

**Early Years and Childcare Directory
and Funding Agreement
April 2027 -March 2030**

Consultation Feedback Report

Section 1: Introduction

This report summarises the feedback received from early years providers in relation to the proposed Early Years and Childcare Funding Agreement 2027 - 30. The consultation aimed to gather stakeholder views to inform the final version of the agreement and ensure it reflects operational realities, statutory requirements, and partnership principles.

Section 2: Consultation Process

The consultation was conducted via an online questionnaire using Citizen Space and was open from 14/05/2026 to 05/06/2026. Providers were invited to review the draft agreement and provide feedback across key sections, including:

- Main Agreement (Clauses 1–19)
- Schedule 1 (Key Operational Expectations)
- Schedule 2 (Relevant Documents)
- Schedule 3 (Data Processing)
- Overall comments

Responses were received from a range of providers including childminders, nursery managers, directors, and finance staff.

The Early years and childcare directory and agreement 2027-30 has been developed in line with the Department of Education model agreement and Statutory guidance early education and childcare. The operational changes from this consultation will be reflected in the Early years and childcare operational provider guide 2027-28 which all providers have access to.

Main Agreement (Clauses 1–19)

Areas of Agreement

- General support for the principles of accountability, safeguarding, and appropriate use of public funding
- Recognition of the need for clear operational expectations

Main Agreement (Clauses 1–19)

Theme / Issue Raised	Summary of Provider Feedback	Local Authority Response
Proportionality of requirements	Agreement viewed as overly prescriptive and weighted towards the Local Authority	The Local Authority confirms the agreement has been developed in line with the DfE model agreement and statutory guidance. The intention is to ensure appropriate governance of public funding while applying requirements on a proportionate, risk-based basis.
Clause 3 – Additional requirements	Concern regarding broad discretion for introducing further requirements	Clause 3 enables the Council to respond to changes in statutory guidance, safeguarding or funding assurance requirements. The agreement must be read alongside the Operational Provider Guide, where detailed expectations are set out and updated. Any additional requirements will be proportionate, transparent, and subject to reasonable notice and engagement where appropriate. The clause enables the Local Authority to respond to changes in legislation, statutory guidance and local requirements in order to discharge its statutory duties. No amendment is proposed.
Liability and indemnities	Clauses seen as broad and potentially disproportionate	The Local Authority has reviewed these provisions, and the amounts are set and must be the same for all providers.
Termination rights	Concern regarding termination for convenience	Termination provisions are intended to ensure the Council can meet its statutory duties whilst maintaining continuity of provision wherever possible.
Clarity and readability	Document described as technical and difficult to understand	The Local Authority acknowledges this feedback, supporting guidance is available through the Operational Provider Guide.

Safeguarding and enforcement	Support for safeguarding but request for fair escalation processes	The Local Authority notes this feedback. Early Years Education Advisers work with providers to offer advice, guidance and support to help them meet their statutory responsibilities. Where safeguarding concerns arise, these will be managed proportionately in line with Local Authority procedures. However, where required, concerns may need to be referred to the LADO, MASH or other relevant statutory agencies to fulfil the Council's safeguarding duties.
Funding and sustainability –	Concerns about funding rates and financial viability	The Local Authority recognises sector-wide funding pressures. Funding rates are set nationally; however, the Council will continue to review local processes.
Public Liability Insurance Requirement	Providers noted the £10 million requirement may be manageable for larger settings but could pose challenges for smaller providers and childminders. They requested clearer justification and suggested a more proportionate, potentially tiered approach based on differing risk profiles.	The Local Authority acknowledges the concern regarding the requirement for £10 million public liability insurance, particularly for smaller providers and childminders. This threshold has been determined following consultation and liaison with internal colleagues, including those with expertise in risk management and insurance requirements, to ensure appropriate protection for children, families, and providers operating within publicly funded provision.

