

LANCASHIRE SCHOOLS FORUM
Date of meeting 18 October 2022

Item No 12

Title: Recommendations of the Early Years Block Working Group

Executive Summary

On 4 October 2022, the Early Years Block Working Group considered a number of reports, including:

- Appointment of EYB Working Group Chair
- Early Years PVI representation on the Schools Forum
- Early Years Block Funding 2023/24
- Urgent Business Procedure on DfE Consultation on Early Years National Funding Formulae and Childcare: Regulatory Changes
- DfE Visit to Lancashire
- Energy Costs and Nursery Closures
- Education Partnership and Around the School and Settings (TASS)

A summary of the information presented, and the Working Group's recommendations are provided in this report.

Recommendations

The Forum is asked to:

- a) **Note the report from the Early Years Block Working Group held on 4 October 2022**
- b) **Ratify the Working Group's recommendations.**

Background

On 4 October 2022, the Early Years Block Working Group considered a number of reports. A summary of the information presented, and the Working Group's recommendations are provided below:

1. Appointment of Working Group Chair

This was Peter Hindle's final meeting and Philippa Perks has been nominated as his replacement as the Working Group Chair.

Members elected Philippa Perks, as the new working group Chair.

The Working Group:

- a) Thanked Peter for his contribution to the Forum.**
- b) Confirmed that Philippa is elected as the new Early Years Block Working Group Chair.**

2. Schools Forum Early Years Block Membership

Following Peter Hindle leaving, we wrote to all EYPVI providers to nominate candidates to join EYWG as Peter's replacement.

We have received a single nomination for Sarah McGladrigan.

The Working Group:

- a) Welcomed Sarah McGladrigan as one of the formal Schools Forum representatives from September 2022.**

3. Early Years Block Funding 2023/24

On 19 July 2022, the DfE made announcements about the 2023/24 school funding arrangements for Schools, High Needs and the Central School Services Block.

As per established practice, no information was included on the Early Years Block allocation from April 2023.

Working Group members will know that in 2020/21 and 2021/22 the Forum agreed to transfer to £2m each year. In 2022/23, no transfer was possible.

However, to help support the transition the Forum agreed that £1m of DSG reserves could be utilised to support the early years' block budget in 2022/23.

DfE announcements included Schools Block Operational Guidance for 2023/24, and this confirmed that LAs continue to be allowed to transfer up to 0.5% of their schools block to other blocks of the DSG, with schools forum approval.

Further local modelling will be needed to assess the 2023/24 position, but at this point it is not expected that headroom will be available at levels that were accessible in 2020/21 and 2021/22.

The option of utilising some reserves to support the early years block may again be

considered in 2023/24.

The final position about possible Schools Block headroom will only be available in December once final 2023/24 DSG allocations are received.

If required, an urgent consultation about any possible Schools Block transfer could be held with schools and academies once the final DSG allocations from DfE have been assessed.

Whilst several uncertainties remain before any final; decisions can be taken about the early years block funding, the group may wish to express any initial views on the early years block budget for 2023/24.

There is obviously uncertainty, but the following details have been published by the DfE but are unconfirmed and could be impacted on by outcomes from consultations and other factors.

EY consultation indicates the 3/4 YO rate increasing by £0.21 as this now includes the teacher pay & pension grant being included in the base rate. Pending decision on the 4p from reserves.

2-year-old entitlement Lancashire is likely to receive an additional £0.06 per hour for the 2-year-old entitlement for 2023/24,

Supplementary funding hourly rate for maintained nursery schools is indicated to increase by £0.49 per hour. The increase in rate includes the TPPG included in the hourly rate for 23/24 to leave a forecasted rate per hour of £4.28 from £3.67 in 22/23.

Members understood that further modelling is needed. They recognise the sector to be historically underfunded and that Covid has affected children's development as they have missed out on important years. Members have expressed those children post-Covid require further work with their communication and emotional development.

