

## Schools Forum

Date: Thursday 08 May 2025

Time: 4.30pm

Location: Teams

Chair: Pippa Osborne

### Members of the Committee

Pippa Osborne (Chair)

Julia Anwar

Dave Farr

Tania Craig

Nicky Edwards

Paul Evry

Dave Farr

Kim Garland

Florence Hiatt

Aaron Jefferies

David Jenkins

Nicola Jones

Jonathan Keohane

Ruth Laing

Louise Leader

Dave Baker (Vice Chair)

Ross Newman

Diane Owen

Elly Owen

Will Roberts

Fr. Malcolm Strange

Andy Watson

Susie Weaver

Bernice Webber

David Williams

Sue Wright

### Appropriate Officers attending:

Mustafa Salih

Hilary Smith

Caroline Warren

### Councillors attending:

Ian Boulton

Chris Sivers, Executive Director for the Department for People, Badminton Road Offices, Yate,  
South Gloucestershire, BS37 5AF

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South Gloucestershire Council – Schools Forum

# AGENDA

1. WELCOME AND INTRODUCTIONS
2. APOLOGIES FOR ABSENCE (Pippa Osborne)
3. DECLARATIONS OF INTEREST (Pippa Osborne)
4. ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT (Pippa Osborne)
5. MINUTES FROM 13 MARCH 2025 MEETING (Pippa Osborne)
6. IMPACT OF CHANGES TO EARLY YEARS CHILDCARE CHARGES  
STATUTORY GUIDANCE ON THE EARLY YEARS SECTOR AND  
CHILDCARE (Jo Briscoombe)
7. SAFETY VALVE UPDATE (Verbal) (Caroline Warren)
8. SCRUTINY REPORT UPDATE (Verbal) (Caroline Warren)
9. MAINSTREAM PLACE NUMBERS UPDATE (Verbal) (Hilary Smith)
10. ~~EHCP BREAKDOWN (Caroline Warren)~~ (This item has been moved to  
another date)
11. HIGH NEEDS WORKING GROUP UPDATE (Verbal) (Susie Weaver)
12. SCHOOLS FORUM FORWARD PLAN
13. ANY OTHER BUSINESS

## South Gloucestershire Schools Forum

Minutes of Meeting held on 13 March 2025

Location: Teams

Chair: Pippa Osborne

### Forum Members:

Pippa Osborne (Chair)	Headteacher Christ Church Junior School
Dave Baker (Deputy Chair)	CEO, Olympus Academy Trust
Julia Anwar	Head of Business Operations, Olympus Academy Trust
Tania Craig	Executive Head Teacher, New Horizons Learning Centre
Nicky Edwards	Early Years representative
Lee Everson	South Gloucestershire NEU
Dave Farr	Finance Manager, Leaf Trust
Kim Garland	Headteacher, Brimsham Green Secondary School
Florence Hiatt	Head of Additional Learning Support, SGSC
David Jenkins	Governor, Crossways Schools
Aaron Jefferies	Primary Governor, Coniston Primary School
Ruth Laing	Early Years, Leaf Trust (King's Forest Primary)
Louise Leader	Headteacher, Pathways Learning Centre
Diane Owen	Chair to Academy Council at King's Oak Academy
Will Roberts	Chief Executive, CSET
Andy Watson	Chair of Governors, Hanham Primary Federation
Bernice Webber	Headteacher, Old Sodbury Primary School
Sue Wright	Finance Director CSET

### Executive Councillors:

Ian Boulton, Cabinet Member - Schools, Skills, Employment and Business

### Officers:

Mustafa Salih, Service Director Resources and Business  
 Hilary Smith, Service Director, Education, Learning and Skills  
 Caroline Warren, Finance Business Partner  
 Deb Luter, Senior Accountant - People (Children)  
 Jo Briscoombe

**Others:** Tamsin Moreton, Director of Finance & Operations, Enable Trust

### APOLOGIES FOR ABSENCE

Chris Sivers, Jonathan Keohane, Nicola Jones, Susie Weaver, David Williams, Ross Newman

### WELCOME AND INTRODUCTIONS

The Chair and Deputy Chair welcomed attendees.

1. **DECLARATIONS OF INTEREST – None**
2. **ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT - None**
3. **MINUTES FROM LAST MEETING – 16 January 2025**

Agreed as a true record.

#### 4. **School Funding Update (Mustafa Salih)**

##### **Safety Valve**

Confirmed we have received all the payments due to us for 2023/24. We are continuing to make returns to the DfE on our quarterly position. We are now in the position of the next quarterly return and then need to receive a response from the DfE.

Continuing to engage and liaise with other LAs with Safety Valves and have attended a session with several LAs who are in a similar position. Local LAs are missing their SV targets and having to reprofile their plans and still we haven't identified an LA that seems to have solved their SV target but continue to engage with other LAs going forward.

##### **School budgets**

We completed the school funding round for the next financial year and all the schools should have received their budget notifications at the end of February. A lot of work goes into setting the school budgets and I thank Caroline Warren and team for their work to get the notifications out to schools. The DfE announced a new additional grant to cover NI that is expected from April, but no information received yet and it may be that some headteachers may hear through other channels and if you do please let us know.

##### **F40**

F40 is an organisation of the lowest funded 40 LAs and they have been involved in lots of campaigning work and you should have received as part of the agenda a drafted letter asking if schools could adopt that letter and to send to the government stressing the need that the SEND position be reviewed urgently. If the forum is happy and comfortable then the template can go to schools. The letter raises a lot of the issues and challenges in SEND and seems quite reasonable.

**Action: Agreed that the letter would be sent to schools by the Chair and Deputy Chair of the Forum.**

#### 5. **Dedicated Schools Grant 2024/25 Quarter 3 (Caroline Warren)**

To update Schools Forum on the Q3 position.

The reported overspend on the DSG is £39,886k, that is made up of an in year overspend of £14,759k before the Safety Valve intervention of £2m and the Council contribution of £333k with a carry forward deficit of £27,460k.

Actual increase just over £1m in our forecast outturn position.

The Schools' Block is reporting an underspend of £470k, an increase of £470k since Quarter 2.

The Central Schools Services Block is forecasting an £18k underspend position for Quarter 3, an increase of £14k since Quarter 2.

