

# EARLY YEARS ENTITLEMENTS

30 hour uptake, barriers, Breakfast Clubs and CATERed.



## 1. SUMMARY

- To update Scrutiny on the current position and trends in Plymouth's uptake of the 30 hours early years funding entitlement (working parents).
- To set out barriers impacting uptake and sufficiency.
- To update Scrutiny on the current position for Breakfast Clubs.
- To update Scrutiny on the role of CATERed in the provision of Breakfast Clubs.

## 2. BACKGROUND

UK government policy makes clear that early years funding entitlements are a core mechanism for delivering the national ambition to give every child the best start in life.

The government's *Giving Every Child the Best Start in Life* strategy (2025) states that improving child development means making early education and childcare easier and cheaper for families, and ensuring children access high quality early learning from birth to age five.

More specifically, government policy includes:

- Expanding funded childcare entitlements, including up to *30 hours of funded childcare from 9 months old* for working parents, described as part of the "biggest expansion ever" to support access and affordability.
- Increasing additional funding streams such as the Early Years Pupil Premium (boosted by 45%) and enhanced SEND funding, to reduce developmental inequalities and ensure disadvantaged children benefit from high quality provision.
- Explicitly linking early years investment to the government's target that 75% of five year olds achieve a good level of development by 2028, making funded entitlements a key policy lever for improving school readiness.

### In short

Government policy uses early years funding entitlements to deliver its core mission of giving every child the best start in life by:

- Removing cost barriers for families
- Expanding access to high quality early learning
- Targeting funding to reduce disadvantage
- Supporting school readiness and long term life chances

### In more detail

Entitlement and expansion: Following the national expansion of early years entitlements, eligible working parents can now access up to 30 hours per week (1,140 hours per year) from the term after a child turns 9 months until school start, phased through 2024–2025 and fully live from September 2025.

Local authorities must administer and fund delivery through compliant early years provider markets.

Eligibility and codes: Eligibility is assessed via HMRC's Childcare Service and approved applicants receive an 11 digit code.

Parents must reconfirm every 3 months to remain eligible, and providers must validate codes before offering funded places.

The local authority must secure free early years provision and, so far as reasonably practicable, sufficient childcare for working parents. The statutory guidance (from April 2025) reaffirms that 15/30 hours must be free at the point of use with no mandatory charges for the funded hours.

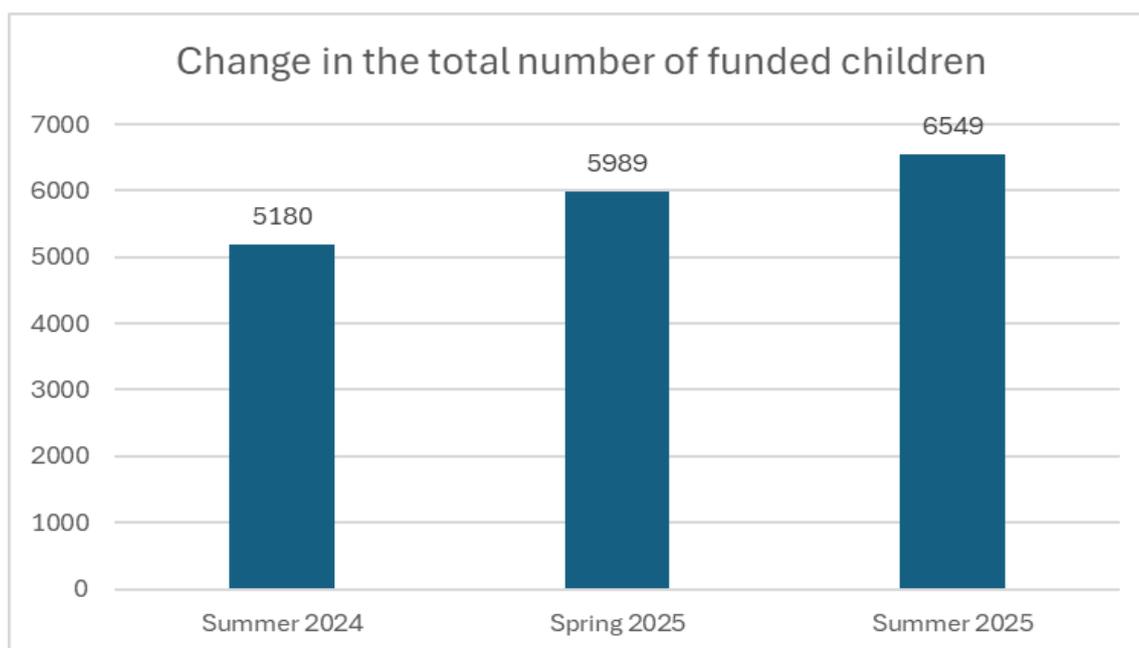
Plymouth's Early Years Provider Portal supports headcount, checks for 30 hour codes, and census returns, underpinning local funding and monitoring sufficiency.