Schedule 1 (Operational Expectations)

Theme / Issue Raised	Summary of Provider Feedback	Local Authority Response
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Monitoring and audit burden	Concerns about duplication and administrative load	Monitoring requirements are intended to be risk-based and proportionate. The Local Authority will continue to review processes to minimise duplication with Ofsted and other statutory frameworks.
SEND delivery pressures	Challenges in supporting high-needs children without sufficient funding	Whilst we recognise the difficulty managing funding for a child where funding is attached to a particular setting, we would advise that settings apply for Complex needs funding so that this can be distributed across both settings. This will allow a fair spread of EEE. We must also highlight that the DfE stipulates that funding is in line with EEE, which is the way that it is shared with providers, there are other funding streams that can be used such as DAF and SENIF. At this moment in time SEND services are reviewing their current offer and planning an expanded offer in line with the DfE SEND Reform, with particular focus on “Experts At Hand” this will allow greater capacity and expertise for support.
Flexibility requirements	Operational challenges delivering flexibility (staffing, capacity)	The Local Authority acknowledges these challenges and confirms flexibility expectations are aligned with DfE guidance. Implementation will consider operational realities across the sector.
Future updates to guidance	Concern about additional requirements introduced during the agreement	Operational changes will primarily be managed through the Operational Provider Guide. Providers will be given reasonable notice of significant changes, with engagement where appropriate.
Quality assurance support	Requests for clarity on QA visits and support offer	The Local Authority notes this feedback. The Directory and Funding Agreement will remain focused on contractual requirements and will not set out the operational detail of the Early Years Quality Assurance service. The role and remit of the EY QA Team is described in the Early Years QA Strategy 2024–2027. This feedback will be considered during the next review of the Strategy, including providing a clearer summary of the types of quality assurance, support and challenge available to providers.

		SEND Support is available via the settings allocated Area Senco- this includes 2 visits per month. There is a core offer of 4 trainings per month, and settings may request one bespoke training session per term, this will further expand under the SEND Reform.
Partnership working	Request for clearer expectations of LA role	The Local Authority is committed to a partnership approach and will ensure expectations around communication, support, and engagement are clearly set out within guidance.

Schedule 2 (Relevant Documents)

Theme / Issue Raised	Summary of Provider Feedback	Local Authority Response
Accuracy and version control	Queries about whether linked documents are up to date	The Local Authority will ensure that all referenced documents are current and clearly version-controlled. Updates will be communicated through established channels.
Accessibility of documents	Need for clarity on which documents to use	The Operational Provider Guide will signpost relevant documents to ensure providers can easily access the correct versions.

Schedule 3 (Data Processing)

Theme / Issue Raised	Summary of Provider Feedback	Local Authority Response
Data Controller vs Processor roles	Request for clarification of roles	The Local Authority acknowledges that providers may act as independent or joint controllers in certain circumstances and review wording to ensure alignment.
Proportionality of requirements	Concern that requirements exceed similar agreements	Data processing requirements are intended to ensure compliance with UK GDPR.

Overall Comments

Theme / Issue Raised	Summary of Provider Feedback	Local Authority Response
Administrative burden	High volume of paperwork and systems	The Local Authority recognises this concern and will continue to review

		processes to reduce duplication and simplify administrative requirements where possible.
Funding system pressures	Payment timing, complexity, sustainability concerns	The Local Authority payment processes and provide clear timelines, within the Operational Provider Guide. Wider funding constraints are nationally determined.
Sector sustainability	Concerns about long-term viability, particularly within childminding sector	The Local Authority acknowledges the challenges across the sector and remains committed to supporting sustainable provision through partnership working and engagement.
Partnership and communication	Need for clearer communication and two-way accountability	The Local Authority will continue to strengthen communication channels and ensure expectations for both providers and the Council are clear and transparent.
Positive feedback	Some providers expressed satisfaction and support for funded childcare	The Local Authority welcomes this feedback and remains committed to supporting access to high-quality early education for families.