The Early Years Block is forecasting a £131k underspend position for Quarter 3, an increase of £31k since Quarter 2.

The High Needs Block is forecasting a £15,378k overspend position for Quarter 3 before applying the £2,000k DSG safety valve payment and £333k council contribution, an increase of £1,517k since Quarter 2.

Key areas of pressures are in Independent and Non-maintained, primary and secondary schools, special school placements, resource bases and OLA special schools and resource base placements.

We have previously met with the DfE and they suggested that the Forum ask for the highest block transfer which was rejected by the Forum and we continue to pay the payments and look at other interventions we can implement.

**DB** – Question whether others are having the same conversations about the Safety Valve and if there is any intel about next steps?

**MS** –The LGA did a survey of LAs in the Safety Valve and based on those returns our slippage from the SV targets is at the lower range than other LAs are reporting. We are not an outlier compared with other LAs within the SV and one of the things as part of their campaign is to improve the system asking for some recognition of historic deficit behind the LAs and how to try and fix the system going forward. The period of austerity up to now and a gap with the cost of SEND has widened over these years and LGA recognises some of the historic elements are going to be impossible to recover from.

#### **Item 4 on the agenda (Any Other Items the Chair decides are urgent)**

**PO** - Glimmer of hope we are aligned with other LAs. This item is about the possibility of reaching out to our local MPs to potentially come and join us for one of our Schools Forum meetings. We are so aware that this is not the LA making bad decisions and to fully inform our MPs of the position so many of our schools are facing.

**IB** – We have four MPs, Claire Young (Lib Dem) who used to be the Leader of the Council and Claire Hazelgrove (Lab), Damien Egan (Lab) and Dan Norris (Lab). Claire Hazelgrove has just recently taken on the most junior post within the ministerial team

to Darren Jones in the Treasury and given her role I would invite Claire Hazelgrove sooner rather than later.

**Action: PO to send same invitational offer to all 4 MPs that they may join us.**

To MS and HS – this is a real opportunity to invite the MPs to the May forum and have that discussion at the meeting.

**PO** and **DB** invited to feedback to the Task and Finish group on school budgets and gave a realistic picture of the financial pressures we are facing.

**IB** - Task and Finish is very separate as they do not have any say. They could submit the report to the finance committee in Westminster and suggest sending a report to the parliamentary library.

**Action – Pippa to follow up with Ian about contact details.**

**Fr.M** - Suggested that a face-to-face meeting would be a more meaningful environment but Ian said that will restrict them because they will be in Westminster all week.

**WR** – The spending review is concluding late spring so can't influence that. Suggest forming a subgroup of people inviting both Claire Young and Claire Hazelgrove which is separate to the May Forum meeting.

**Action: PO to follow up with Mustafa and Hilary to get some kind of consensus and advice of who should be represented at the subgroup.**

## 6. Growth Funding Policy Criteria 2025-2026 (Caroline Warren)

The Growth Funding Policy and The Falling Rolls Policy are connected because the proposal firstly sets the criteria for growth funding which includes the surplus school places to top slice from.

The criteria must be presented to the Forum to approve the mandatory criteria which states that schools are funded for growth, bulge or ongoing commitment.

Policy has remained the same.

Funding for permanent and temporary places increases the need to meet the basic need and exceptional circumstances.

### Recommendations:

(1) The Schools Forum is asked to approve the criteria used for the Policy and the allocation of growth funding in 2025-2026. **Approved**

(2) The Schools Forum is asked to consider a budget allocation of £100k for Falling Rolls Policy, if required. We were emailed prior to this meeting take £100,00 from this fund to the falling rolls. **Approved**

## 7. Falling Rolls Fund Policy

The purpose of the falling rolls fund is to provide financial support to schools where there is a temporary fall in pupil numbers, but numbers are forecast to recover back to previous levels within 3-5 years as demonstrated within the Schools Capacity Assessment Report (SCAP).

The rest of the criteria is in line with previous and we have said we would fund pupil KS3 and 4 for secondary rates, we have said for a new policy we would continue to review this with Schools Forum and request to change.

We have got an exceptional request section and if schools feel they have a strong case they can put in a request for funding which would be presented to a Panel of LA officers and Schools Forum representatives. We think one school may qualify for falling rolls.

**LL** – Would be helpful to have a conversation in the HNWG of what that looks like for those places in special and alternative provision.

**PO** – Definitely room for conversation where the decision would sit with the LA if there were any applications needed.

**Action: To have a discussion at HNWG.**

**DO** – Growth funding – are we confident that schools are aware that these funds are available to apply for.

**HS** – I am attending Secondary Headteachers next week and Primary Head Executives and will raise it there. Also, a communication goes out to all schools so that everyone is aware of it.

**CW** – We are getting information out.

**KG** – Do you have a sense of what it would like in 2-3 years' time and would we have enough resource to support those schools.

**CW** – No forecast financially. The NFF conference where government officials attended are aware that pupil numbers are falling and it is on their radar to look at the impact on schools and funding.

**The Schools Forum is recommended to:**

- Note the background, purpose and key highlights. **Yes**
- Provide views on the matters covered in this report. **Yes**
- Agree to the policy and fund amount for 2025-2026. **Agreed**
- Agree to the formation of a small working group of Schools Forum representatives to support where necessary any exceptional funding requests. **Agreed**



## 8. High Needs Working Group Update (Pippa on behalf of Susie Weaver)

Verbal update – shared on behalf of Susie Weaver, who sent apologies based on a clash with CLF Board.

Meeting took place on 11<sup>th</sup> February.

### Headlines:

Return to this item in May.

Theme 1 – Building capacity in mainstream schools and colleges,

- How cluster money is being spent and Impact of the spend

Neurodiversity PINS update.

We looked at the proposed spends for clusters.

We then had verbal updates on the DSG spends as below.

- Theme 3 – Early Years
- Theme 4 – Improved commissioning of independent placements
- Theme 5 – Effective planning and use of special schools
- Theme 7 – Preparation for Adulthood
- Theme 8 – Alternative Provision and Section 19 and AP Funding Working Group. Planned changed for medical needs, rationale and system impact a requested at Schools Forum.

Hilary updated on plans in place to support with Section 19 including exploring a range of online options. The Section 19 policy will be shared to a wider group for confirmation.

