Department for Education

Early years funding formulae

Government consultation response

December 2022

Ministerial Foreword

This Government is committed to supporting hardworking families by providing access to high quality, affordable childcare − both to help children to learn in their earliest years and to support parents to continue working, whilst looking after their children in the way that works best for them. We want parents to have access to a range of affordable childcare, giving them increased flexibility in their working hours and helping children thrive in the crucial early years.

In 2017, we extended the free entitlement to childcare for three- and four-year-olds from 15 to 30 hours a week, to provide working parents with further support with the cost of childcare. At the same time, we introduced the Early Years National Funding Formula (EYNFF), to ensure that funding for three- and four-year-olds would be distributed fairly and transparently to local authorities (LAs) across England. This replaced the previous funding system which was based on historic LA expenditure.

Every year, over the last three years, we have spent over £3.5 billion on the Early Years entitlements. The EYNFF, and the parallel formula for funding for the most disadvantaged two-year-olds, have been at the heart of this record funding investment.

However, many of the datasets which underpin these formulae and which we use to reflect geographical cost variation are not up to date. The longer we wait to update them, the further the formulae will drift away from recognising current need. At the Spending Review 2021 we announced that we are investing additional funding for the early years entitlements worth £160m in 2022-23, £180m in 2023-24 and £170m in 2024-25, compared to the 2021-22 financial year. And in response to the recently announced National Living Wage increase next year, we are investing a further £20m in 2023-24 to help meet this cost to providers at a national level.

It is right that we now use the certainty this settlement provides to make changes to the funding formulae for the 2023-24 financial year, to ensure that we are distributing this funding fairly and in line with current need. The proposals set out in the consultation on the national funding formulae, and the reforms we will now take forward from 2023-24, will help to ensure that the Early Years funding system is responsive and targets investment towards those areas where it will do the most good.

Finally, I would like to thank everyone who responded to the consultation. Your thoughts and suggestions have been invaluable in informing our work.

Claire Coutinho MP, Minister for Children, Families and Wellbeing

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Introduction

Between 4 July 2022 and 16 September 2022, we held a consultation on reforms to the early years funding formulae. The consultation sought views on proposals to update the underlying data in both the early years national funding formula (EYNFF), which distributes funding for three- and four-year-olds, and the parallel two-year-old formula, to bring them up to date, and to make some adjustments to the formulae to ensure that they continue to direct funding where it is most needed – as we do annually with all other similar funding formulae. We also proposed reforms to create a fairer distribution of maintained nursery school (MNS) supplementary funding. The consultation was conducted online, and we ran two webinars for local authorities, as well as engaging in more detailed discussions with representatives from stakeholder groups and individual local authorities. Having carefully considered the feedback to the consultation, this document presents our response and confirms our overall approach to the reforms to early years funding.

Since 2017 the EYNFF and the separate formula for two-year-old funding, have set the hourly funding rates that each local authority is paid to deliver the early years entitlements which provide 15 or 30 hours a week of free, high quality, flexible early education and childcare for eligible two, three- and four-year-olds for 38 weeks. These formulae were designed to allocate our record investment in early years entitlements fairly, efficiently and transparently across England. We have not updated either of the formulae since their introduction, which means that the datasets underpinning the various factors within the formulae are now increasingly out of date. The formulae are therefore no longer targeting funding as effectively as they could be in order to meet current levels of need, which we know will have changed. That is why we consulted on changes to the funding formulae for the 2023-24 financial year to ensure that we are distributing this funding fairly and in line with current need.

The proposals that we consulted on were:

- To update the underlying data within both the EYNFF and the separate 2-year-old formula to ensure we are using the latest available data where possible.
- To make some adjustments to the formulae, in particular to the area cost adjustment, to ensure that the proxy measures within both formulae continue to direct funding where it is most needed.
- To mainstream the currently separate teachers' pay and pensions grants into the EYNFF and into maintained nursery school supplementary funding
- To introduce year-to-year protections to ensure that local authorities can manage the changes to funding levels at a local level.
- To reform the distribution of maintained nursery school supplementary funding, alongside an additional £10 million investment, to ensure that it is being shared more evenly across all LAs with MNSs.

This document provides analysis of views received in response to the consultation and confirms the final changes that will be made to the early years funding formulae from 2023-24. It has been published alongside 2023-24 funding rates and step-by-step calculations, an accompanying technical note and the 2023-24 operational guidance for local authorities, all of which can be found using the following link: https://www.gov.uk/government/publications/early-years-funding-2023-to-2024.

The document consists of three sections:

- A summary of responses to the consultation
- A summary of the government's response to the consultation
- Analysis of responses to each question and the government's response

Summary of responses received

In total we received 412 responses to the consultation. Of the total respondents, 293 stated that their response was on behalf of an organisation. A breakdown of organisation type is given in the table below[1]. A full list of organisations that responded to the consultation can be found at Annex A.

We discussed these proposals with a number of local authorities and representative organisations during the consultation period, including through two Department-led webinars and informal conversations with individual LAs. We also directly engaged with the two LAs impacted by the proposed MNS supplementary funding cap. As well as the findings from the online consultation, the discussions at these meetings and events have fed into the final decisions and, where relevant, have been reflected in the responses set out below. Our detailed response based on our analysis of the responses is set out below.

Note, many respondents chose to answer using just the Yes / No / Unsure options and as such are not included in breakdowns of free text comments. Additionally, some respondents choosing to answer through the free text boxes provided comments falling under more than one category or did not provide a response to a particular question. Where comments did not relate to the question asked, these were noted and considered as either part of the appropriate question or considered as more general feedback where the comments did not relate to the consultation proposals.

Type of organisation	Number	Percent
Private, Voluntary or Independent Group Provider	102	35%
Local Authority	100	34%
Maintained Nursery School	36	12%
Maintained School	19	6%
Sector Organisation	12	4%
Other	9	3%
Academy	7	2%
Childminder	7	2%
Diocese	1	0%

[1] Only respondents that stated their response was on behalf of an organisation have been included in this breakdown.

Main findings from the consultation and the government response

This section provides a high-level summary of the main findings from the consultation, and also confirms the final decisions that have been taken. These are then broken down in more detail in the next section of this document.

There was broad agreement with our proposals to update the underlying datasets driving both formulae to the most recently available data. There was also broad agreement with our proposed amendments to both formulae. However, concerns were raised over the free school meals (FSM) proxy in the additional needs factor, which further investigation has verified, and we have accordingly modified our proposal.

Updating underlying data & adjusting the formulae

We will implement the majority of the proposed updates and amendments to the formulae, which will allocate funding rates for 2023-24, and update the data underpinning the formulae annually going forward

We will use the most recently available dataset for the FSM proxy but we will not continue with our proposed change to the cut of the data, which would have included data for part-time 3 and 4-year-olds for 2023-24.

There were a range of responses regarding the rolling in of the teachers' pay and pensions grants to both the EYNFF and MNS supplementary funding. Some of the points raised included the need for clear guidance, uncertainty over how the quality supplement would be implemented and concern over the supplements cap.

