



Leicester
City Council

Childcare Sufficiency Assessment

Market Position Statement for Funded Early Education Entitlement (FEEE) places

Forecast for September 2025

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Introduction

The Childcare Act places a duty on local authorities in England to secure, as far as is reasonably practicable, sufficient childcare to meet the requirements of parents in their area who require childcare, and this includes securing provision of funded early education entitlement (FEEE) places, for eligible young children under compulsory school age, as follows:

- secure 570 hours a year of FEEE for qualifying 2 year olds from families receiving additional forms of government support.
- secure 570 hours a year of FEEE for all 3 and 4 year olds, this is the Universal Entitlement.
- secure a further 570 hours a year of FEEE, making it a total of 1,140 hours a year Extended Entitlement, for qualifying 3 and 4 year old children from eligible working families.

New Expanded Entitlements for FEEE:

- **From April 2024:** secure 570 hours a year of FEEE for qualifying 2 year olds from eligible working families.
- **From September 2024:** secure 570 hours a year of FEEE for children aged 9-23 months from eligible working families.
- **From September 2025:** secure 1,140 hours a year of FEEE for children aged 9-23 months and 2 year olds from eligible working families (this is an expansion to the entitlements introduced from April 2024 and September 2024, from 570 hours to 1,140 hours).

The eligibility information and criteria for all entitlements are available via [Childcare Choices](#).

The annual entitlements of 570 hours or 1,140 hours are also referred to as '15 hour' or '30 hour' entitlements as these can be accessed over a maximum of 15 or 30 hours per week 'term time' i.e. over 38 weeks per year. Alternatively, the 570 or 1,140 hours can be 'stretched' over 48 or 51 weeks per year.

The local authority works with providers in the early years childcare sector to ensure there is sufficiency of childcare places in the city. The sector consists of:

- private, voluntary and independent (PVI) group-care settings
- childminders (CM)
- schools with nursery (foundation 1 or F1) and reception (foundation 2 or F2) classes.

An important part of their service is provision of funded places and sufficiency of FEEE places is a key priority for the local authority. Although not compulsory, these are an entitlement for qualifying children, making it free or affordable for parents to access childcare and to help improve children's outcomes and readiness to start school.

The expansion of the FEEE offers is being implemented over three phases in April 2024, September 2024 and September 2025. During the first two phases, the actual demand for the funded offers is being monitored and the data indicates there is sufficient capacity in the local childcare market to meet the demand.

This forecast is for the sufficiency outlook for FEEE places once the third phase of the expansion is implemented September 2025 and it is based on the supply of FEEE places in Spring 2025 and predicted demand from September 2025.

Purpose and interpretation

A Market Position Statement for FEEE places is prepared to measure sufficiency of funded places, and it is essentially a snapshot, at a point in time, based on the known supply of funded places and projected demand for the funded entitlements worked out using various sources of

data such as population data, historical take-up trends, data from the department of education (DfE), data from the department of works and pensions (DWP) and application of reasonable estimates where necessary.

This Market Position Statement (MPS-Spr-25) is based on the supply of FEEE places in Spring 2025 and predicted demand from September 2025 when the final phase of the expansion of FEEE offers will be implemented. It has been developed to give an indication, at ward and cluster level, of the surpluses and deficits for the various funded entitlements from September 2025.

The MPS-Spr-25 will support the local authority, existing childcare providers and potential new providers to understand the market and the findings will be used as a guide to plan a strategic approach for funding and growth to be channelled in areas where significant gaps in FEEE provision are indicated.

The MPS-Spr-25 indicates surpluses and deficits of FEEE places at ward or cluster level by comparing supply in each ward or cluster with predicted demand for FEEE places from children from the respective ward or cluster. In practice, there will be children accessing entitlement outside of their home ward or home cluster. Any indicative gaps at ward level need to be considered in conjunction with the overall position in the respective cluster area or in other cluster areas. There will also be some children accessing FEEE places with providers outside the city and some children from outside the city accessing FEEE in the city.

It is important for new providers, or those who are planning to expand provision, to carry out further market research around the specific location being considered. This will help account for local attributes, any changes in the market and other factors.

