encourage' parents to send their little ones to nursery as the government/council do not pay enough to be able to earn a living wage if I kept them … especially as a nursery environment might not be right for the child! Childminders need a different pay structure as WE ARE NOT THE SAME AS A NURSERY SETTING!
4. It's really important for you to push for next years funding rates asap. We as small businesses need to make our budgets at least a term in advance. We also now have new wage increases to budget for & need to plan staff vs ratios and whether we can afford to offer spaces for children, Parents need to plan & MTD to now start planning for, so need the time to plan & work out what we can offer our parents & remain sustainable.
5. I feel that the rates need to reflect how important this sector is and be high enough to help us retain good quality, qualified staff that we need - so many are leaving the sector due to not enough pay. We are being limited and restricted on how we roll out the funding which makes it hard financially when the rates don't match the hourly rates we have to charge for private hours

6. Unless the funding rates increase to cover our overheads without the need to rely on private hours, we will consider removing 3 and 4 year old funding