Mainstreaming the teachers' pay and pensions grants

We will continue with our proposal to mainstream the teachers' pay and pensions grants into both the EYNFF and MNS supplementary funding from 2023-24.

However, in light of responses to the consultation, we will:

- Increase the supplements cap from 10% to 12% of the total value of planned formula funding to providers, and
- ensure that the guidance to local authorities provides sufficient support and clarity over how the quality supplement can be used.

As part of the consultation, we outlined several protection measures for 2023-24 to limit turbulence as a result of the formula driven redistribution of funding between areas. There was broad agreement with the protections for both formulae, with many respondents stating the importance of protections in ensuring stability. Many respondents also commented on the overall levels of funding increase in relation to current levels of inflation.

Protections

In 2023-24, we will invest an additional £20m in the Early Years entitlements to help meet the cost of the National Living Wage increase next year at a national level. We will apply year-to-year protections of +1% and a gains cap of 4.9% and 10.0% for the EYNFF and 2-year-old formula respectively. We will also increase the minimum funding floor for the EYNFF to £4.87.

The consultation also made specific proposals regarding reforms to the distribution of maintained nursery school supplementary funding. These were broadly welcomed, with a majority of respondents supportive of our proposed approach of a new minimum funding floor and a cap on the supplementary funding hourly rate that local authorities can receive for their MNSs.

MNS supplementary funding

From 2023-24, we will reform the distribution of maintained nursery school supplementary funding by introducing:

- A minimum funding floor for the MNS supplementary funding hourly rate of £3.80
- A cap on the MNS supplementary funding hourly rate of £10

In light of responses to the consultation, we will smooth Westminster's transition onto the cap to limit the extent of year-to-year changes in their MNS funding rate.

Question analysis

The consultation included fifteen substantive questions, which are analysed below. Questions 1 to 7 asked about proposals relating to updating and amending the early years national funding formula (EYNFF), including questions regarding our proposal to roll in the early years element of the teachers' pay and pensions grants. Questions 8 and 9 asked about proposals relating to updating and amending the formula for the 2-year-old entitlement. Questions 10 and 11 sought views on our proposed approached to protections for local authorities' hourly rates through the EYNFF and 2-year-old formula respectively. Questions 12 and 13 related to our proposed reforms to increase the fairness of maintained nursery school supplementary funding. Question 14 invited views on the provisional equalities impact assessment and Question 15 provided an opportunity to raise any other comments related to our proposals. Note that the total of the percentages in the summary of responses may not always add up to 100% due to rounding.

The Early Years National Funding Formula (EYNFF)

Question 1

The EYNFF distributes funding to local authorities for the 3- and 4-year-old entitlements and includes an additional needs factor to channel funding towards areas with a higher relative proportion of children who are disadvantaged or with additional needs. The factor is intended to reflect the extra cost of delivering good quality early education to such children and is made up of three proxy measures: eligibility for Free School Meals; numbers of children with English as an Additional Language; and children in receipt of Disability Living Allowance. The data underpinning these measures has not been updated since the introduction of the EYNFF in 2017, and dates from 2015 and 2016. In the consultation we proposed to update all three datasets with the latest available data and to continue doing so annually.

Do you agree with our proposal to update the underlying data in the additional needs factor in the EYNFF?

Table 1 Summary of responses

Answer	Total	Percent
Yes	308	75%
No	32	8%
Unsure	61	15%
Not Answered	11	3%

The vast majority of respondents agreed with our proposals. This support extended across all types of respondents including sector organisations, local authorities and providers. Over half of the comments noted the importance of using the most recently available data to ensure that funding is distributed according to current need. Many respondents also commented on their preference for the underlying data to be updated yearly, with some questioning why the data has not been updated since 2017.

A minority of responses raised concerns over the choice of proxy factors used in the additional needs factor. These concerns particularly related to the free school meals (FSM) and Disability Living Allowance (DLA) proxies. Some comments questioned the representativeness of these proxies in relation to additional needs, and some suggested the use of alternative proxies (such as Early Years Pupil Premium and IDACI).

Around 10% of responses suggested that there should be an increased emphasis on the use of the additional needs factor to drive funding distribution. Most of these comments came from local authorities and providers. Suggestions included increasing the overall weighting of the additional needs factor, and increasing weightings of individual proxy measures making up the additional needs factor. Additionally, a significant number of comments referred to the overall level of funding being channelled through the formula and hence through the additional needs factor.

Government response

We did not consult on changing the components of the additional needs factor within the EYNFF. It is essential that we use proxy factors that can be accessed in a format that can be used appropriately within the formula and we remain confident that the FSM and DLA proxies are the most appropriate measures for this formula.

The datasets underlying the three proxy measures within the additional needs factor are now out of date. Updating the datasets with the latest available data will help to ensure funding is distributed to where it is needed most and can do most good. The overwhelming majority of respondents supported this proposal and we will therefore update the datasets, as outlined in the consultation, in time for 2023-24, and continue to update the datasets annually going forward. The table below confirms the datasets to be used to update the formula when determining the hourly rates for LAs for 2023-24. Further details on how the additional needs factor works within the formula can be found in the technical note, which can be accessed via the following link: https://www.gov.uk/government/publications/early-years-funding-2023-to-2024

Proxy measure	Source of data	Date of data to be used for 2023-24
Free School Meals (FSM)	DfE Annual Schools & EY Censuses	January 2022
English as an Additional Language (EAL)	DfE Annual Schools & EY Censuses	January 2022
Disability Living Allowance (DLA)	Department for Work and Pensions (DWP)	February 2021

Question 2

One of the proxy measures within the additional needs factor is the number of children entitled to Free School Meals (FSM). The consultation proposed changing the current dataset which measures the proportion of children on FSM in reception, KS1, KS2 and under 5s in full-time childcare, to a headline measure which includes 3- and 4-year-olds taking up part-time childcare. It was felt this would be more representative of the age group taking up the entitlement and bring the measure into line with the dataset used in the High Needs Formula.

Do you agree with our proposal to move to using the free school meals headline measure?

Table 2 Summary of responses

Answer	Total	Percent
Yes	254	62%
No	62	15%
Unsure	87	21%
Not Answered	9	2%

The majority of respondents agreed with our proposal to move to using the free school meal (FSM) headline measure. Many of the free text responses suggested that this was a positive change that would be more representative and more consistent with other funding formulae, such as the high needs funding formula. Of the comments agreeing with the proposed changes, the majority came from local authorities. Some respondents agreed with the proposed changes but commented on wider concerns they had regarding the use of the FSM proxy, or the underpinning dataset.

Approximately a third of responses commented on the representativeness of the FSM data being used. Many cited concerns that eligible families would not be captured either because they are not claiming FSM due to the universal FSM offer for pupils in year 1 and 2, or because many EY children attend nursery part-time and often do not stay over the lunch period, so are not consistently recorded as eligible for FSM. Some respondents also made more general comments suggesting there was a low take-up of FSM for early years children, and others suggested that the FSM measure would not take account of deprivation in PVI settings.

Again, some respondents suggested there should be a greater emphasis placed on deprivation in the additional needs factor, with more funding channelled through this element of the formula. A minority of respondents also commented that they were unsure of the impact of the change.