The working group discussed how there is no separate funding for the provision of a free school meal for early years children who attend maintained schools for morning and afternoon sessions, and schools have either been funding these children from their wider schools budget, using EYPP or charging parents. It was discussed the fact that the statutory guidance does state that Local Authorities are expected to provide an FSM for early years children in maintained settings and the group agreed that the issue should be forwarded to the full Schools Forum for further debate. Andrew Cadman who is the interim senior adviser for Early Years, will also raise this issue with our DfE contacts, to get a view from them on where local authorities are expected to fund this from.

Members asked for DSG reserves to be utilised to support the additional 4p in the base rate for another year due to all the challenges they are facing.

The Working Group:

- a) **Noted the report.**
- b) **Expressed views about their current challenges and DSG reserve.**

4. Urgent Business Procedure on DfE Consultation on Early Years National Funding Formulae and Childcare: Regulatory Changes

This report provided an update on Forum decisions/recommendations taken since the last meeting using the urgent business process.

DfE Consultation on Early Years Funding Formulae (1)

On 4 July 2022, the DfE issued a consultation on changes on the Early Years Funding Formulae.

The consultation was launched after the last meeting of the Schools Forum and the deadline for responses is before the next cycle of meetings. The consultation documentation can be viewed on [Early years funding formulae consultation document \(education.gov.uk\)](#).

A draft Forum text for a response was circulated on 30 August 2022.

21 responses were received from members. The majority of members supported the draft response without any amendments. There were two suggested amendments to the draft response. One suggestion included a grammatical improvement which was reviewed and reworded and. The second comment was included to provide an actual answer instead of 'as above', which was amended.

A Forum consultation response was submitted on 15 September 2022 and a copy is provided in Appendix A.

DfE Consultation on Childcare: Regulatory Changes (Ratios) (2)

On 4 July 2022, the DfE issued a consultation on changes in Childcare: Regulatory changes. The consultation was launched after the last meeting of the Schools Forum and the deadline for responses was before the next cycle of meetings. The consultation documentation can be viewed on [Childcare: Regulatory changes - Department for Education - Citizen Space](#)

A draft Forum response has been prepared by the Early Years - Education Improvement Team.

A draft Forum text for a response was circulated on 7 September 2022.

8 responses were received from members. The majority of members supported the draft response without any amendments. There was only one suggested amendment to the draft response. It was a grammatical improvement which was reviewed and reworded.

A Forum consultation response was submitted on 15 September 2022 and a copy is provided in Appendix B.

The Working Group:

- a) **Noted the report.**

Submitted to Early years funding formulae

Submitted on 2022-09-15 16:39:13

Introduction

What is your name?

Name:

Sylwia Krajewska

What is your email address?

Email:

Sylwia.Krajewska@lancashire.gov.uk

Are you responding as an individual or on behalf of an organisation?

Organisation

What is the name of your organisation?

Organisation:

Lancashire Schools Forum

What type of organisation is this?

Type of

Organisation:

Other

What local authority area are you or your organisation based in?

Local Authority

area: Lancashire

Would you like us to keep your responses confidential?

No

Reason for confidentiality (optional):

EYNFF additional needs factor

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

Yes

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

We support the proposal to update the data in the additional needs factor so that the latest available data is used in the formula, and to update this data annually going forward. We agree that it is appropriate for the formula to be responsive to changes in the underlying data and keeping this data updated annually makes the formula more accurate and reduces the risk of turbulence that could be created if only sporadic updates were initiated.

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

Yes

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

We support the move to using the free school meals headline measure, as this is consistent with the High Needs NFF.

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

Yes

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

We support the proposed changes to the DLA data as they appear more accurate and responsive.

EYNFF area cost adjustment

4 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?

No

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?:

In principle, we are in favour of more up to date data being utilised in the formula. However, we cannot support this proposal as we oppose the use of the GLM data in the early years funding formula.

We do not believe that the use of this data supports the principles underpinning national funding formulae. It is not fair, transparent, simple, responsive or predictable.

The make up of the GLM factor is not reflective of staff costs in the EY sector. It includes the likes of the financial sector, with the significant salary levels, which would seem to have little relevance to early years staffing costs. We know that the majority of the providers pay staff on National Living Wage (NLW) rates. It does not therefore seem justifiable that some areas are being funded at considerably higher rates than others, when base funding within the sector is relatively even.

