

Date: Wednesday, 15 January 2025
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Children, Education and Families
Executive Director: Martin Purbrick

**Early Years, Childcare and
School Readiness Service**
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Dear Early Years Provider,

We are writing on behalf of the Early Years Professional Reference Group (EYPRG). As you may be aware, the group is representative of key partners in early years education in Cambridgeshire and bring together the council and the Maintained, Private, Voluntary, and Independent (PVI) sectors. As a group we join to review and discuss changes to the Local funding formula for early years and advise on and contribute to consultation processes. We assist in the development of guidance on funding issues and the take up of early years funded places in Cambridgeshire.

As a group who work within various provisions across early years, we would like to take this opportunity to recognise the hard work that everyone across all sectors has put in to be able to offer the ambitious expansion to childcare announced by the Government in the 2023 Spring Budget. We recognise that providers have gone above and beyond to support their children and families to enable them to access the expanded funding offer. We fully appreciate this dedicated work will continue into 2025 as we further transition to meet the Government's ambitious plan. Working in collaboration with Cambridgeshire County Council (CCC) has been pivotal in meeting our shared requirements to improve accessibility to quality education for children in early years.

Therefore, on behalf of EYPRG, we would like to acknowledge and commend the ongoing efforts of CCC in supporting our sector through these challenging times. We recognise that balancing sustainability within early years provision alongside meeting statutory duties is no small task, particularly given the constraints of tight budgets and increasing pressures.

We felt that it is important to share with you that there are times when the EYPRG does not support some of the difficult decisions that need to be made, but in contrast, equally important to share when we feel the council has tried to go the extra mile in our interests. We feel that the council has worked diligently to finalise funding rates as promptly as possible.

The EYPRG supported the council's proposal for 2025/2026 funding rates, appreciating the considerable effort that has gone into ensuring these rates strike a fair balance for providers while maintaining sector sustainability. As a group we recognise that funding rates may not fully cover the operational costs for some providers across the County, and the increase in funded hours may have further impact upon sustainability. As providers, I am sure you are aware that baseline funding is distributed centrally by Government, using the Single National Funding Formula, rather than being determined at council level.



We appreciate that Cambridgeshire has consistently sought to retain as little funding as possible, with the retained rate currently at 2.54%—a figure significantly lower than many other local authorities.

The proposed rates for two-year-olds include adjustments aimed at reducing underpinning while keeping them viable. This careful approach looks towards a committed effort to support sustainability without compromising the essential funding required for our youngest children.

We also recognise the complexities of maintaining and distributing the Special Educational Needs Inclusion Fund (SENIF). While the rate for SENIF will remain unchanged this year, we appreciate that the council has allocated an increased budget, ensuring it is more sustainable in covering associated costs.

As a group representing the sector, we would like to express our gratitude to the council for its commitment to prioritising the early years. We also acknowledge the need to continue advocating for increased funding at the national level to better support providers and children. While local authorities cannot lobby directly, we as providers will look to champion the importance of sustainable funding to policymakers.

Thank you for your hard work and dedication to ensuring high-quality, sustainable early years education and childcare in Cambridgeshire.

Yours sincerely,

Deborah Parfitt and Alison Bishop
On behalf of the Early Years Provider Reference Group.