Government response

In the consultation document we proposed moving to the headline measure of FSM eligibility, which included 3- and 4-year-old children in part-time childcare, principally because we thought this would be more representative of disadvantage amongst those eligible for the free entitlements. Whilst most respondents did agree with this change, a number of them also flagged concerns about how well the new dataset would capture the true picture amongst this cohort given differences in recording of eligibility at local level.

Following additional analysis at LA level of the concerns raised by some respondents, we agree that there appears to be some variation in the recording of FSM eligibility between areas, and that within the context of how the data is used in the EYNFF, levels of deprivation could in some areas be under-represented by the proposed new dataset. At this time, therefore, we will not include the cohort of part-time 3- and 4-year-olds in the additional needs dataset, as had been proposed in the consultation, but will continue using the existing measure.

Question 3

Another proxy measure within the additional needs factor of the EYNFF is the number of children in receipt of Disability Living Allowance (DLA). We proposed amending the dataset underpinning this measure to use the number of 3- and 4-year-olds who are entitled to DLA, rather than the current dataset of all claimants under 5, and to use data from the February collection rather than August. We also proposed to calculate the proportion of children who are eligible using 3 and 4 year old mid year Office of National Statistics population estimates, rather than the January schools and EY census. We considered this would better align with the children taking up the entitlement and ensure the latest available data was used.

Do you agree with our proposal to update the way in which the Disability Living Allowance data is used?

Table 3 Summary of responses

Answer	Total	Percent
Yes	267	65%
No	50	12%
Unsure	84	20%
Not Answered	11	3%

Most respondents agreed with our proposals. The majority of free text comments agreeing with the changes were from local authorities, although many also cited various concerns with the proxy measure. Many comments referred to the positive impact of the proposed changes or made general remarks agreeing with the proposal. Other comments emphasised the importance of using the most recently available data to drive the formula in order to reflect the current relative needs across the country.

About a third of comments made reference to concerns over the use of DLA data. Of these comments, some highlighted the difficulties in diagnosing potential DLA claimants. Respondents also suggested that there was a low take-up rate of DLA which may skew the data driving the distribution of this funding. Another common theme was the suggestion that some families chose not to disclose receipt of DLA to the providers, and as such raised concern these children would not be recorded.

Respondents raised concerns over the use of the DLA proxy in accounting for the additional costs associated with SEND faced by childcare providers. One particular recurring theme suggested that children with SEN are not adequately captured by the

DLA measure. Some comments went on to suggest alternative datasets, including data from local health providers, or other data collections relating to the DLA dataset. A small minority of comments also suggested that the proposed approach to DLA did not align with the proposed approach to using the headline measure for FSM, as the dataset would be widened for FSM while becoming narrower on the specific age group for DLA. As with questions 1 and 2, some comments also suggested that there should be an increased emphasis on the additional needs factor.

Government response

While we acknowledge that there are some limitations to the DLA data, this is a standard proxy factor used across other formulae, and following the consultation we remain confident that this is still the most appropriate and reliable measure to use. This proxy is intended to reflect relative costs across a local authority – the Disability Access Fund can also be accessed by providers to help with specific additional costs faced by individual children in accessing the entitlement.

The majority of respondents agreed with proposals to amend the dataset as set out in the consultation and we will therefore implement these changes in time for 2023-24, and continue updating annually going forward. The new dataset will be made up of all children aged 3 and 4 who are entitled to DLA and based on data made available by the Department for Work and Pensions in February.

Question 4

The EYNFF includes an area cost adjustment (ACA), which takes account of the relative difference in staffing and premises costs across the country. The rateable values data used to reflect relative premises costs comes from a 2010 property revaluation, and the staffing costs element uses a General Labour Market (GLM) measure with data from 2013-14. The consultation proposed to update the data underlying the ACA with the latest available data where possible. Specifically, for the rateable values data we proposed to take snapshots of the most recent three years of data available, which will then be averaged. The GLM data currently used, from 2013-14, is still the most recent data available in the format required for use in our formula, and so we do not propose to update it for 2023-24, but we proposed to update this underlying data going forward when it becomes available and appropriate to use. Further details of the specific datasets are set out in the technical note.

We also proposed to make a technical amendment to improve the way the GLM data is calculated in London fringe local authorities. We proposed to move to using a weighted average measure, incorporating data for both the ‘fringe’ and ‘non-fringe’ areas, weighted by population in each district. This would be consistent with the approach taken in the 2-year-old formula.

Do you agree with our proposal to update the underlying data used in the area cost adjustment in the EYNFF, in particular the rateable values data and the GLM data, when available?

Table 4 Summary of responses

Answer	Total	Percent
Yes	267	65%
No	49	12%
Unsure	84	20%
Not Answered	12	3%

The majority of respondents agreed with our proposals. In particular, many sector organisations and local authorities commented on the importance of ensuring the most recently available data is used in the formula.

The most raised concern in relation to this proposal was regarding the age of the GLM data we are proposing to use in 2023-24. While acknowledging that this data will be updated when the latest data becomes available, many respondents suggested that the dataset (currently from 2013-14) was not sufficiently recent for use in the formula. Some respondents suggested that an alternative interim dataset should be used instead, and others suggested that the proposed changes to the EYNFF should be delayed until the most recent GLM data is available. A minority of comments also suggested that the formula was not currently recognising cost pressures due to the use of the outdated GLM data.

Some respondents suggested that GLM was not an appropriate proxy for staffing costs, suggesting it does not accurately reflect the pay of the early years workforce which is generally at the lower end of the scale reflected in the GLM data. Some responses went on to suggest the use of alternative datasets to reflect staff costs, such as using average wage data from providers.

A minority of responses commented on the general distribution of funding driven by the ACA. Some suggested that the principle behind the ACA and the data update favoured more affluent areas and should instead be titled more towards deprivation.

A small number of respondents questioned the use of rateable value data as a proxy measure of premises costs, citing that not all providers paid rateable values and the costs that are captured by rateable values do not always correlate well with true premises costs. There were a few respondents that also raised concerns relating to the proposed change to the treatment of London fringe local authorities in the GLM data and questioned the reason for this change.

Government response

We do not think there is a better alternative proxy for the premises costs seen by private nurseries, and our proposals to extend the factor to include a schools rates cost adjustment factor will improve the proxy factor by taking account of the differences in provider base between local authorities .We will therefore update the datasets with data from the three most recent years of data available, as outlined in the consultation, in time for 2023-24, and continue to update the datasets annually going forward where possible. This includes moving to a weighted average approach for London fringe local authorities.

We are continuing to consider the latest GLM data that the Department for Levelling Up, Housing and Communities published in March 2022 to determine how best to make it compatible with the existing ACA methodology in the national funding formulae, given the change in methodology.