Breakfast Club expansion is also policy of central Government and Plymouth has welcomed expansion to support children with a good start to their day.

### 3. EARLY EDUCATION UPTAKE

Figures change on a regular basis and are confirmed following provider returns on the Early Years Census and Provider Portal. This information is therefore a 'snapshot' of the 30-hour entitlements for the last verified headcount data, collated in Summer 2025. The next headcount process is currently underway.

Timeline	Total Number of Funded Children
Summer 2024	5180
Spring 2025	5989
Summer 2025	6549
Number of additional children benefitting from a funded place	+1369



The number of children benefitting from an early education funded place has increased from 5180 to 6549. This means that over a period of twelve months from Summer 2024 to Summer 2025, 1369 more children were accessing an early education place. This is a 26.4% increase over a 12 month period. This

will increase again as 30 hours of childcare became available to all children from 9 months of age in September 2025. The full impact of this will not be known until the next validated headcount data collection during January 2026.

### 3.1 SUCCESSES AND PROGRESS

- The most recent parental survey from November 2025 indicated that there are sufficient childcare places across the city with 93% of respondents agreeing that they secured their first choice of provider.
- Childcare expansion in the city continues with new providers being supported by the Early Years Team. Three new providers opened in January 2026: one private day nursery, one school-based nursery and one childminder.
- The Early Years Team continues to explore new childcare opportunities and currently supports a new small nursery chain to secure premises and an existing provider in a Family Hub to expand their availability of baby places by working with teams across Plymouth City council, for example, our colleagues in Land and Property.
- A dedicated member of the Early Years Team supports childminders into the marketplace and works closely with the DWP, Job Centre Coaches and with careers services.
- The Early Years and Childcare team have supported four school-based nurseries opening for funded early years provision. Plympton St Mary Infants, Laira Green Primary and Boringdon Primary were each funded by the school-based nursery capital grant to open new provisions. Stuart Road Academy were also supported to reopen a nursery class within the school for children aged three and four.
- The local authority has further supported seventeen settings to expand, this includes two new private nursery settings due to open this term, one in Plymstock and one in Hartley. These settings have received capital funding from the expansion programme to support their projects to provide extended entitlements.

**3.2** The Early Years and Childcare team are providing the following support, to ensure settings are delivering high quality sufficient childcare through the thirty hours initiative:

- Childcare Officers are visiting settings to provide an insight into the changing childcare market, with the increase in funding entitlements from nine months and the working families agenda. These are proving successful, and we have numerous businesses adapting their business models.
- PCC have commissioned Alison Roberts (Routeways) to visit settings to provide in depth and ongoing funded business support to the sector.
- The Safeguarding and Welfare team are visiting settings to support with enrolling younger children and the statutory requirements.
- The Early Years Improvement Officers are providing learning and development visits for settings who are planning to take younger children, to support settings to ensure their care for babies is in line with best practice.
- The Childcare Sufficiency Co-Ordinator is utilising and sharing sufficiency ward data to support settings with expansion and sustainability.
- Childcare officers are attending community events, speaking to parents about the extended childcare entitlements to ensure they are aware and engaging with the offer.
- Childcare officers are working in partnership with the Early Years Southwest Stronger Practice Hub to ensure early years colleagues, receive training to provide high quality early education

and childcare, which is essential for our ambitious targets to improve Good Levels of Development at the end of the Early Years Foundation Stage.