PLC development and change has been explored and further updates to follow through Schools Forum.

Finally, we planned the required communication updates and confirmed any further items for the May meeting.

Following the meeting the updated documents were shared with the group:

- Action & Decision Log – New actions have been added
- Cluster Impact Presentation
- PLC Commission Changes & Impact Presentation
- PINS Presentation to follow

The next HNWG Meeting is scheduled for Tuesday 7<sup>th</sup> May 2025 (in person) Kings Oak Academy.

**LL** – Nothing has changed significantly since the last meeting. Lots of challenges working through the HNWG and have those positive conversations and the need to be collaborative and explored. Talked about impact assessment and looking at the numbers of places etc. We have not started looking at the funding review in relation to a conversation to an Enable Trust as uncertainty of funding etc so pushed back the issue. Hopefully to move forward positively.

**Action: Hilary to measure the impact and to change things as best meets the system and picked up through HNWG as well.**

## 9. Any Other Business

Nicky Edwards requested the following under AOB:

"We would like to bring to the attention of Schools Forum a recent change made to the Early Years Funding Guidance

On 21st February 2025, a revision was made unexpectedly and with no prior consultation with LAs or organisations like NDNA, EYA or PACEY.

This Guidance revision has the potential to impact on the sustainability of South Glos Early Years providers, the nature of the delivery of the funded hours and ultimately the Sufficiency Duty of the Council.

The new guidance and follow-on published FAQs, state that no mandatory charges can be levied on parents for anything. Food, consumables nor extra activities. These are all the items that enabled providers to address the short fall of a funding formula that does not cover all costs.

The Government is clear that the funding does not cover the costs of these items, however any payments from parents must now be voluntary. Free must be free, and free to all who are eligible.

Local authorities are being told the guidance is effective from April 2025 (and fully implemented by January 2026), even though all providers are 'within' a signed provider agreement period until September 2025. DFE have presented their case for the change, but have not yet responded to the very many questions from LAs about their concerns. The parental impact could be significant. Settings may need to change their business model to attempt to remain sustainable. One LA was heard to suggest providers stop offering 3-4 year old places and turning children away once they are 3 years old as the funding is not enough to cover their care. Some big chains are discussing the removal of the activities offered (so 'cheap' childcare replaces 'high quality' childcare) or changing the model of attendance which could make things more difficult for working parents. Some providers have highlighted concerns about the impact on the health, nutrition and safeguarding of children in relation to food.

The impact on sufficiency could also be significant if this creates a drop in the number of places for funded children.

From September funded places represent the vast majority of a setting's income and the increases in funding from April 2025 did not match the business cost increases being imposed on PVI settings and childminders via the minimum wage increases, NI increases and NI threshold decreases. Ultimately, some of the changes that providers may be forced to implement may result in parents having less choice, less flexibility and may cost more. Itemised invoices and prices on websites are also a new statutory requirement by Jan 2026.

The Early Years Team will be working with settings and officers to plan how to implement all aspects of the Guidance. There is likely to be a significant impact on the Early Years Sector in South Glos and we wanted to bring this to the attention of Schools Forum. Currently changes to the Provider Agreement are being considered and providers may need to change their business models, invoicing processes and in reality it may result in some settings closing, if all parents that are entitled to, take the voluntary option for services that are provided."

**MS** – Jo has already mentioned to me that the most sensible approach would be to continue the funding until the sector can put in place the provider and good to have it as an item at the next Forum. It is something that someone has not grasped including central government and what the impact could have and stressing that to MPs can help to get the message up the chain.

We need to support the sector by giving them time to respond and look at that provider agreement and how we best respond to that.

**Action: Bigger discussion and report at the next meeting and for Jo to be part of that.**

Meeting closed.

# South Gloucestershire Council

## SCHOOLS FORUM

8<sup>th</sup> May 2025

### **Impact of Changes to Early Years Childcare Statutory Guidance on the Early Years Sector and Childcare**

In South Gloucestershire we fully support the national emphasis on initiatives to support early years childcare and education and the contribution these can make to achieving the Government aim of giving every child the best start in life. The purpose of this briefing is to highlight some issues that could impact on the ability to achieve that aim and to suggest ways to improve the chances of success.

We are concerned that the issues outlined in this document may mean that, instead of achieving their policy aims of increasing childcare options for parents, there will be unintended consequences that will limit the availability and quality of childcare for families and also impact on the sustainability of businesses resulting in a decrease of childcare places and jobs in the childcare sector.

#### **Context**

Section 6 of the Childcare Act 2006 places a duty on local authorities to secure sufficient childcare for working parents, so far as is reasonably practicable, in their area. Section 7 of the Childcare Act 2006 places a duty on local authorities to secure early years provision free of charge. The Childcare Act 2016, Section 1, places a duty on the Secretary of State to secure the equivalent of 30 hours of free childcare over 38 weeks of the year for qualifying children of eligible working parents.

The previous government established a programme to expand childcare to working parents. The DfE funded entitlements that need to be planned for are:

- a. the 15 hours entitlement for eligible working parents of children from 9 months up to 2 years old and for 2-year-old children (both due to be extended to 30 hours from 1 September 2025)
- b. the 15 hours entitlement for families of 2-year-olds receiving additional support (formerly known as the 2-year-old disadvantaged entitlement)
- c. the universal 15 hours entitlement for all 3 and 4-year-olds and the additional 15 hours entitlement for eligible working parents of 3 and 4- year-olds

The current government have continued with this policy and are funding the roll out of these places. The funding for expanded places does not cover items such as food and consumables.

On 12 February a high court judgement ruled that parents had to be able to access DfE funded childcare places at no additional cost if they wished. This was in response to an individual case of charges made to a parent for a DfE funded place. In his ruling the judge

expressed caution about these views being seen to have wider implications beyond the individual case and that there are likely to be other issues needing to be taken into account relating to charges that providers may ask parents to pay for DfE funded hours.

<https://caselaw.nationalarchives.gov.uk/ewhc/admin/2025/224>

New guidance was issued by DfE on 21 February to be implemented by April 2025. [Early education and childcare \(effective from 1 April 2025\) - GOV.UK](#) DfE held webinars on 5 March for local authorities.