For example, consideration must be given for:

- school nursery (F1) and reception (F2) places in the area
- plans for expansion by existing providers
- existing capacity and level of vacancies in other local provision
- new childcare provision or closure of childcare provision in the area
- childcare provision in neighbouring wards which may be conveniently located to serve the needs of children in the ward
- parental need and demand for non-funded places, additional hours and services
- new housing or business developments in the area and expected demand from outside the local ward area
- Also refer to other factors and challenges detailed below

For the purposes of MPS-Spr-25 the different funded entitlements, or FEEE categories, are referred to as follows:

- **2YO (15) TYF** – 15-hour ‘two-year funding’ places for qualifying 2 year olds from families receiving additional forms of government support.
- **3YO (15) UE** – 15 hour ‘universal entitlement’ places for all 3 and 4 year olds.
- **9-23MO (30) WP; 2YO (30) WP and 3 and 4YO (30) WP** – 30-hour ‘working parents’ entitlement places for qualifying children aged 9-23 months, 2 year olds and 3 and 4 year olds from eligible working families.

30-hour places are usually accessed as ‘sole’ places where each child accesses the full 30 hours with one provider. However, some children will be accessing these by splitting the hours across 2 (or more) providers, as ‘blended’ places.

15-hour places too, in some instances, are accessed across 2 providers.

Section 1: Providers and Supply of FEEE places

1. Providers

a. Private, voluntary and independent group-care settings (PVI) and Childminders (CMs)

PVIs and childminders signed up to the [Early Years Provider Agreement](#), which is based on the Statutory Guidance from DfE, to deliver FEEE places in Leicester, consist of:

- **113 PVI providers**

- All PVIs offer 3 and 4YO (15 hour) universal entitlement places and over 90% offer 2YO (15 hour) places for qualifying children from families receiving additional forms of government support. For the working parents' entitlements, over 90% offer sole 3 and 4YO (30 hour) places, over 80% are expected to offer sole 2YO (30 hour) places and over 50% are expected to offer sole 9-23MO (30 hour) places.
- the total number of providers include 7 independent schools delivering FEEE to nursery and/or reception age children. Of these, 3 have a separate Ofsted registered nursery provision too.
- the total also includes 1 new setting registered with Ofsted and expected to offer FEEE places before September 2025. Minimal capacity has been factored for this setting and this will be reviewed when actual data is available.
- not included are 1 other PVI setting with an active Ofsted registration but currently closed and 1 other independent primary school who do not deliver FEEE places.
- Aut-24 data indicates that around 30% of the PVIs delivered 'stretched' FEEE.

- **44 Childminders**

Childminders can be registered with Ofsted or with a childminder agency.

- all funded childminders are likely to offer all the different FEEE entitlements.
- there are 12 other CMs registered on the early years register (EYR) but who do not deliver FEEE. Some may not be actively delivering a service, but most are likely to be offering wraparound childcare only, before and after school.
- there are also a further 10 CMs not registered on EYR and, therefore, cannot offer funded places
- Aut-24 data indicates that around 7% of the CMs delivered 'stretched' FEEE.

b. Schools

- **75 mainstream schools** (LA maintained, Academies and Free schools) deliver nursery (F1) and/or reception (F2) provision as follows:

- All 75 schools offer provision for 4YOs* in their reception classes. (* from the autumn term after the child's 4th birthday).
- 66 have Nursery class provision for 3 and 4YO (15 hour) universal entitlement places.
- 42 of the 66 schools with F1 offer sole 3 and 4YO (30 hour) places.

Please note:

- Some schools deliver 3 and 4YO (30 hour) places in partnership with PVI-CM providers as 'blended' places.
- Schools do not usually offer places for 9–23-month-olds or 2 year olds in their nursery (F1) provision. Some may enrol children in the term of their 3rd birthday and claim 2YO funding for the child until the child qualifies for 3 and 4YO funding in the subsequent term.

- Schools deliver FEEE during term-time only.
- 4YOs who have been admitted to a state funded school reception class place are not in scope for FEEE as they will all be attending a full day place in school.
- One school has an associated pre-school which is operated under the respective school's Ofsted registration but funded under the FEEE system for PVI-CM provider and counted as a PVI-CM provider.

c. Special Schools and specialist nursery

The providers consist of:

- 1 local authority managed, Ofsted registered specialist nursery (for 0–5-year-olds).
- 6 special schools with a limited number of potential places for F1 and F2 age groups.