The current proposals for the 3 and 4 year old formula do not even update GLM data and the proposals indicate an intention to continue the use of information from 2013/14, which is clearly out of date and not responsive to any changes in staffing costs. The rationale for this consultation is that the formulae are responsive and updated annually going forward, so the inclusion of a factor reliant on data that is a decade old must be omitted from the formulae or replaced by a more appropriate mechanism

If no suitable alternative data source is available that would target resources on a more realistic basis for EY sector staffing costs, we would urge the government to apply a cap to the differential, of perhaps 20%, as this is more reflective of the different level of costs between low and high cost areas.

ACA factors in the schools and high needs block formulae do not result in the level of unjust differentials that are applied in early years, so an alternative option may be to utilise a similar formula to other funding blocks in the DSG.

In addition, the data is not readily available or understandable for many providers.

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

Yes

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

The proposed inclusion of the maintained sector data, the metres squared approach and the smoothing of the data are supported.

Teachers' pay and pensions grants

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

Unsure

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

There does not appear to be an obvious solution to this issue and perhaps the approach proposed is the only option available.

However, this mechanism appears to disadvantage maintained primary school providers, who will not receive the same level of funding that they have received under the current grant allocations.

Whether or not we agreed with the original decision to support increased cost pressures in one part of the Early Year's sector and not another via the additional grant funding, the 'mainstreaming' of the grant funding in the schools block and high needs block distributes a similar level of funding to each recipient through the main funding formulae. This early year's proposal will not achieve a distribution of a similar level of funding to each recipient.

7 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?

No

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?:

There are significant cost pressures facing the early years sector, which are being compounded as the levels of DSG funding increase to the block have not kept pace with cost increases over a number of years, or with increases enjoyed by the schools and high needs blocks. Forecasts suggest that this underfunding is likely to continue. In these circumstances, feedback from the sector in Lancashire indicates that there is a preference to minimise the use of supplements and maximise the funding allocated across all providers via the base rate. We would therefore not support any change to guidance that encourages funding to be moved away from base rates.

2-year-old funding formula

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

No

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

Our concerns about the GLM data are set out in the EYNFF response above

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

Yes

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

We agree that there should be consistency between the EYNFF and the 2-year-old formula.

Protections

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

Yes

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

A crucial element when changes to the funding arrangements are being introduced is the relevant protections to ensure that funding reductions are manageable for those impacted by large variations in the calculations. We are supportive of the proposed approach to protections. It should be noted that based on current funding, Lancashire is not likely to see any significant protection, especially if the over budget pot is not expended to meet the protection element costs.

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

Yes

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

In terms of protections, we support the proposal. The current funding does not appear to provide Lancashire with enough protection, particularly if the over budget pot is not used to pay for the protection element.

Reform of maintained nursery school supplementary funding

12 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?

Yes

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?:

We support the minimum hourly rates and cap for MNS funding as a mechanism to protect LAs/schools from significant turbulence and to provide a level of minimum funding protection across all LAs. However, we are concerned that the differential between the £3.80 minimum and the £10 cap is far too great to be justified and efforts must be made to distribute funding more evenly across LAs. ACA factors exist in the schools and high needs block formulae, but do not generate outcomes where some LAs are receiving almost 3 times the hourly rate of others. Should this be a more level distribution across the country as pay is similar across the country (LA's).

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

Yes

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

The suggested approach for rolling the teachers' pay and pensions grants into MNS supplementary funding seems, for maintained nursery schools, reasonable and should allow allocations to be generated that are similar to those received through the grant funding.

Equalities Impact Assessment

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?

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?:

No

Any other comments

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

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

In addition to the comments on individual proposals in the consultation, our biggest concern remains that the level of funding being provided for early years is not sufficient and this is affecting our ability to recruit and retain staff, which will ultimately impact on the level and quality of provision.

We would urge the government to provide additional funding for the early years block to ensure that the sector can continue to provide high quality education for our young children at the outset of their educational journey.