While the DfE has made clear that the law has not changed, the new guidance is much more explicit about what providers can charge for. It also makes clear that any charges associated with funded places must be voluntary and that parents should be able to opt out of charges and access these places at no cost if they wish. It states:

A1.32 Government funding is intended to deliver 15 or 30 hours a week of free, high quality, flexible childcare. The 15 or 30 hours must be able to be accessed free of charge to parents. There must not be any mandatory charges for parents in relation to the free hours. Government funding is not intended to cover the costs of meals, other consumables, additional hours or additional services.

A1.33 Local authorities should ensure that providers are aware that they can charge parents for the following extras in connection with the free hours, but these charges must be voluntary for the parent:

- consumables to be used by the child, such as nappies or sun cream
- meals and snacks consumed by the child
- extra optional activities such as events, celebrations, specialist tuition (for example music classes or foreign languages) or other activities that are not directly related or necessary for the effective delivery of the Early Years Foundation Stage (EYFS) statutory framework

Providers can also charge parents for any additional, private paid hours according to their usual terms and conditions; providing taking up private paid hours is not a condition of accessing a free place.

The new guidance is also explicit about what cannot be charged for. It includes the following statements:

A1.41 Local authorities must take all steps available to ensure that the free entitlements are available free of charge and therefore that providers do not charge parents for the following in connection with the entitlement hours:

- Top-up fees (any difference between a provider's normal charge to parents and the funding they receive from the local authority to deliver free places)
- the supply of or use of any materials, including, but not limited to, craft materials, crayons, paper, books, instruments, toys, or other equipment or learning resources that are necessary for the effective delivery of childcare

- business running costs, including, but not limited to, rent, staff wages, cleaning materials, insurance, or utility bills such as energy, gas or water
- registration fees as a condition of taking up a child's free entitlement place
- non-refundable deposits as a condition of taking up a child's entitlement place
- general charges, including but not limited to, non-itemised enrichment charges, sustainability charges, business continuity charges, additional charges, enhanced ratios, hourly rates, or any other supplementary charges on top of the free hours
- any additional fees that are not specifically identified and itemised as being for chargeable extras as described in A1.33.

While DfE have made it clear that the intention is not to encourage parents to opt out of charges, there are concerns that this will be the result. Parents report that universal credits will not accept invoices detailing voluntary parents so needing to state that food and consumables are voluntary on invoicing will mean that Universal Credits will not pay for these - impacting the most disadvantaged children.

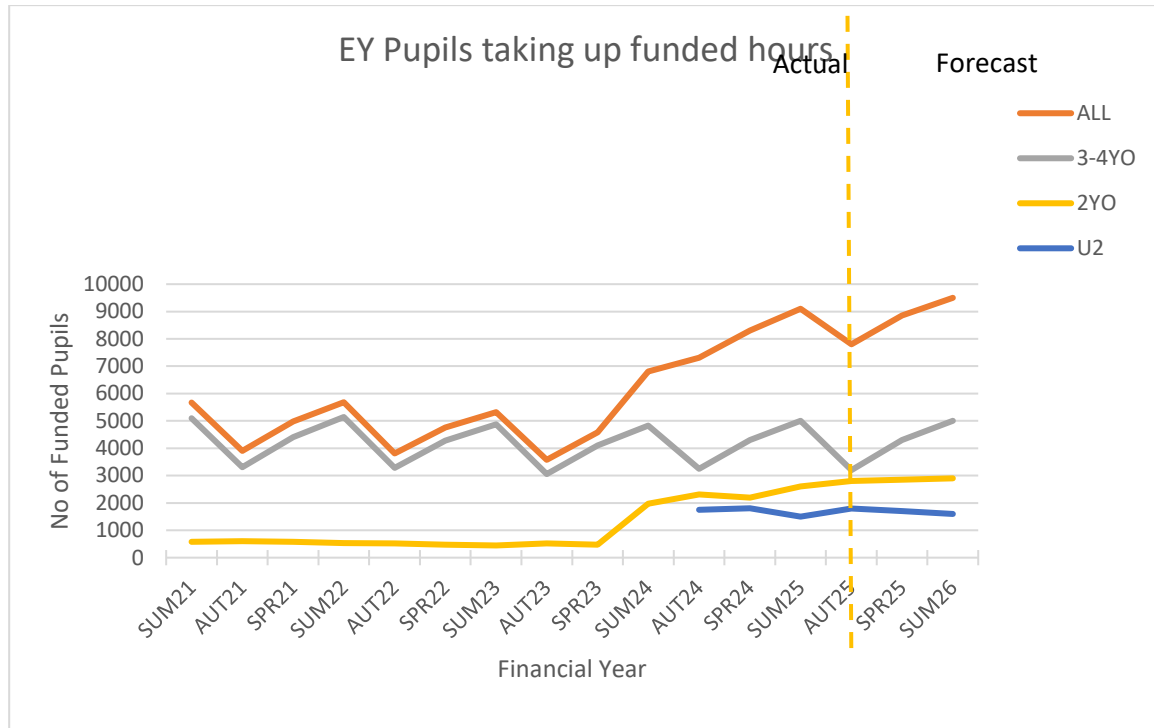
The government have recognised the importance of early years and identified a milestone that all children should start primary school ready to learn. They have stated that ensuring children have the best start in life is the foundation of their opportunity mission. To achieve their overall mission objective of closing the opportunity gap, they have set a milestone and intend to measure progress through 75% of 5-year-olds reaching a good level of development in the Early Years Foundation Stage assessment (which looks at children's development across areas like language, personal, social and emotional development, and maths and literacy) by 2028.

Government have committed to rolling out government-funded childcare support to improve access, delivering the expansion to 30 funded hours and supporting 3,000 new and expanded school-based nurseries, increasing the availability of high-quality childcare places where they are needed most.

## Background

The majority of childcare in South Gloucestershire is provided by childminders and the private, voluntary and independent sector.

Under the government policy the number of children eligible for DfE funded places has increased and is set to increase further by September 2025. The consequence of this is that many providers now have a high and increasing proportion of DfE funded children taking up their places. The graph below shows the increase in funded place for different ages (grey age 3-4, yellow age 2 and blue under 2) with orange showing the increase overall in take-up.