- Early Years Improvement Officers provide comprehensive support to settings around SEND and administer SEND Inclusion Funding (SENIF) for the city. Over the past 12 months the SENIF fund has provided approximately 50,000 hours of additional funding for children with early SEND identification. This equates to approximately 9.5% of all funded children.

**3.3** In March 2025, childcare officers hosted an event for all childcare providers titled *Early Years and Childcare Market Growth and Development*. The purpose of the event was to present supply and demand data and to support the sector in preparing for changes to childcare entitlements. Providers also received guidance on business models, marketing, and recruitment strategies.

In addition, a separate event was organised to support recruitment into the childcare sector. Its aim was to promote careers in early years and to attract new employees in response to the expanding entitlement offer.

This event attracted approximately 220 attendees. Four nurseries in the city attended to promote working in early years and childcare. The event advertised 59 positions available to apprentices, Level 2, Level 3 and managerial roles. A wide range of representation from across the city attended to advertise early years and childcare in the city, for example, early years providers, Routeways, City College, Marjon University, The University of Plymouth, DWP, Discovery College, Skills Achievement Training. The event immediately resulted in 3 new staff recruited to one PVI and 4 others interviewed at another PVI. There was also an increase in childminder recruitment interest with 4 attending an introduction to childminding session. We plan to run an annual event for recruitment.

#### **4. SUPPORT FOR PARENTS AND PROVIDERS**

We have arranged for a few different routes to advertise the 30 hours of early years education funding to parents and support them in a variety of ways, some of which are described below:

- Plymouth City Council Facebook campaigns
- Instagram posts
- Improved Plymouth City Council webpage to direct parents to the Best Start in Life information and how to register with HMRC to receive a childcare code.
- Family Information Directory (FID) all providers are required to publish their early years and childcare information on our FID and parents are supported to use this to find out more about what is available in their area.
- An easy to-use online parental contact form has been developed on the Early Years section of the PCC website. If a parent makes contact our team provides individual support to help parents find a place or to resolve any problems, they have with how to apply for funding or if they need our support to resolve a complaint with their childcare provider. This can also be used by any professional supporting the family, for example, a work coach, social worker or Family Hub.

We also have access to a commissioned service specially designed to support parents with their childcare called Plymouth Childcare Possibilities.

## Wraparound Care

4 years and older. Breakfast clubs, after school clubs and tax free childcare allowances.



Wraparound Childcare in Plymouth



## Early Years

9 Months to 4 years old. Nurseries, day-care, preschool, childminding and your funded childcare entitlement.

Early Years Childcare in Plymouth!

## 5. BARRIERS AND CONCERNS

### 5.1 Flexibility and Cost

Issues around flexibility of childcare was highlighted by parents in the annual survey with 40.1% of respondents saying their childcare is not flexible for their needs.

These are some quotes from the most recent parent survey:

‘Nursery only take maximum 6 hours funding per day.’

‘Funding means limited times.’

‘Set hours for the funding.’

‘The rules (Statutory Guidance) mean you cannot use the funded hours when I would need them, funded hours must be taken at certain times.’

‘The cost isn’t the worst thing; it’s the inflexibility that’s the issue.’

Childcare Officers are closely monitoring this issue and have developed a database of providers we believe may be contravening statutory guidance. We are actively challenging these cases. While the majority of providers operate within the legal framework, some practices do not align with the *spirit* of the guidance, particularly where restrictions limit when parents can access their free funded hours. Many providers have been receptive to reviewing and adapting their business models; however, a minority continue to apply legally permitted, but restrictive, attendance patterns.