Question 5

We proposed to continue to use rateable values data within the ACA as a proxy for premises related costs, but to make a number of amendments to the way in which this data is used to improve this proxy measure. In particular, we proposed to:

- calculate the rates cost adjustment measure for each of the last three years and then take an average of these to smooth volatility, rather than the current approach of using a snapshot of one year
- move to an approach which takes account of the floor area of each setting, i.e., calculate an average rateable value per metre squared for each LA to better take account of the size of settings, and therefore better reflect relative costs
- amend our approach to include an infant and primary (schools') rates cost adjustment (IPRCA) calculated using school rateable value data, which we will combine with the existing nursery rates cost adjustment, weighting each by the proportion of 3- and 4- year-old universal and additional hours taken up in each setting type. This will allow the formula to better recognise the overall cost of childcare across an authority, and it also increases the sample size, which will result in less volatility at future updates.

We therefore proposed to rename the nursery rates cost adjustment (NRCA) as the new nursery, infant and primary rates cost adjustment (NIPRCA).

Do you agree with our proposed amendments to the proxy measure for premises related costs in the EYNFF, including introducing schools rateable values data?

Table 5 Summary of responses

Answer	Total	Percent
Yes	233	57%
No	48	12%
Unsure	120	29%
Not Answered	11	3%

The majority of respondents agreed with our proposed amendments to the proxy measure for premises related costs in the EYNFF. Many of the free text responses made positive comments agreeing with our proposed amendments, including suggestions that the change would better reflect costs across the country, is advantageous due to increasing the size of the dataset, and better recognises the diversity of provision.

Around 15% of free text responses raised queries or concerns over the calculation method and some comments expressed uncertainty over the impact of introducing schools' rateable values. Of these concerns, some LAs suggested that their rate would be diluted from the introduction of schools' business rates. Others requested clarifications on various specific data points (including the treatment of providers exempt from business rates and whether maintained nursery schools were included in the data).

A minority of respondents raised the impact of the introduction on schools business rates on local authorities with different proportions of provider types, and queried the impact this would have overall on different school based nurseries compared to PVI providers.

Some respondents suggested that the inclusion of schools' business rates was not required, suggesting that these are already accounted for through the schools NFF. Some comments also suggested that rateable values are generally not reflective of premises related costs.

Government response

From 2023-24, we will introduce the new nursery, infant and primary rates cost adjustment (NIPRCA) into the area cost adjustment in the EYNFF. This means that, going forward, we will include schools' rateable values data, as set out in the consultation, and we will proceed with our proposal to calculate the rates cost adjustment measure for each of the last three years and then take an average to smooth volatility. We will also move to the metre squared approach as set out in the consultation document to better take account of the size of settings, and therefore better reflect relative costs.

Since the consultation we have continued to work with the Valuation Office Agency to refine our use of school and nursery rateable valuation and floor space data. This includes the removal of properties with null floor space or zero rateable value and changing the floor space measure used for schools to improve the completeness of the dataset. Further details on the Valuation Office Agency data used and how the NIPRCA factor is calculated can be found in the technical note, which can be accessed via the following link: https://www.gov.uk/government/publications/early-years-funding-2023-to-2024.

Question 6

We proposed to mainstream the early years element of the funding currently distributed through the teachers' pay grant and the teachers' pension employer contribution grant (TPPGs) by rolling it into the overall quantum of the 3- and 4-year-old entitlements funding, for consistency with other formulae and simplicity. To limit the extent of the changes in distribution of the grant, we proposed to include each local authorities' indicative 2022-23 teachers' pay and pensions grants funding within the baseline against which we apply protections for 2023-24.

Do you agree with our proposed approach to mainstreaming the early years element of the teachers' pay and pensions grants?

Table 6 Summary of responses

Answer	Total	Percent
Yes	180	44%
No	107	26%
Unsure	114	28%
Not Answered	11	3%

There were a range of responses to this proposal. 44% agreed with our proposals, and a significant proportion of responses indicated uncertainty over the impacts of mainstreaming the early years elements of the teachers' pay and pensions grants (TPPG). About a third of local authorities agreed with the proposals, while others offered a range of comments on the proposals which have been considered following our response analysis.

Some responses, particularly from sector organisations and providers, raised concerns that TPPG funding may not reach schools through the proposed mechanism. However, others welcomed the proposed changes given the scope to distribute funding to providers with higher staffing costs more widely, regardless of setting type. Comments were also made regarding the possible tension the proposal could create between PVIs and maintained settings. Some also commented on regional disparities related to TPPG, exacerbated by rolling in the grant before protections are applied.

Many LAs responded suggesting the proposed mainstreaming of the grants goes against the single base rate for all providers approach through the EYNFF. Some expressed concern about perception from the wider market that implementing a quality supplement that mainly recognises schools would have.

Some respondents shared concerns relating to the supplements cap, particularly from LAs that were already close to their current supplement cap. These responses highlighted that passing funding through the quality supplement may result in a decrease in funding through other supplements (such as deprivation) in order to adhere to the 10% funding cap. Concerns of this nature were also voiced in the Department-led webinars with LAs.

Some respondents expressed concern over the potential need to collect additional workforce data for LAs to operate a quality supplement. A significant minority of respondents believed that a broader range of provider types would need to be included in any quality supplement for TPPG costs, stating that the EYNFF guidance suggests supplements must be open to all providers. Some respondents expressed concern that the guidance would suggest funding should be allocated to all providers with qualified staff, while highlighting that the TPPG grant was not designed to cover these costs for other provider types not currently in receipt of the grant. Other LAs stated that they do not offer a quality supplement due to previous feedback from providers in their area.

Question 7

We also proposed to change local (non-statutory) funding guidance to LAs to encourage them to consider using the existing discretionary quality supplement to take account of additional pressures that some providers might face, from, for example, the need to pay employer contributions to the teachers' pension scheme.

Do you agree with our proposal to update the operational guide to encourage local authorities to take account of additional pressures that some providers might face using the existing quality supplement?

Table 7 Summary of responses

Answer	Total	Percent
Yes	225	55%
No	82	20%
Unsure	93	23%
Not Answered	12	3%

The majority of respondents agreed with our proposal to update the operational guide, although many of the free text comments caveated their agreement with earlier stated concerns regarding the mainstreaming of the teachers' pay and pensions grants. Many respondents chose to repeat comments made in the previous question.

A recurring theme, particularly reflected in comments from LAs, highlighted the need for clarity in the published guidance on the operation of the quality supplement. Calls for clarity in the guidance were echoed at meetings with LAs, including during the webinars. While some LAs welcomed the additional flexibility mainstreaming the grant would bring, many LAs expressed concern that it would not be possible to ensure the same levels of funding continue to reach school-based nurseries through the proposed mechanism. Some of these comments suggested the guidance should clearly explain the Department's preferred approach to distributing the grant through the quality supplement.

LAs stated that clear guidance would be essential for transparency, and other comments suggested that examples of the acceptable operation of the quality supplement would be useful in informing decisions over how to distribute the mainstreamed TPPG funding. A few respondents also suggested that the quality supplement should be made mandatory to ensure the TPPG funding is distributed via the supplement.

Some respondents were concerned over obtaining approval for the supplement from their schools forum, particularly given budgetary time constraints. Respondents echoed the concerns over the supplement cap explained in the summary of responses to the previous question.