Most providers offer a mix of DfE funded hours (15- or 30-hour places or a part of these) that parents can supplement by taking up additional paid hours on top. This is allowed within the guidance as long as this is not a condition of taking up funded hours.

Previous practice has meant that childcare providers have made charges for the following items, in many cases these charges have not been voluntary for parents.

- Meals
- Snacks
- Consumables
- Subscriptions to services such as parent communication systems or access to childminders groups and activities
- Specialist activities and tuition
- Sustainability charges to support paying bills such as electricity or premises costs

These charges have enabled providers to meet their business costs and to remain sustainable. Some of these charges have also enabled providers to offer a higher quality of care.

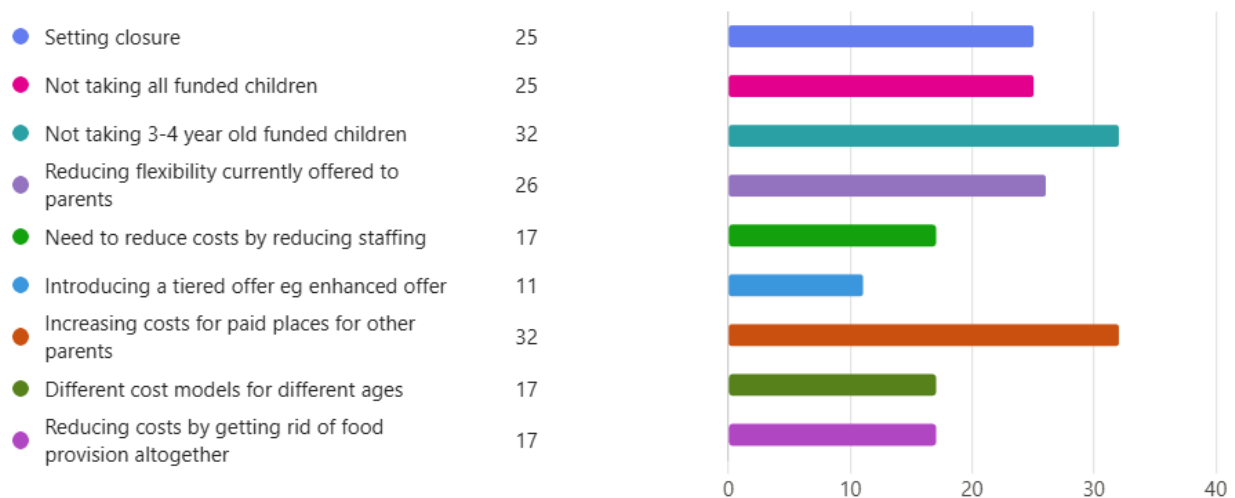
In April 2024 in their guidance DfE changing the wording from free to funded, in recognition that funded childcare places do not cover all costs. In February 2025 this has been replaced again with the word free throughout the guidance.

Childcare requires a high level of staffing. The childcare industry is already under significant financial pressure following recent national increases that impact on all businesses. Childcare providers have not been exempted although schools are being supported to meet some of these costs for children that they care for in the early years.

- Increase to national insurance payments
- Increase in the minimum wage
- Increase in the cost of bills such as heating

### Feedback from the sector

Following the recent changes in the charging guidance we have taken feedback from the sector about the potential consequences. A survey was sent to the sector and 52 providers responded. The following graph shows what anticipate might be the impact of these changes.



25% feel that settings may close or that they will need to consider carefully whether they can remain open, can take funded children or would need to reduce the flexibility offered to parents. This may not support parents with childcare that matches the hours they work. Over 30% feel that they may stop taking 3-4 year old funded children or that this will increase costs for paid places. As the funding does not cover a full working week for parents, the majority of parents need to take up additional hours so this could impact on these parents.

The local South Gloucestershire Early Years Working Group have also discussed the possible implications on behalf of the sector and the Chair has gathered additional feedback.

The possible implications are outlined in more detail below.

### Implications

#### Business sustainability

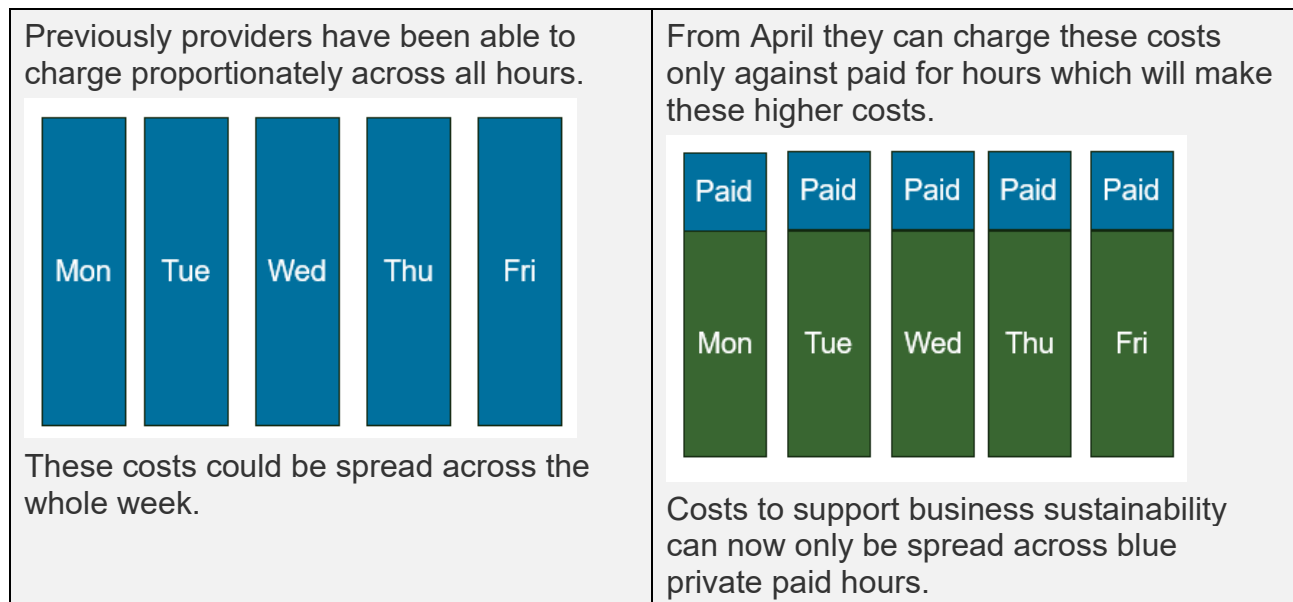
Private providers need to be able to meet their business costs in order to be sustainable. These could include