We would also ask that the early years block funding guidance and allocation announcements be amended so that they are on a similar timescale to the schools and high needs blocks, where provisional allocations are issued each July. As early years is one of the three main funding blocks in the DSG it seems appropriate that it should be dealt with on a similar timeframe and with similar considerations for funding increases.

Whilst it is right and proper to update and keep updated the EYNFF, the impact will be negligible if as a result of all this the DfE continue to underfund settings for their delivery. Last increase of 3.5 % delivered at a time when costs had increased by 7% only served to further damage the sector

Submitted to Childcare: Regulatory changes

Submitted on 2022-09-15 16:32:29

Introduction

About you

- 1 Would you like us to keep your response confidential? No

Reason for confidentiality:

- 2 In what capacity are you responding to this consultation?

Select an answer from dropdown list:

Membership organisation

If Other, please give details:

- 3 Where are you based in England? (PLEASE NOTE THAT THIS CONSULTATION APPLIES TO CHILDCARE IN ENGLAND ONLY)

Please select your region from the drop down list:

North West

- 4 If you are responding on behalf of an organisation: what is the name of your organisation?

Please type your answer in the box: Lancashire

Schools Forum

- 5 If you are responding on behalf of an organisation: what is your role within this organisation?

Select an answer from the dropdown list: Other

- 6 If you are responding on behalf of an organisation: how many people are employed by your organisation?

500 or more

- 7 If you represent any other type of organisation: what is the nature of your organisation?

Please type your answer in the box:

Schools Forum

- 8 If you are a parent or carer for a child: how old is your child/are your children? (Select all that apply)

- 9 Which forms of childcare do you currently use? (select all that apply)

Staff: Child Ratios

- 10 Do you agree or disagree with the proposed change to the current statutory minimum staff: child ratios in England for 2-year-olds from 1:4 to 1:5?

Please explain your rationale for this view in no more than 300 words.:

No.

Potential relaxation of ratios for two-year-olds in nurseries and pre-schools from 1:4 to 1:5 will not result in the delivery costs that the government has suggested. Recent engagement with the sector by a national organisation suggested that very few settings would enact the proposed new ratios as it would likely drive down quality whilst also papering over hugely challenging situation of staff recruitment and retention within the sector. Children are arriving at settings with varying levels of needs, those with additional needs will be hugely impacted by the change in ratios, and if settings do retain the current ratios to ensure high quality provision then there are no cost saving to be made.

For example, a setting with 16 2 year olds with 4 staff on current ratios would have an option to take on an additional 4 children (if space allowed), although it could be argued that 4 staff supervising 20 2 years olds will have a detrimental impact on the quality of provision.

Alternatively, the setting could release a member of staff and reduce the room six to 15 children. This will impact further on the retention of staff in the sector along with potential consequences for sufficiency of places. Proposal B and C: Childminder settings

11 Do you agree or disagree with Proposal B to change the EYFS wording on childminders' ratio flexibility for siblings?

Please explain your rationale for this view in no more than 300 words. :

Agree

Feedback from Childminders is that they would welcome this new wording as it provides some more clarity around flexibility, as although they are already able to do this within the current limited flexibility, they felt that the wording was not clear enough. Although in theory this would enable childminders to take more children, the feeling is, on the whole, that they will choose not to by prioritising quality, safety and security over this. Childminders will often think about how they would manage to evacuate in the case of an emergency, or to go on an outing, if they had increased numbers to manage. They also want to offer the best possible quality curriculum and do not want this to be watered down or devalued with increased ratios and similarly they want to be valued and treated as equal professionals within the early years sector.

12 Do you agree or disagree with Proposal C to change the EYFS wording on ratio flexibility for childminders' own children?