Government response to questions 6 and 7

We will mainstream the TPPG funding as set out in the consultation document. From 2023-24, the majority of the funding will be rolled into the overall quantum of 3- and 4-

year-old entitlement funding, and so will be distributed as part of each local authorities' EYNFF rate. Local authorities' indicative 2022-23 teachers' pay and pensions grants funding will be included within the baseline against which we apply protections for 2023-24 to limit year to year changes in overall funding levels. (The funding which MNSs currently receive through the TPPGs will be rolled into the supplementary funding that LAs receive for their MNSs – see Question 13).

We will, however, take some further steps in light of the responses we received regarding the proposal for local authorities to use their quality supplement for this additional funding. We will ensure that the guidance to local authorities provides them with sufficient support and clarity over how they might use their quality supplement to channel the additional TPPG funding that has been rolled in. This includes making it clear that MNSs will have their share of the TPPG funding rolled in to their supplementary funding, and so local authorities should avoid double-funding them through the quality supplement.

We also recognise the concerns raised by some LAs regarding the cap on the amount of funding that LAs can distribute through supplements, which is currently set at 10%. LAs which currently already use the full 10%, often for the mandatory deprivation supplement, were concerned that they would be unable to channel additional funding through the quality supplement if the cap remained at that level, or they would be forced to reduce the amount they put through other supplements to do so. In response to the concerns highlighted, and in recognition of the additional funding that LAs will receive as a result of the mainstreaming of the TPPGs, we will amend regulations to increase the cap to 12% from 2023-24. We only expect a minority of LAs will need this extra flexibility. Further guidance will be provided in the operational guide published alongside rates.

In respect of queries regarding the fit of this proposal within the provider blind system, our proposal does not represent a change from the current approach regarding supplements, where local authorities have discretion over the metrics and approach used, as long as they meet the criteria set out in guidance and are transparent about their approach.

The 2-year-old formula

Question 8

In the consultation we proposed to keep the current GLM measure in the area cost adjustment for the 2-year-old formula, but to update the underlying data (currently dating from 2011-12) to use the 2013-14 data, in line with the EYNFF. As with the EYNFF, we proposed to update this underlying data going forward when it becomes available and in a suitable format.

Do you agree with our proposal to update the underlying data in the area cost adjustment in the 2-year-old formula?

Table 8 Summary of responses

Answer	Total	Percent
Yes	301	73%
No	36	9%
Unsure	64	16%
Not Answered	11	3%

The vast majority of respondents agreed with our proposal to update the underlying data in the area cost adjustment in the 2-year-old formula. Many of the free text comments stated their expectation that the most recently available data be used and welcomed proposals to continue to update the underlying data moving forward.

Similarly to concerns raised in question 4, many respondents commented on the age of the GLM data we are proposing to use, with responses stating that it is no longer representative of current need. Some commented that there would be a large shift when the GLM data is updated in future years and expressed concerns over the instability this could potentially bring.

A minority of respondents raised concerns over the distribution of funding, particularly noting an increase in funding for certain London local authorities, which some respondents suggested ran counter to wider levelling up agenda. As with comments on the EYNFF, some respondents also suggested that there should be an increased tilting towards deprivation through the 2-year-old formula, with some suggesting the introduction of an additional needs factor, and others suggesting that the ACA should be targeted towards the most deprived areas.

Government response

We will update the underlying data as proposed in the consultation and so for 2023-24 we will use the 2013-14 GLM data in the 2-year-old area cost adjustment. As outlined in Question 4, we aim to use the new GLM data in the formulae for 2024-25 if appropriate.

The consultation did not propose including an additional needs element in the 2-year-old formula, and we do not think it is necessary to do so, or to introduce another means of targeting deprived areas, as the entitlement is already targeted exclusively at disadvantaged children.

Question 9

We also proposed to amend the area cost adjustment for the 2-year-old formula to include a premises related proxy for the first time. We said we would add a premises factor to bring the formula in line with the EYNFF, as settings offering the 2-year-old entitlement face the same premises costs as those catering for older children, and this will better reflect their costs. We proposed to take the same approach as we are proposing for the EYNFF, meaning adding a nursery, infant and primary rates cost adjustment (NIPRCA) element. We said that we would weight together the nursery rates cost adjustments and the infant and primary schools rate cost adjustments using the proportion of 2-year-old entitlement hours in each setting type in each LA.

Do you agree with our proposal to introduce a proxy for premises related costs into the 2-year-old formula?

Table 9 Summary of responses

Answer	Total	Percent
Yes	256	62%
No	42	10%
Unsure	102	25%
Not Answered	12	3%

The majority of respondents agreed with our proposal to introduce a proxy for premises related costs into the 2-year-old formula. The largest theme emerging from the free text comments highlighted general agreement with the introduction of the factor, particularly as this meant aligning with the EYNFF. While some respondents queried the use of rateable values, alignment between the two funding formulae for early years was generally received positively.

As commented on in question 8 with regard to data updates, some respondents highlighted concerns over the distribution of funding through the area cost adjustment, particularly in relation to increased funding for London and the South East. Some of these respondents also repeated earlier comments suggesting that the emphasis of the formula should be more focussed on deprivation, with more funding targeted towards the most deprived areas.

A small number of respondents suggested that rateable values are not an appropriate measure as they do not reflect true costs, echoing concerns raised in earlier questions relating to the EYNFF. Some responses also raised concern over the inclusion of schools' business rates, again repeating concerns raised in relation to the EYNFF, particularly querying the impact this would have on different provider types.

Some respondents commented on the weightings used in the area cost adjustment, querying the proportion of regional dependent costs that could be attributed to staffing compared to premises costs. Some responses more generally queried the emphasis of the area cost adjustment, suggesting that the variation between areas seemed more significant than they would anticipate.

Government response

The free entitlement for 2-year-olds is already targeted at disadvantaged children. The introduction of a premises-based element to the ACA as set out in the consultation is intended to recognise the higher relative operational costs faced by providers delivering this entitlement in some areas. From 2023-24 we will therefore introduce a nursery, infant and primary rates cost adjustment (NIPRCA) element into the 2-year-old formula, as in the EYNFF, which will be weighted using the proportion of 2-year-old entitlement hours in each setting type in each LA.

Protections

In the consultation, we proposed year to year protections for local authorities in 2023-24, to help local markets manage the changes in funding levels. We proposed to:

- remove the loss cap in 2023-24 and replace it with the alternative protections set out in the consultation
- increase the minimum funding floor in the EYNFF in line with the national average rate increase (including the impact of rolling in TPPG funding)
- introduce year-to-year protections for both formulae set at +1% in 2023-24 meaning every local authority will see an increase in their hourly funding rate
- apply a cap on the gains that any local authority can see in 2023-24 to pay for the proposed year-to-year protections

Question 10

Do you agree with our proposed approach to protections in the EYNFF for 2023-24?

Table 10 Summary of responses

Answer	Total	Percent
Yes	225	55%
No	75	18%
Unsure	100	24%
Not Answered	12	3%

The majority of respondents agreed with our proposed approach to protections in the EYNFF for 2023-24. Many respondents across all types of organisation expressed support for protections in principle, while some queried the protection levels. However, a minority of comments were opposed to protections on the grounds that they prevented LAs being on their true formula driven rate.