- premises costs - rent, rates, mortgages, leases and maintenance



- utility bills – electricity, heating, water bills, waste disposal, telecoms, business software subscriptions
- management costs – insurances, office equipment and contracts, staffing overheads such as management, administration, cleaning, cooking, SENCo, facilities management

Families have historically contributed to these costs and understood the rationale behind this. Providers are no longer able to charge a proportion of these costs against funded places. At the same time, a higher proportion of their business is coming from these places. This means that private businesses will have to subsidise these costs for funded places or add a higher proportion of charges to additional paid hours. As the DfE funded hours do not cover a whole working week, this will increase costs of those hours to working parents that are eligible for funded hours and other working parents.



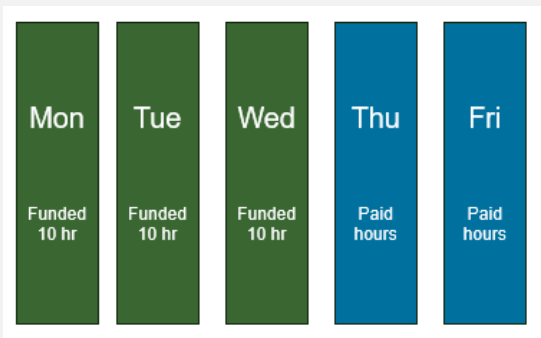
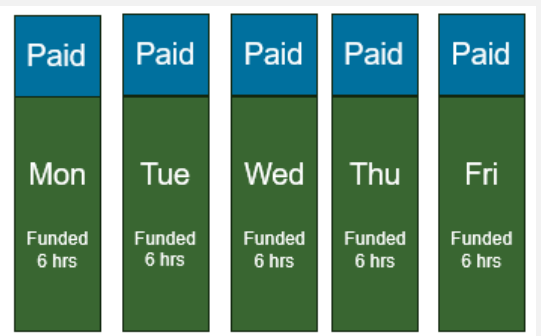
Some providers, due to limitations of their business lease or premises are unable to offer additional hours so are not able to cover business costs through this route.

DfE funding rates are allocated at different levels for different age groups to reflect different requirements such as staffing levels. In South Gloucestershire these rates are £5.53 for a 3- to 4-year-old child, £7.95 for a 2-year-old child and £10.83 for a child between 9 months and 2 years old. Providers have reported that, while the funding for younger children more than covers costs; this is not the case for the 3- to 4-year-old group. Many providers have not charged parents of younger children for voluntary costed items and will now need to charge to offset other costs. Settings also could subsidise funding for older children through parents buying in to additional paid hours. With the increase in funded hours available, paid for hours have reduced.

The implications for providers are likely to be a decrease the flexibility of their offer and reduced income to offset against essential business running costs. Implications for parents are likely to be reduced choice of childcare options and an increase in costs for additional paid hours.

### Childcare availability and choice for working parents

Previously many childcare providers have offered the funded hours flexibly to meet the needs of working parents. Parents entitled to 15 or 30 funded hours have been able to take these hours when in the week it suits their working patterns. The new limitations on charging mean that childcare businesses are having to look at changing their business model in order to be financially viable. This is because, changing when they offer the funded hours is now the only flexibility that providers have over charging.

<p>Previously for a parent entitled to 30 funded hours a provider might have offered 3 days of 10 hours and 2 additional paid for days.</p>  <p>The diagram shows five vertical bars representing the days of the week. Monday, Tuesday, and Wednesday are green bars labeled 'Funded 10 hr'. Thursday and Friday are blue bars labeled 'Paid hours'.</p>	<p>Providers understand they can not make accessing paid hours a condition of accessing a place. Providers are concerned that parents will not take up additional funded days making their offer unsustainable and difficult to staff so many are looking to change their model to a part day of funded hours . Example shown below.</p>  <p>The diagram shows five vertical bars representing the days of the week. Each bar is split into two sections: a top blue section labeled 'Paid' and a bottom green section labeled 'Funded 6 hrs'.</p>
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Most children of working parents attend part time - typically for 2-3 days per week, with Tuesday to Thursday being the most popular. DfE funding of 30 hours per week is for term-time only, so if a working parent wishes to have all-year-round childcare, this equates to 22.35 hours per week. Historically parents have wanted to fully utilise their entitlement to funded places so may use two full 10-hour days and then 2.35 hours on a third day. Settings may not be able to offer this level of flexibility moving forward. They will need to spread attendance across the week for staffing purposes.

Implications for providers are they will need to consider when they offer funded hours so that they can also offer sufficient paid for places to cover their business costs and may need to limit their offer. Implications for parents are likely to be a less flexible offer and they may not be able to use all of their funded place entitlement.

This change is also likely to decrease choice for some parents. Previously some parents may have chosen settings that are more expensive as they have a different quality offer with a higher staffing ratio. The guidance means that this is now no longer possible and parents will have less choice of types of provision.

### **Costs for parents**

As identified above, with providers needing to change their business model to remain sustainable, it is likely that parents will need to purchase additional paid for hours. Providers understand that they cannot make accessing paid hours a condition of taking up places.

This means that parents will have less flexibility over how they can access hours. This could impact on availability for work or limit the days parents are able to work. It could also mean that they are unable to utilise their full allocation of funded hours, if they are not able to meet costs on the other days.

The implication for parents is that they may need to pay for additional hours as changed models may not be as flexible as previous options.

### **Quality of childcare and impact on outcomes**

As we are aware, learning for young children starts much earlier than statutory school or nursery age. To improve learning outcomes in line with the government aims it is essential that high quality childcare from the earliest ages supports children to make the best progress with the learning.

Childcare providers understand that they must provide care in line with the Early Years Foundation Stage Guidance. This includes development in the prime areas of learning of communication and language; physical development and personal, social and emotional development. Providers must also support children to develop in the specific areas of literacy, mathematics, understanding the world and expressive arts and design. Doing well at these earliest stages of learning is crucial for giving children the best start and achieving the governments aims. 96% of providers in South Gloucestershire that have been judged by Ofsted are good or outstanding.