Please explain your rationale for this view in no more than 300 words. :

Agree

Feedback from Childminders is that they would welcome this new wording as it provides some more clarity around flexibility, as although they are already able to do this within the current limited flexibility, they felt that the wording was not clear enough. Although in theory this would enable childminders to take more children, the feeling is, on the whole, that they will choose not to by prioritising quality, safety and security over this. Childminders will often think about how they would manage to evacuate in the case of an emergency, or to go on an outing, if they had increased numbers to manage. They also want to offer the best possible quality curriculum and do not want this to be watered down or devalued with increased ratios and similarly they want to be valued and treated as equal professionals within the early years sector.

Further options for ratio reform

13 (For childcare providers)What are your views on having the following flexibility for 3-4 year-olds in your provision?

Where children aged 3-4 are attending a setting for less than 4 hours per day, the ratio of 1:8 can be increased to 1:10 (as in Scotland), although where staff are qualified to Level 6, the ratio of 1:13 would continue to apply.

Please give your views in no more than 300 words. :

14 What further flexibilities would you consider adopting to deliver your provision? (Select all that apply) If you selected

'Other', please provide details in the box below, in no more than 300 words. :

Adequate supervision while eating

15 Do you agree with the proposal to make paragraph 3.29 of the EYFS explicit that adequate supervision whilst eating means that children must be within sight and hearing of a member of staff?

Yes

16 Please explain briefly your views about this, including if you foresee any unintended consequences for early years providers as a result of this change.

Please explain your views in no more than 300 words. :

This is seen as a good proposal and will further support children's safety. Snack and mealtime preparation will be key. Some Childminders will have to consider where children eat and make sure they have all resources to hand if the dining space is separate to the kitchen to ensure that babies and children are supervised at all times, as we know choking can only take a second when your back is turned.

Further comments

17 What are your concerns (if any) about how the proposals may affect you or individuals in your organisation with protected characteristics?

Please give your answer in the box below, using no more than 300 words. :

It would be more difficult, with higher staff : children ratio, to spend the significant amount of time needed through conversations, story telling, circle times and puppet play for example, to really support our youngest children to really understand inclusion and diversity. Truly valuing diversity means actively

promoting equality and planning to meet the needs of all individuals, whatever their circumstances, and again this would be more difficult to achieve with staff under pressure with more children to care for. Inevitably more time would be needed to support with basic care routines, rest times, toileting, snack and meal times, leaving it more difficult to support children's learning and development.

18 How would you mitigate against these concerns in your organisation?

Please give your answer in the box below, using no more than 300 words. :

Settings are likely to strive to continue their support within this area of practice and provision but would be compromised, knowing that they have achieved this with more impact when working with less children.

19 Are you content for us to use your comments in any reporting? Comments will be anonymised.

Yes

20 Would you be happy for the Department or a research body working on its behalf to contact you to discuss your response to this consultation? If you agree, your personal data and responses to the consultation will be shared to allow them to contact you about your response.

Yes

21 {If willing to be contacted} For us to contact you about possible additional research, we need a named contact, email address and telephone number. Please provide these in the boxes below.

Please insert a contact name:

Sylwia Krajewska

Please insert a contact email address. : Sylwia.Krajewska@lancashire.gov.uk

Please insert a contact telephone number. :

+44 1772 532476

5. DfE Visit to Lancashire

Andrew Cadman provided a verbal update on the DfE visit.

The DfE visited Lancashire on 12th July. Andrew thanked everyone involved in making the visit from the DfE a productive and positive experience. There was limited time with the DfE officers but managed to include a visit to two settings as well as time with LCC officers and Cllrs at County Hall.

- In the first setting they had an opportunity to highlight the importance of current child ratios for 2YO as she has high numbers of 2YO, many of which have individual or family needs.
- In the second setting there was an opportunity to highlight the work of the MNS and the challenges faced linked to funding and often being off the radar for the DfE with school-based decision making.
- Philippa and Peter utilised their time in transit with the DfE officers and time at County Hall to cover a range of topics, including EY delivery costs, specifically how funding (inc funding formula) hasn't risen in line with the inflation or other roles in the education and children services sector, closure of provisions, and business rates
- At County Hall, officers and Cllr Rear were clear on the LCC's position with Early Years and the risks faced, despite the exemplary work by officers and the EY sector
- It was noted that the DfE very rarely meets with EY Sector representatives and LA officers where there is the level of positive relationship that we have in Lancashire. This is a testament to the hard work, commitment and passion that is delivered on a daily basis.
- DfE officers were impressed with the current take up rate for funded places, alongside the quality of provision that those children are attending.