Around half of the free text comments mentioned the level of funding increases across the board. Some comments particularly referenced the +1% minimum funding increase, suggesting that this is inadequate in the current economic climate, although respondents also suggested that the larger increases were also insufficient to meet current costs. This theme was repeated in responses to many of the other questions in the consultation, but particularly was focussed on the protections questions for both the EYNFF and 2-year-old formula.

Some respondents focussed their comments on the impact of the gains cap and made reference to the fact that this prevented them from seeing their full formula driven increase to reflect relative levels of local need. Respondents suggested that to rectify this there should be a higher gains cap (or no gains cap), while ensuring that those seeing the lowest increases continued to receive at least a 1% increase or more. Other respondents suggested that the minimum level of funding increase should be less than 1% or should be held flat. A small minority of responses suggested that there should not be protections in place at all to ensure all local authorities would receive their true formula derived rate.

Some comments also suggested that it would be beneficial to understand the long-term plan for protections to help with future year budgeting and provide certainty over levels of funding. These comments came from both respondents concerned about the trajectory of potential future cuts to bring them to their true formula rate and also from respondents keen to understand when they would see greater increases to ensure they are on their true formula rate.

Question 11

Do you agree with our proposed approach to protections in the 2- year-old formula for 2023-24?

Table 11 Summary of responses

Answer	Total	Percent
Yes	233	57%
No	61	15%
Unsure	103	25%
Not Answered	15	4%

The majority of respondents agreed with our proposed approach to protections in the 2-year-old formula for 2023-24. Many respondents broadly agreed with the principle of the protections. Many comments also raised similar concerns to those relating to the EYNFF protections, although some respondents received the higher gains cap in the 2-year-old formula more positively. There were some comments questioning why there was a difference between the gains cap in the EYNFF and the 2-year-old formula, suggesting that more consistency between the two formulae and other educational funding formulae would be more appropriate. A small number of comments also suggested that a minimum funding floor should be introduced for the 2-year-old formula.

Government response for questions 10 and 11

While the proposals in this consultation related to the distribution of the entitlements funding to ensure that we are directing this money where it will do most good, we noted that a number of respondents raised concerns about the level of funding. At the Spending Review 2021, we announced that we are investing additional funding for the early years entitlements worth £160m in 2022-23, £180m in 2023-24 and £170m in 2024-25, compared to the 2021-22 financial year.

Reflecting the recently announced National Living Wage increases, we are investing an additional £20m into the early years entitlements. This is on top of the £180m for 2023-24 announced at the Spending Review. Taken together, this will mean at a national level early years providers are supported with the additional National Living Wage costs associated with delivering the free childcare entitlements next year.

We will proceed with the approach to protections in the EYNFF and the 2-year-old formula for 2023-24, as set out in the consultation. This means the minimum funding floor will increase from £4.61 in 2022-23 to £4.87 and all local authorities will see at a least a 1% year-on-year increase in 2023-24 up to a maximum of 4.9% for 3-and-4-year-olds and 10.0% for 2-year-olds.

These protections will help smooth the return to using an updated formula and minimise the impact of changes to funding levels driven by these reforms in 2023-24. This will help ensure the transition to new levels of funding across the country is manageable for local authorities and early years providers.

We would expect year-to-year protections and if needed, the gains cap to be in place in 2024-25 and beyond, but the final approach to protections will be determined annually alongside decisions about hourly funding rates. For 2024-25, rates will be published in autumn 2023 in the usual manner. Arrangements for the financial years after this are subject to outcomes of the next Spending Review.

Reform of maintained nursery school (MNS) supplementary funding

Question 12

In the consultation, we announced an additional £10m investment in MNS supplementary funding from 2023-24, and we set out proposals to distribute this funding more evenly across all LAs with MNSs in 2023-24. We proposed to introduce a minimum hourly funding rate of £3.80, benefitting over half of all LAs with MNSs, and a cap on the hourly rate set at £10, meaning two LAs – Westminster (currently receiving £12.76) and Hampshire (currently receiving £10.27) – seeing their funding capped in 2023-24.

Do you agree with our proposal to introduce a minimum hourly funding rate and a cap on the hourly funding rate for MNS supplementary funding?

Table 12 Summary of responses

Answer	Total	Percent
Yes	242	59%
No	56	14%
Unsure	94	23%
Not Answered	20	5%

The majority of respondents agreed with our proposals. Many respondents welcomed the additional £10m investment for maintained nursery schools, and were supportive of the proposed reforms, particularly as this is something the sector has been anticipating and requesting for some time. As with earlier questions, there were some who felt that this additional investment was not sufficient to meet the pressures facing maintained nursery schools, particularly in light of the wider economic climate and rising costs, and so some called for further investment.

Some respondents did not feel that our proposals go far enough to address the disparity between the lowest and highest funded LAs, particularly in areas which will not benefit from the new minimum funding floor. There were also some queries about the longer-term plan for MNS funding, and the need for greater clarity over future funding to provide the sector with stability. Some respondents also raised concerns over the introduction of the cap on the highest funded local authorities, particularly noting the size of the year-on-year drop in funding for Westminster.

One of the main reasons for respondents disagreeing with our proposal was that some respondents, largely PVIs, do not feel it is fair that MNSs should continue be funded at a higher rate than other providers.

Other themes were raised by respondents that were not directly related to our proposals and were out of the scope of this consultation. For example, some local authorities suggested that MNS supplementary funding should be distributed as a lump sum payment rather than through the hourly rate. A small number of respondents also suggested MNS supplementary funding should be applied to additional hours as well as universal hours for the 3- and 4-year-old entitlement.

Government response

We will introduce a minimum funding floor set at £3.80 per MNS hour and a cap set at £10 per MNS hour, in order to ensure that supplementary funding is being shared more evenly between LAs with MNSs. However, we propose a minor adjustment to the way in which the maximum cap is implemented. We held specific discussions with both Westminster and Hampshire, as the two LAs affected by the cap, to understand the impact of the cap. Both LAs recognised the need to correct the unevenness of the distribution, and therefore the need for their rate to be reduced. However, Westminster expressed concerns about the speed and scale of the reduction to their funding rate, moving from £12.76 to £10 in one year, and the impact this could have on their MNSs.

It is right that Westminster’s funding is brought more in line with other LAs, however – on balance – we accept there is a case for smoothing the reduction over time. We will therefore introduce a transition, so Westminster is brought down to the cap at a slower rate. We propose to reduce their rate to £12 in 2023-24 (a reduction of 6%). We will hold the cap at £10 in 2024-25, which means Hampshire will remain at that rate, and we will continue to smooth Westminster’s transition to the cap by bringing their rate down to £11 (a further 8% reduction) in 2024-25.

We will confirm the level at which the minimum funding floor will be set in 2024-25 along with all other MNS supplementary funding rates next autumn in the usual manner. Levels of supplementary funding for MNS for the financial years after this are subject to discussion at the next Spending Review, as is the case for all other early years funding streams.