In order to provide an enhanced learning experiences, providers have historically made charges for aspects to supplement experiences of Early Years Foundation Stage. These have included:

- Specialist tuition for example, music activities, forest school
- Subscriptions for activities such as Wild Place, access to parks

While these are not all required, what they do provide is additional experiences that improve learning for children and give them access to experiences that they might not otherwise benefit from. This is particularly advantageous for those children who might be at risk of disadvantage.

Where there are optional chargeable extras for activities and additional services, the new guidance requires that local authorities should ensure that children who do not participate in

optional activities continue to receive provision that complies with the EYFS. This puts the local authority in the position of judging the quality of childcare which has been identified as the responsibility of Ofsted and not the local authority.

An unintended consequence of the change may be that additional experiences can only be accessed linked to paid for hours. This will result in a system where children accessing funded hours have a different quality of extended provision.

Some providers also currently charge for communication tools that they use with parents so that parents can see how their child is doing and hear about the activities they are involved in. This promotes a partnership approach to learning that schools can build on and, as some are also used with schools, provides clear information that can be passed on at school transition. These subscriptions are annual for the provider. If many parents opt out, then purchasing these resources becomes unsustainable. Some of these tools support monitoring a child's progress towards achieving the aim of a good level of development.

## Food

DfE have recognised the importance of nutritious meals for children in supporting learning. Currently children in reception, Year 1 or Year 2 get free school meals and the government are planning a roll out of a free breakfast club for primary children. Children who are eligible for Early Years Pupil Premium do not receive a free school meal unless they attend a school based nursery.

Food costs are not included for funded places in early years. Healthy nutrition is extremely important in supporting healthy child development. DfE have issued a 38-page guidance documents to providers about early years nutrition. [Early Years Foundation Stage nutrition guidance](#) This states the following:

Providing healthy, balanced and nutritious food ensures that all children:

- Get the right amount of nutrients and energy they need while they are growing rapidly, which is especially important for children who might not have access to healthy food at home. This can help prevent children from becoming overweight or obese.
- Develop positive eating habits early on. Children's early experiences with food can shape future eating habits. This can impact children's long-term health including maintaining a healthy weight, and good oral health.

The early years are a crucial time to reduce health inequalities and set the foundations for a lifetime of good health.

Many early years providers include healthy, nutritious and hot food as part of their offer. If parents opt out of paying for food, then it is likely that providers will not be able to continue to offer this as funding will not be sufficient to pay for costs of kitchen equipment and staff. The alternative option to paying food costs is for parents to send in packed lunch and snacks.

Providers have expressed concern about the nutrition of packed lunches that parents provide and there are implications for allergies and available and cold storage for food.

## **School based nurseries**

We recognise that the expansion of school-based nurseries will support the government in achieving their progress aims for children. However, this contributes to a complex picture of childcare. Many schools in South Gloucestershire do not currently have school-based nurseries. The current pilot of school-based nurseries focuses on schools with space within their building to support a school-based nursery, and where numbers are falling to allow this to happen cost effectively. In many of the schools in South Gloucestershire there is insufficient space to expand in this way and available space is increasingly being used to support pupils with additional needs who require enhanced provision. Often additional childcare spaces are needed where there are already a high number of children on roll and no space to create a school-based nursery. Capital programmes to support expansion in these cases are expensive and take time to achieve.

Schools may also be less keen to provide places for the youngest children as the welfare requirements require a very different approach to that with older children.

Schools tend to operate around school hours and working parents often require childcare from 8 until 6 to align with their working patterns. While the previous government has focused on a wraparound care programme for schools, this ended in April 2024 and did not focus on care for children under reception age.

A variety of early years provision is crucial in ensuring childcare is available to parents from the earliest age and that it meets their family needs to enable them to work and be economically productive.

There is a concern that the current restrictions will impact on sustainability of providers other than schools and result in a reduction of places for the youngest children at a time when we need for these places to be increasing. This would impact negatively on the government milestone to help people “get a job, stay in work, and progress in their careers, with good employment opportunities across the country”.

The DfE also may have a focus on moving childcare for 3-4 year olds into the school system. The staffing ratios for working with these children are lower. This would leave other early years providers having to support families with younger children. This requires a higher staffing ratio for providers where staffing is becoming more expensive. Again this contributes to business sustainability.

It is important to ensure that the school-based nursery initiative does not destabilise other childcare options as these need to be financially sustainable to ensure that there is available childcare for all ages to meet the flexible needs required for all families and to enable local authorities to fulfil their sufficiency duty.

## **Special Educational Needs (SEND)**

As with other sectors supporting children, early years providers are seeing an increase of children with SEND over time.

The table below shows 'Year group, by type of SEN provision and type of need - 2016 to 2024' in South Gloucestershire between 2017/18 and 2023/24 according to the report [Special educational needs in England, Academic year 2023/24 - Explore education statistics - GOV.UK](#)

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Early years	131	124	134	132	141	192	183
Early years (%)	0.3	0.3	0.3	0.3	0.3	0.5	0.4

The most common type of need for those with an EHC plan is autistic spectrum disorder and for those with SEN support is speech, language and communication needs.

Early identification and meeting of the needs of children with SEND are crucial in supporting children to achieve a good level of development. Meeting these needs also supports children to be ready for school and can reduce the support required in schools or support effective transition meaning that children make the best progress they can and gaps do not widen.

Children with SEND may require additional support and staffing which increases costs for providers. Leadership capacity is also required to support this process. While there is some funding available for this, it exacerbates the impact of increased staffing costs and therefore puts further financial pressure on the sector.

## Conclusion

We fully support the DfE aims of improving access to childcare and ensuring children are ready for school and achieve the best possible outcomes. Support for early years childcare is a complex issue, and many partners are involved in providing appropriate childcare and high-quality early learning experiences. This includes schools, private, independent and voluntary providers as well as childminders. There are also interdependencies between the early years and schools sectors that contribute to the successful achievement of these aims.

Families have different childcare needs depending on their working requirements and it is important to preserve the range of childcare options available while working towards meeting the government's aims. This requires ensuring that childcare providers in addition to schools are able to run sustainable businesses and remain a crucial part of the childcare offer. This is also essential for local authorities to meet their sustainability duties.