MPS-Spr-25 workings do not include the potential capacities of these settings and specific demand for places for children with special educational needs and disabilities (SEND). However, all FEEE places are expected to be inclusive places and subject to eligibility, providers can claim additional funding to help with additional costs validly incurred to support children with SEND. There are challenges and restrictions to provider capacity to deliver SEND places due to factors such as availability of suitably qualified and trained staff, the level of additional funding, having suitable space and resources to support children's needs. Further work is being planned in partnership with the special needs support team and other stakeholders regarding sufficiency of places for children with SEND and finding out more about unmet demand for SEND places.

2. Supply of FEEE places (Capacities)

a. PVI providers

The supply as at Spr-25 is based on the data from DfE of the numbers of registered places per Ofsted and information previously made available from the providers.

The capacities may be adjusted or moderated in line with:

- take-up data for FEEE places for 2024 (Spr-24, Sum-24, Aut-24).
- delivery of FEEE places as 'stretched' over 48 or 51 weeks per annum, and longer sessions of up to 10 hours per day, which effectively increases the capacity of numbers of FEEE places being offered.
- any other information known e.g. the impact of recruitment challenges which may be affecting practical capacity to deliver places.

The Ofsted figures and the adjusted or moderated figures are for places at any one time which are analysed further into indicative capacities for the different FEEE entitlements.

- The workings for MPS-Spr-25 count a 15-hour place as part-time equivalent (PTE) and a 30-hour place as a full time equivalent (FTE) place.
- More than 50% PVI providers are open all year round, offering around 50 hours of childcare per week. Therefore, there is an allowance present in the workings to account for an element of the additional hours being accessed by some families, over and above the FEEE hours.
- Allowance is also made for some capacity for Under 2YOs and 2YO places for children not qualifying for FEEE. However, with the expansion of FEEE to children aged 9 months and over, most children in settings are likely to qualify for 15 or 30 hour funded entitlement.

b. Childminders

- For the purposes of the MPS, which is for sufficiency of FEEE places, the capacity included is for Childminders who are signed-up to deliver funded places and the registered capacity for each childminder is apportioned only for the potential number of FEEE places they can offer for the different entitlements.
- Where necessary, based on information known or from the FEEE take-up data for 2024, additional capacity is considered for childminders who employ assistants.

c. Schools (LA maintained, Academies and Free schools)

- Nursery (F1) and Reception (F2) capacities have been taken from the information we have from previous surveys, reports and information about the published admission numbers (PAN) for schools for their F2 places.
- Adjustments are made, where necessary, to Nursery class places for 3 and 4YO (15 hour) places and sole 3 and 4YO (30 hour) places in line with actual take-up for 2024 (Spr-24, Sum-24, Aut-24).
- Adjustments are also made for known changes to capacity and information we have for schools who may be restricting their nursery sessions for example limiting places by offering morning sessions only or offering afternoon places only for children accessing 3 and 4YO (30 hour) places.

Table 1 (under Section 5 of this report) shows the number of providers and total adjusted or moderated PVI-CM and school F1 capacity at any one time from which the above indicative numbers of FEEE places have been derived. The data is presented by ward and cluster areas to show the:

- number of PVIs, CMs and Schools
- adjusted or moderated PVI-CM and school F1 capacity (at any one time equivalent).
- difference between the adjusted capacity used for PVIs and the Ofsted registered capacity
- indicative F1 capacity restriction (15-hour equivalent) for Schools which do not offer afternoon sessions or restrict the capacity for sessions.

For the sufficiency workings, the moderated capacity at any one time is split into the indicative number places for each FEEE category and the full time equivalent (FTE) places for non-funded children are counted as 30-hour places for the relevant age group.

Indicative citywide supply of FEEE places for MPS-Spr-25, derived from the capacities at any one time are as follows:

FEEE entitlements	9-23MO (30) WP	2YO (30) WP	2YO (15) TYF	3 and 4YO (15) UE	3 and 4YO (30) WP
Indicative supply	746	1,039	1,457	5,466	2,113

Additionally, the schools' capacity information shows a total of 4,933 places for 4YOs (full school day) in state funded school reception classes.

The apportionment of the capacity figures is indicative because, in the PVI-CM sector, to some extent, subject to staffing, other resources and demand, the places can be offered flexibly across the FEEE categories. Also, 30-hour places can be accessed as a 'blended' 30-hour place between two settings with each providing a 15-hour place.