Question 13

We also set out proposals regarding the teachers’ pay and pensions grants for MNSs. Although we proposed to roll the majority of the early years element of the teachers’ pay and pensions grants into the EYNFF, for maintained nursery schools we proposed to retain their share of the money (c. £8m of the total £60m) and allocate it through supplementary funding.

Do you agree with our proposed approach to rolling the teachers' pay and pensions grants into MNS supplementary funding?

Table 13 Summary of responses

Answer	Total	Percent
Yes	167	41%
No	93	23%
Unsure	132	32%
Not Answered	20	5%

There were a range of responses to this proposal. 41% of respondents agreed, with a lot of variation in agreement between provider types. 59% of MNS respondents agreed with our proposals, compared to only 30% of PVIs. 46% of local authorities agreed.

Many of the free text comments signalled agreement with our proposed reforms. In particular, respondents suggested the proposed approach would mean that MNS would be less likely to see a reduction in the TPPG elements of their budgets than had the funding for MNS be simply rolled into the EYNFF. However, some MNS respondents raised concerns that the supplementary funding may not reach their settings if individual LAs choose to withhold or redistribute this funding. Some respondents noted the importance of transparency in the way that the funding is distributed to MNS.

Many comments highlighted the disparities in funding between provider types, particularly noting the differences between the distribution of TPPG funding for school-based nurseries compared to maintained nursery schools. There were also some respondents that echoed earlier comments suggesting that TPPG should remain as a separate grant. Some respondents (particularly PVIs) questioned the purpose of the TPPG grant more generally, suggesting the grant itself creates inequality between provider types.

Some respondents raised concerns that once the TPPG funding has been rolled into supplementary funding it will be lost as a result of the funding floor and cap. Other respondents suggested that there was a possibility of MNS being double funded as a result of the roll in, questioning whether MNS would receive TPPG funding through both the quality supplement and through MNS supplementary funding.

Government response

We will proceed with the proposals as set out in the consultation. The funding which MNSs currently receive through the TPPGs will be rolled into the supplementary funding that LAs receive for their MNSs from 2023-24, meaning levels of funding will be protected at local authority level. We will calculate an indicative hourly rate for the amount of funding MNSs in each LA receive through the teachers' pay and pensions grants in 2022-23 and then increase each LA's MNS supplementary funding rate by that in 2023-24 (before applying the MNS minimum funding floor and the cap). Further details are set out in the technical note published alongside the consultation response and hourly rates. LAs will continue to have discretion over how they distribute this supplementary funding, but we would expect local authorities to pass this funding on to their MNSs.

Equalities Impact Assessment

Question 14

Do you have any comments about the potential impact, both positive and negative, of our proposals on individuals on the basis of their protected characteristics? Where any negative impacts have been identified, do you know how these might be mitigated?

Around a quarter of the total respondents chose to comment on the impact on equalities, although not all of these contributions were relevant to the protected characteristics of the Equality Duty. Responses to this question were varied but many respondents either flagged positive impacts in relation to equalities (particularly in relation to disability) or suggested there were no discernible impacts on equalities.

Disability was the most commented on protected characteristic in the consultation responses. One theme that emerged was the use of the proxies in the additional needs factor. Some respondents raised questions about the reliability of the underlying DLA data, and about the extent to which it is representative. Some respondents argued that DLA data is not sufficient to identify the numbers of children requiring support and the additional costs incurred in meeting their needs. Others suggested that the use of DLA would not be representative due to concerns over disclosure of their receipt of DLA to early years providers.

Race (including ethnicity) was the second most discussed protected characteristic in relation to our proposals in response to the PSED question, although only 5 respondents made comments on race that were relevant to the consultation. Some comments suggested that there may be a potential link between ethnicity and the areas receiving the smallest increases.

There were only a few comments on other protected characteristics, which were generally linked to the impact on that particular characteristic in a certain area due to changes to level of funding, as opposed to overall national trends.

Government response

Views that were relevant have been considered and where appropriate incorporated into our equalities impact assessment.

In relation to comments on disability and the use of DLA, it is essential that we use proxy factors that are reliable and in a format that can be used appropriately to allocate funding through the formula for the funding system to remain robust. While we acknowledge that there are some limitations to the DLA data, this is a standard proxy factor used across other formulae and remain confident that this is still the most appropriate and reliable measure to use. Regarding comments on take up and disclosure of DLA, our move to using a dataset based on eligibility rather than census data will largely address this concern.

The wider SEND funding system is not in scope of this consultation. However, we will consider these comments as part of our ongoing monitoring of the early years funding system, particularly in relation to the SEN inclusion fund and local funding rules.

In relation to race (including ethnicity), analysis by the Department shows that there is a positive correlation between levels of funding and percentage ethnic minority by local authority. Analysis shows that this is in part driven by the additional needs factor, in particular the EAL and FSM measures, which are strongly linked to ethnic minority groups. This trend is also in part driven by the strong link between ethnic minority groups and inner city areas, which also benefit from the area cost adjustment due to the higher staff wages and premises costs in inner city areas (particularly in London).

Overall, the proposed updates and amendments to the formula will ensure funding is better distributed according to need, which will have a positive impact on people sharing protected characteristics benefitting from the early years educational entitlements.

Any other comments

Question 15

Are there any other comments that you would like to make about our proposed reforms?

The majority of respondents used the any other comments section to discuss the overall financial state of the early years sector, particularly in relation to rises in the cost of living and the current levels of inflation.

Many respondents used this question to repeat or elaborate on earlier raised points. In relation to proposed changes to the ACA, some respondents suggested that the ACA should be discontinued in favour of a flat funding approach across the country. Others echoed earlier comments suggesting that the ACA should be directed more towards areas with higher proportions of deprivation. Some responses also suggested that rurality should be considered in the national formula, as well as in local formulae.

Some respondents also repeated earlier concerns in relation to the mainstreaming of TPPG and broader concerns over the long-term certainty and funding of MNS. There were also a number of concerns raised over the additional needs factor that were raised, generally echoing earlier concerns and in particular suggesting an increased emphasis on deprivation in the overall allocation of funding.

Some respondents referenced local funding rules, including the suggestion of a mandatory SENIF for 2-year-olds. There were also several more general concerns on the wider SEND system, including calls for DAF funding for 2-year-olds.

Government response

We know the sector is facing economic challenges, similar to the challenges being faced across the economy. We have already announced additional funding of £160 million in 2022–23, £180 million in 2023–24 and £170 million in 2024–25, compared to the 2021–22 financial year, for local authorities to increase hourly rates paid to childcare providers. On top of that additional funding, we are investing a further £20m in recognition of the recently announced National Living Wage increases. Taken together, this will mean at a national level early years providers are supported with the additional National Living Wage costs associated with delivering the free childcare entitlements next year.

Improving the cost, choice and availability of high-quality childcare and early education remains a key priority for this government. We continue to engage with sector stakeholders and local authorities to monitor dynamics with local markets, parents' access to the government's entitlements and the childcare they require, and the sustainability of the sector.