We are concerned that recent changes to charging guidance will have unintended consequences that will not support the government to achieve its aims. These include:

- Large numbers of parents opting out of voluntary charges resulting in reduced income for providers

- Providers becoming unsustainable due to rising costs and reduced income resulting in a decrease in childcare places
- Funded places do not cover the required business costs
- Childcare places may become less available and flexible in meeting the range of needs of working parents
- There may be a reduced choice of childcare options and an increase in costs for additional paid hours.
- Childcare offers may reduce in quality due to the need to cut costs
- Additional experiences may only be accessible linked to paid for hours resulting in a system where children accessing funded hours have a different quality of extended provision.
- Reduction in healthy food options

It is important also to ensure that initiatives impacting on early years are strategically planned so that achieving one goal does not negatively impact on another.

- Planning to ensure the school-based nursery initiative does not destabilise other childcare options as these need to be financially sustainable to ensure that there is available childcare for all ages to meet the flexible needs required for all families and to enable local authorities to fulfil their sufficiency duty.
- Wraparound care and breakfast club initiatives need to be supported for younger children as well as primary aged children to support working parents

We would like DfE to recognise that, for future sustainability of the childcare offer to meet their aims, there are some aspects that will need to be considered

- additional investment is to meet additional costs
- funded places for 3- to 4-year-old children to be increased in line with the true cost of care
- a review of the Childcare Act taking into account the full cost of providing entitlement places and recognising that childcare cannot be delivered 'free' using the current model
- strategic planning across the system so that initiatives work at transition points for parents including breakfast clubs and wraparound care
- how changes to policy impact on local authority sufficiency duty

For government aims to be successful it is important that the government acknowledge that there are charges that are incurred in the successful provision of high-quality childcare that the expanded entitlements payments do not cover. As the entitlements continue to roll out, providers are accommodating a higher percentage of funded places where these costs are not being recognised or contributed to. For the range of provision to be maintained, it is important that DfE recognise the need to contribute to these costs, otherwise providers will be subsidising funded places or will need pass on additional costs to parents who are paying for hours, this includes the eligible working parents that DfE are trying to support.

In South Gloucestershire we have recognised the financially challenging situation for our providers. In response to this we already pass on 97.3% of allocated funding directly to our providers. The current requirement is to pass on at least 96%. We are also supporting the sector through our Early Years Working group, webinars, drop-in sessions and a task group focusing on the issues.

Quality of childcare is critical in preparing young children for school and achieving the best outcomes. While free childcare is important it is also crucial that this care remains of the highest quality. We are extremely proud of the quality of childcare provision in South Gloucestershire. Ofsted have graded 96% of our childcare providers as good or better (providers that have received an Ofsted judgement). Colleagues across the sector work extremely hard to provide the best welfare and learning provision for our youngest children. We want to ensure that they can continue to do this in the currently financially challenging environment so that children make the best possible progress in line with the government mission and in line with the aims of South Gloucestershire Council.

We would like Schools Forum to understand the issues faced by the sector and to support this perspective. A South-West Local Government group is also going to be focusing on these issues.

#### Contact information

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# South Gloucestershire Council

## SCHOOLS FORUM

8<sup>th</sup> May 2025

Safety Valve Update (Verbal)

# South Gloucestershire Council

**SCHOOLS FORUM**

**08<sup>th</sup> May 2025**

**Scrutiny Report Update (Verbal)**

# South Gloucestershire Council

**SCHOOLS FORUM**

**08<sup>th</sup> May 2025**

**Mainstream Place Numbers Update**

# South Gloucestershire Council

**SCHOOLS FORUM**

**08<sup>th</sup> May 2025**

**EHCP Breakdown**

# South Gloucestershire Council

**SCHOOLS FORUM**

**08<sup>th</sup> May 2025**

**High Needs Working Group Update (Verbal)**

# South Gloucestershire Council

## SCHOOLS FORUM

08<sup>th</sup> May 2025

### Schools Forum Forward Plan 2025

May 2025	08 <sup>th</sup>	Provisional Forum Date – depending on need for any decision reports	
		Academisation update	Michelle Trigg
		Safety Valve update	Mustafa Salih
		HNWG update	Susie Weaver
		Mainstream Place Numbers	Hilary Smith

July 2025	03 <sup>rd</sup>	Microsoft Teams	
		Membership of the Forum	Michelle Trigg
		Schools in Financial Difficulty Update (Report) (Maintained Schools & Academies update)	Mustafa Salih
		Funding Update (including School's supplementary grant)	Mustafa Salih
		Outturn Report 2024-2025 verbal update (outturn report)	Mustafa Salih
		Financial Regulations for Schools	Justine Poulton
		Scheme for Financing Schools – DfE Directed Changes	Caroline Warren
		HNWG update	Susie Weaver

Sept 2025	25 <sup>th</sup>	Microsoft Teams	
		Schools Forum Membership update	Michelle Trigg
		Outturn 2024-2025 Report	Caroline Warren
		Proposed Financial Arrangements – Falling Rolls Funding (Low Pupil Number Contingencies)	Caroline Warren

		Financial Regulations for Schools	Justine Poulton
		Place Planning	Hilary Smith
		Safety Valve update	Mustafa Salih
		Special Schools Funding update	Mustafa Salih
		Year 3 of New Banding and Top-Up Arrangements Review and Update	Mustafa Salih

Nov 2025	06 <sup>th</sup>	<b>Proposed in person meeting – venue to be confirmed.</b>	
		Current Position on school places across schools' system in South Gloucestershire Update	Hilary Smith
		High Needs Working Group Update	Susie Weaver
		School Budgets 2025-2026 (verbal update)	Mustafa Salih
		Schools in Financial Difficulty Update	Deb Luter
		Q1 Financial Performance Report 2023-2024	Caroline Warren

Dec 2025	04 <sup>th</sup>	<b>Microsoft Teams</b>	
		Schools Budget Announcement	Mustafa Salih
		Implementation of new banding and top up arrangement for special schools and alternative provision	Mustafa Salih
		Proposed Financial Amendments: Breach Funding	Caroline Warren

**ANY OTHER BUSINESS**