Section 2: Demand for FEEE places

a. 2YO (15 hour) places for qualifying children from families receiving additional forms of government support

The places are mainly delivered by PVI providers and childminders.

The estimated number of children eligible for 2YO (15 hour) places is derived from data supplied by DWP each term. It represents the best data available on the number of children from families meeting the benefit and tax credit eligibility criteria. The number of eligible children decreases over time and this is mainly due to the income thresholds for the eligibility criteria remaining unchanged whilst average incomes rise in line with increases in the national living wage and national minimum wage.

- The assumed demand used for MPS-Spr-25 is 80% of the average for 2024, from the relevant DWP data for the numbers potentially eligible in Spr-24, Sum-24 and Aut-24.
- The average take-up for 2024 by Leicester based 2YOs was 69%.
- The national take-up percentage (Spr-24 census) was 75%, the take-up by Leicester based 2YOs in Spr-24 was 71%.

[Table 2](#) (under Section 5 of this report) shows the take-up of places by qualifying 2YOs from families receiving additional forms of government support (2024 average).

b. 3 and 4YO (15 hour) and 3 and 4YO (30 hour) places

These are delivered by PVI providers, Childminders and in School nursery (F1) classes. (Note: school reception or F2 places for 4YOs are considered separately as detailed below).

- The spring term 2024 (EY census), the [government statistics](#) for Leicester, show that 96% of the combined 3 and 4YO population were taking up their 15 or 30 hour entitlement or a state school reception (F2) place, with the split being 94% for 3YOs and 98% for 4YOs.
- For 3YOs, we have rounded the percentage from 94% to 95% and, from our data for Spr-24 which is the midpoint used for EY census purposes, 4YOs accessing F2 places make up 63% of the 98% total, and therefore 35% of the 4YOs were accessing FEEE entitlement in PVI, CM and School F1 classes.
- The workings for indicative surplus/deficit of places for each ward are based on the midpoint demand of 95% of 3YOs and 35% of 4YOs applied to the population estimates from GP registrations data (Oct-2024) which is one of the data sets used for school place planning. The data is based on the resident postcode of the child at the point of collection.

The take-up of 3 and 4YO (30 hour) places, by Leicester based children, in 2024 (average) was 1,460. Analysis of the take-up by 3YOs and 4YOs separately indicates the following trend:

- Take-up by 4YOs is the lowest in autumn term (Aut-24: 33), as almost all 4YOs will be in a state school reception place and outside the scope for FEEE. The numbers increase in the spring term (Spr-24: 434) and are at the highest level in summer term (Sum-24: 688).
- Take-up by 3YOs is at a relatively constant level each term (Spr-24: 1,086; Sum-24: 1,034; Aut-24: 1,106) with the average take-up of 30 hour places by 3YOs in 2024 being 1,076.

The estimated demand for 3 and 4YO FEEE places is split further into:

- the demand estimate of 1,500 places for 3 and 4YO (30 hour) places, based on the average take-up of 1,460 by Leicester based children in 2024 and apportioned at ward level. In Spr-24, at the midpoint of the annual cycle, the actual take-up was 1,520.
- the balance is the potential demand for 3 and 4YO (15 hour) universal entitlement places.

c. 9-23MO (30 hour) places and 2YO (30 hour) places

These are delivered by PVI providers and Childminders.

The DfE and the local authority does not have firm numbers for the demand for places for the expanded entitlements. The eligibility criteria is the same as for 3 and 4YO (30 hour) entitlement and we understand that the best estimate for demand for the new entitlements for 9-23MO and 2YO places is the historical level of participation by 3YOs for the 30-hour extended entitlement as this has been established since 2017. The average take-up of 3YO (30 hour) places in 2024, as stated above, was 1,076.

Assumed demand for 2YO (30 hour) places:

- The maximum demand, based on the 3YO (30 hour) take-up, is assumed to be around 1,100.
- In Aut-24, which was the second term of the implementation of the 2YO (15 hour) working parents' entitlement, the take-up level by Leicester based children was 943.
- Based on this data and with an expectation of a further increase in demand, we have applied the full amount (100%) of 1,100 as the estimated demand for September 2025.