Follow-up meeting 14th September

- Academisation of MNS – position has not changed from recent information regarding the legal position of working through the legal implications of academisation MNS. Andrew to link with Elaine Cluet who is leading on the school's element.
- Funding position hasn't changed with regard to what the national funding envelope is. No announcements re EY funding were included in the government financial statement on 23rd September.
- Point raised re government policies conflicting with each other (minimal wage vs EY funding etc). DfE informed that there is a currently greater cross-departmental collaboration on such matters, striving to align policies wherever possible whilst understanding that it is quite a substantial task to do so across all departments in government.
- Dedicated Workforce Strategy team at DfE in place since June, engaging with stakeholders (LA's, national orgs, providers), tasks with addressing the EY workforce challenges. I suggested a formal call for evidence to inform their work as they appeared keen to do something about the current change, but the sheer weight of information was challenging. The team must work on a cost-neutral basis (now expensive publicity etc). Establishing an expert advisory group. Agreed that any

information that they have that will influence our own Workforce Strategy would be shared if appropriate.

- Challenges around SEND and funding. No additional funding is available through DfE, funding consultation outcome should be in October with LA's to continue to make local funding decisions (base rate, SEND fund etc). DfE referred to online SEND training and liked what we had planned with the SENCO L3 training.
- Agreed to meet termly to maintain traction with decision-making and DfE engagement with Lancs at the senior level. The meeting would include DfE officers, LA officers and the EYBWG Chair.

The Working Group:

a) Acknowledged DfE visit.

6. Energy costs and Nursery Closures

Nurseries are facing increased energy, food and staffing costs, as well as struggling to recruit. The overall number of childcare providers in England dropped by around 4,000 between March 2021 and March 2022, the largest decline since 2016, according to figures from Ofsted.

One key expenditure element for the sector relates to increases in energy costs. 8 examples have been provided in the report.

Nurseries Closures

We have been informed that there have been 8 recent Nursery closures.

One was planned to be reopened but failed due to a business group going into administration.

Analysis of net nursery closures in recent years is provided in Appendix A.

- In the six months from 1 March 2022 to 1 September 2022, 74 net closures were recorded (2 new providers opened).
- In three-year from 1 March 2019 to 1 March 2022, 138 net closures were recorded (71 new providers have opened).

They have expressed views about challenging positions the early years sector found itself in. The discussion included further net nursery closures. Members have stated the issue with recruitment for minimum wage and how the nursery runs at half of the capacity that it is used to. Therefore, they cannot take more children to make up for the increased costs.

Mel Foster has stated that it is recognised that the whole county is sufficient this may not currently change but the team watches if the pattern of net closures stabilises or increases.

The working group members have raised the costs increases for all costs including food, gas/electricity, and industry rates. The cap introduced by the government still is not solving the issue the sector is facing.

Members have asked to find out if they could get relief from business rates to help them to cope. The discussion was raised about LCC writing again to local councils to ask them to provide business rate relief for Early Years settings.

The Working Group:

- b) Noted the report.**
- c) Discussed the issues with cost pressures.**

7. Education Partnership and Around the School and Settings (TASS)

Team Around the School and Settings, or TASS, is a collaborative way of working across services, schools and settings with children and young people.

The service is working in partnership to achieve the priorities of the education strategy. The Education Strategy, provided in Appendix A, sets out the aspirations for education in Lancashire but the context in which the strategy is delivered will shift year on year. For this reason, the Education Strategy will be supported by an annual delivery plan. A delivery plan is provided in Appendix B.

Sarah Gorst attended for this item as she has asked for feedback regarding the current Delivery Plan before the next half-term to be sent directly to her. TASS want to change the way they deliver and create improvement in its services and to ensure that early years are included as a key part in the plan.

The Working Group:

- a) Noted the Education Strategy and Delivery plan.**