In response, the Service Manager for Early Years and Childcare has provided detailed feedback to the DfE on how the current wording of statutory guidance reduces flexibility for parents and creates challenges around charging. The Early Years Service Manager, Childcare Sufficiency Officer, and Expansion and Wraparound Officer meet monthly with our link DfE officer, ensuring a strong and regular channel for raising local concerns. Parental complaint themes have been shared with the DfE charging team, and further discussions have taken place with the head of policy to highlight the wider impacts on families and providers. We now await the updated statutory guidance expected in Spring 2026 and are hopeful that feedback from Plymouth, alongside other local authorities, providers and families, will lead to improved flexibility and lower costs for parents.

### **5.2 Parental awareness & complexity:**

Despite national campaigns, families report confusion around eligibility thresholds, application windows, and reconfirmation cycles, leading to some delayed starts or gaps between terms. We have mitigated this using social media campaigns, working with providers to ensure they explain funding start dates and headcount information on their application paperwork.

### **5.3 Affordability:**

Although funded hours must be free, variations in chargeable extras and flexibility patterns between providers can deter take up for lower income families if not clearly explained. To address this, we work with the Department for Work and Pensions, who share lists of families eligible for FRAS (Me2) funding, and our team contacts these parents directly to ensure they understand their entitlements. We also work closely with local job centres to support parents who have been charged for optional items and to help resolve complaints. Where providers apply inappropriate charges, we scrutinise their policies, meet with them, and usually secure changes to bring them in line with statutory guidance. Unfortunately, some providers are applying legal attendance patterns or charges which we do not consider to be within the spirit of the statutory guidance. We have also trained DWP work coaches to recognise non compliant charges, and they now approach our team for support when concerns arise.

### **5.4 Access:**

Variability in local capacity, particularly among childminders and in baby rooms, means travel times and availability differ between wards. Childcare Officers are working with providers in priority wards identified through the Childcare Sufficiency Assessment to help them adapt their business models, for example by increasing the number of baby places or identifying funding to support expansion or refurbishment. We also meet monthly with PCC Land and Property colleagues to identify potential premises and expansion opportunities and have recently supported a Family Hub based setting by negotiating rent adjustments to enable them to expand their baby room and improve long term sustainability. This joined up approach is essential to strengthening childcare sufficiency across the city.

### **5.6 Administration:**

Occasional issues with code validation and timing mismatches, such as parents receiving codes after headcount deadlines, can delay children starting their funded place. While local guidance on the Early Years Provider Portal helps to reduce these problems, it cannot remove them entirely. We are continuing to work with settings to ensure they understand these timescales and can clearly explain them to parents.

### **5.7 Inequality:**

The expansion of childcare has primarily benefited working families, which creates an inherent inequality for some of the most disadvantaged children who only qualify for 15 hours of funded early education. To mitigate this, the Service Manager for Early Years and Childcare ensures social workers, the Virtual School and the SEN Inclusion Service are aware of discretionary or locally applied funding options that may be available in specific cases. She meets monthly with the Head of the Virtual School to identify children not currently attending an early years setting, and this information is shared with social work teams alongside an offer of support to secure an appropriate placement. Early Years Improvement Officers also work closely with the SEN Inclusion Service to identify suitable settings for children with SEND and provide training and support to help providers be inclusive.

Although there are challenges to accessing early years education for some families, the Early Years and Childcare Team has a strong and proactive action plan in place and increasing numbers of children in the city are now attending high quality early years settings. Over the past year, the number of children benefitting from a funded early education place has risen by 26.4%, and we expect this growth to continue throughout 2026. We remain committed to addressing the barriers identified above and to ensuring even more children can access the early education and support they need to thrive.