Comments in scope of the consultation relating to the additional needs factor, ACA, TPPG and MNS supplementary funding have been responded to earlier in the consultation response document alongside the corresponding questions.

While other comments were not in scope of this consultation, these responses have been noted and will be considered in our ongoing monitoring and engagement on the early years funding system.

Next steps

We have published step-by-step tables showing initial funding rates, technical note and operational guide for 2023-24 alongside this consultation response document. Initial Early Years DSG allocations for 2023-24 have also been published by ESFA.

Annex A: List of organisations that responded to the consultation

This list of stakeholder organisations was drawn from the online form submitted and from responses to the consultation mailbox. Some respondents chose to keep their responses confidential and thus are not listed here, and the list does not include individual respondents, including those on behalf of individual schools.

- 2Js Preschool Limited
- 388 Streatham Hub Ltd
- Abbotskerswell Primary School
- Achieving for Children CIC
- Appledore Private Day Nursery Ltd
- ASCL
- Association of Directors of Children's Services
- Banburys school Day Nursery
- Barnsley MBC
- Beechdale Nursery School
- Berkshire Healthcare NHS Foundation Trust (3 nurseries)
- BEYA
- Black Firs Primary School
- Blackburn with Darwen Borough Council
- Blackpool Council
- Blackshaw Moor CofE First School
- Bolehill Nursery
- Bottesford Bunnies Limited
- Boundstone Nursery School
- Brighton & Hove City Council
- Bristol City Council
- Broadlands Preschool Centre
- Broomhall and Grace Owen Nursery Schools
- Brown Edge Busy Bees
- Busy Bees
- Calderdale MBC
- Cambridgeshire County Council
- Caroline Thornton Childminding
- Central Bedfordshire Council
- Chantreyland children's nursery ltd
- Chatham Nursery School
- Cheetwood Primary School
- Cheshire West & Chester Council
- Chilworth C of E Infant School and Nursery
- Chudleigh Knighton Pre-school
- City of Bradford MDC
- City of York Council
- Clare Bears Community Pre-School Ltd
- Countryside Nurseries UK Ltd
- Croydon council

- Cumbria County Council
- Darul Madinah Nursery
- Derby City Council
- Derbyshire County Council
- Doncaster Borough Council
- Dorset Council
- Dudley MBC
- Early Education
- Early Years Alliance
- East Riding of Yorkshire Council
- East Sussex County Council
- Ebor Academy Trust
- Ellergreen Nursery School
- Essex County Council
- Essex Schools Forum
- Explorers Day Care
- f40
- Formby Day Nursery Ltd
- Freshfield Nursery School
- Fullbrook Maintained Nursery School
- Gateshead Council
- Golborne & Maxilla Federated Nursery and Children's Centre
- Grafton Childcare Day Nursery & Preschool
- Great Tey pre-school
- Greencare Community Nursery School
- Hammersmith and Fulham Council
- Hampshire County Council
- Happy Faces Day Care Nursery
- Harrow Council
- Hartlepool Borough Council
- Heald Place Primary School
- Heaton Park View Nursery
- Hertfordshire County Council
- Hetton Lyons Nursery School
- Hickory House Childcare Services
- High Spen Primary School
- Highdale Day Nursery
- Hillingdon Council
- Holmhirst Pre School
- Hull City Council
- Humpty Dumpty Day Nurseries Ltd
- Hungerford Nursery School
- Isle of Wight Council
- Isleham preschool
- Ixworth CE Primary School
- Jack and Jill Preschool
- Jack in a Box
- Jellytots Playgroup

- K2 Pre-School Academy
- Karen York child minding
- Kid - Zone Nursery
- Kiddikare
- Kids in Bloom
- Kinderland Day Nursery Ltd
- Kirklees Council
- KMBC
- Ladybirds Ltd. Southampton
- Lancashire County Council
- Lancashire Schools Forum
- Layton Pre-School
- LB Waltham Forest
- Leeds City Council
- Leicester City Council
- LGA
- Lincolnshire County Council
- Little Acorns
- Little Jungle - School of Early Childhood
- Little Oaks Nurseries Ltd
- Little Pippins
- Little Smile
- Liverpool City Council
- London Borough of Barnet
- London Borough of Brent
- London Borough of Bromley
- London Borough of Camden
- London Borough of Havering
- London Borough of Islington
- London Borough of Lambeth
- London Heads of Early Years Network
- Long Ditton Infant and Nursery School
- Lordsmead Pre-school Playgroup
- Manchester City Council
- Manor Hill First School
- MARGARET MCMILLAN NURSERY SCHOOL
- Maytree Nursery School and Children's Centre
- Millbrook Primary School
- Milton Keynes City Council
- NAHT (National Association of Head Teachers)
- National Day Nurseries Association (NDNA)
- National Education Union
- New Bridge Nursery School
- Newcastle City Council
- Newent Early Years
- North Lincolnshire Council
- North Northamptonshire Council
- North Tyneside Council

- North Yorkshire County Council
- Northway Community Primary School
- Nottingham City Council
- Odyssey Collaborative Trust
- Oldham Council
- Oxfordshire Schools Forum
- Parade Preschool
- Pebbles Day Nursery
- Peter Pan playschool
- Portsmouth City Council
- Potley Hill Community Preschool
- Precious Kids Day Nursery
- Premier Daycare
- Professional Association for Childcare and Early Years (PACEY)
- Rainbow Corner Day Nursery
- Reading Borough Council
- Reading Early Years Schools Federation (REYS)
- Redcliffe Nursery School
- Reedley Hallows Nursery School
- Rolleston Kindergarten
- Royal Borough of Kensington and Chelsea
- Rutland County Council
- Sefton MBC
- Sheffield City Council
- Sherwood Park School
- Small Wonders Private Day Nursery
- Society of County Treasurers
- Somerset County Council
- Southampton City council
- Southend on Sea - Education Board / School Forum
- Southwark Council
- St Andrews Pre School
- St Giles Nursery School
- St Joseph's Preschool
- St Kentigern's R.C. Primary School
- St Mary Magdalene Catholic Primary School
- St Mary's CE Primary School
- St Osmund's Preschool
- St. George's Pre-school
- St. Oswald's CE Primary school
- Staffordshire County Council
- Stockton-on-Tees Borough Council
- Suffolk County Council
- Surrey County Council
- Tachbrook Nursery
- The Piggybank Day Nursery
- The Spring Montessori
- Thurrock Council

- Tiddlywinks Centre
- Toad Hall Pre-School
- Together for Children Sunderland Limited
- Torbay Council
- Tracey's Treasures Childminding
- Tudhoe Moor Nursery School
- Tweenie Tots 2 Community Childcare Services
- UNISON
- Valentines Nursery
- Wakefield Metropolitan District Council
- Wallace Road Nursery School
- Walsall Metropolitan Borough Council
- Waltham Forest
- Wandsworth Council
- Warrington Borough Council
- Watermead Day Nursery
- Watoto Preschool
- Westminster City Council
- Willow the Wisp ltd
- Wiltshire Council
- Wingate Community Nursery School
- YMCA England & Wales

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