## 6. ARE SCHOOLS HAVING TO FILL FUNDING GAPS FOR BREAKFAST CLUBS?

The breakfast club early adopter schools have an opportunity to inform the roll-out of breakfast clubs on a national scale and bring the new breakfast club programme to their schools early, supporting them to secure the best results for their pupils and families. Plymouth currently has five schools selected that became early adopters, they have access to government funding to deliver free and universal breakfast clubs. The early adopter schools have the flexibility in how they deliver their breakfast club in a way that works for them and will receive support to help them do so. The initial five Plymouth schools were all proactive and positive in delivering the scheme and are each delivering with a model that meets the needs of the children, families and school.

The Wraparound Childcare Officer has been supporting and visiting the schools to hear about the successes and challenges as a direct result of the early adopter scheme. They note, children are thriving academically and socially, having a nutritious breakfast with a soft start to the day, ensuring they are ready to learn. For families the free breakfast clubs mean help with childcare at no extra costs allowing parents to get to work and, in some cases, find new employment. The nutritious breakfast provided also supports families with the cost of living. The positive impact on punctuality and attendance is already being seen in the schools at this early stage which is a testament to the scheme and the school's enthusiasm.

In July 2025 a briefing note was put together by the Wraparound Childcare Officer, and sent to Minister Morgan, in which they highlighted the challenge of the funding:

*Plymouth is seeing many positives for children, families and schools; however, it is key to note that schools are finding some constraints and barriers. Headteachers and Trusts are raising concerns about the funding rate and the long term sustainability of the scheme. The smaller schools are finding it difficult to run the scheme without a deficit, and funding in arrears provides another barrier for these schools and private providers. The breakfast food costs as well as sourcing healthy, nutritious food has proved difficult, however, while schools have been resourceful to overcome this challenge, it will need more consideration for full roll out of the scheme.*

In November 2025, the government announced an increase in funding for free breakfast clubs as part of the next application window for schools joining the programme from April 2026. The per-child funding rate for mainstream schools will rise from 60p to £1. Schools will also receive a guaranteed £25 per day to cover staffing and administrative costs, and the one off set-up grant will increase from £500 to £1,000. Government estimates indicate that, for an average sized school with 50 per cent take up, this represents a 28 per cent increase in the total funding package. These changes directly reflect feedback from local authorities and schools during the test and learn phase, which highlighted the inadequacy of previous funding levels.

A further five schools have been invited to join the adopter scheme from April 2026. The Wraparound Childcare Officer will visit and work closely with all ten schools, engaging in discussions regarding both the benefits and the challenges of the scheme, and reporting these findings back to the department.

## 7. CATERED, WHAT IS THE PLAN?

In May 2025, a discussion took place between the Wraparound Childcare Officer and the Managing Director of CATERed regarding the potential for partnership working in the delivery of the food provision for breakfast clubs. CATERed advised that, due to the funding rate, they were unable to participate, as they considered the level of funding to be insufficient.

Following the announcement of an increased funding rate in November 2025, the Wraparound Childcare Officer made further contact. However, at that time, CaterED was in the process of making decisions concerning the future of the company, and therefore could not progress the partnership discussions.

The Board of Directors for CATERed has made the decision to cease operating both its school meals service and its community meals service due to financial pressures. Rising food, energy and staffing costs, combined with challenging levels of funding for free school meals, has led to the company becoming unsustainable. The Council has provided support to allow the school meals service to continue until July 2026, and the community meals service will end in February 2026 when the Council's subsidy for this element comes to an end.

Schools now have time to identify alternative providers or make in house arrangements for meals from the 2026/27 academic year. CATERed staff working in schools are expected to transfer to new providers or remain with their schools. Around 150 adults currently receiving community meals will be supported to find alternative provision.

Both Cabinet Members and CATERed's leadership have expressed regret, recognising the high-quality service CATERed has provided over the past decade and the difficult financial context that has forced this decision. The full announcement about CATERed can be found by following the embedded link below.

**[CATERed to cease services | PLYMOUTH.GOV.UK](#)**