Assumed demand for 9-23MO (30 hour) places:

- as the age range for this entitlement covers 15 months, we have applied a factor of 1.25 (15/12) to the 1,100 figure to arrive at an assumed maximum demand of 1,375 places.
- In Aut-24, which was the first term of the implementation of the 9-23MO (15 hour) working parents' entitlement, the take-up level by Leicester based children was 720.
- Based on this data and allowing for some increase in take-up, the demand in September 2025 is estimated to be 1,200 which is 85% of the expected maximum demand of 1,375.

The assumed demand estimates have been apportioned at ward level based on the relevant ward level take-up (2024 averages) for the 3YO (30 hour) places.

We will continue to monitor the take-up data over time and update our demand estimates and ward level apportionments accordingly.

Note: the numbers of children expected to qualify for 9-23MO (15 hour) and 2YO (15 hour) working parents' entitlement in Spr-25 and Sum-25 will be the same as the numbers expected to qualify for 9-23MO (30 hour) and 2YO (30 hour) places in September 2025 (Aut-25). The difference will be that the number of hours of entitlement will increase from 15 hours per week (570 hours per year) to 30 hours per week (1,140 hours per year).

d. School Reception (F2) places for 4 year olds

Children who have turned 4 years old on or before 31 August each year can start a full-time state school reception class place from the autumn term.

The potential demand for reception places is based on the population estimate for 4YOs from GP registrations data (Oct-2024) which is one of the data sets used for school place planning.

- Comparing the population of 4YOs (demand) against the school reception places capacity (supply) shows an indicative surplus of reception places overall for the city.
- The actual surplus will be higher as not all 4YOs will join school F2, with a small percentage either remaining in PVI-CM settings or not accessing their entitlement as it is not mandatory (the compulsory school age for all children is the term after their 5th birthday).

As there is an overall surplus indicated, and as reception places are normally allocated by school catchment areas and not by ward areas, no further work or ward level analysis is done for the purposes of the MPS-Spr-25.

[Table 3](#) (under Section 5 of this report) shows the population data and estimated demand for places for the various FEEE categories. The data is analysed by ward and cluster areas.

Section 3: MPS-Spr-25 Cluster and ward analysis of sufficiency of FEEE places - forecast for September 2025

The MPS-Spr-25 indicates surpluses and deficits of FEEE places at ward or cluster level by comparing supply (capacities) in each ward or cluster with predicted demand for FEEE places from children from the ward or cluster. The indicative surplus or deficit figures are simply the difference between the Supply and the Demand estimates for each ward.

[Table 4](#) (under Section 5 of this report) shows the full cluster and ward analysis of sufficiency of FEEE places – forecast for September 2025. The indicative Surplus or Deficit, for each FEEE category, by ward and cluster has been RAG rated.

Summary of the cluster and ward analysis:

Central Cluster (consisting of 4 wards)

- Spinney Hills and Wycliffe wards, have deficits for 9-23MO (30 hour) and 2YO (30 hour) FEEE places. However, these do not raise significant sufficiency concerns due to the extent of these deficits, the levels of surpluses in other FEEE categories for these wards and the levels of surpluses and potential unused capacity in the other two wards.
- Overall, the cluster has a surplus of places in all FEEE categories, and the capacity will be accessed by parents residing in the cluster or in other clusters and working in and around the city centre.

East Cluster (consisting of 3 wards)

- Evington and Humberstone & Hamilton wards have deficits for 9-23MO (30 hour) and 2YO (30 hour) FEEE places. Thurncourt ward has deficits in all the FEEE categories
- Overall, the cluster has deficits for 9-23MO (30 hour), 2YO (30 hour) and 3 and 4YO (30 hour) FEEE places.
- The cluster deficit for 3 and 4YO (30 hour) places is not considered significant as there could be scope for some of the surplus for the 3 and 4YO (15 hour) universal entitlement places to be used for 30-hour places either as sole or as blended delivery.

North Cluster (consisting of 4 wards)

- Belgrave and North Evington wards, have small deficits for 9-23MO (30 hour) and 2YO (30 hour) FEEE places which do not raise significant sufficiency concerns due to the levels of indicative surpluses in other FEEE categories for these wards. Rushey Mead ward has a deficit of places in all FEEE categories.
- Overall, the cluster has a small deficit for 9-23MO (30 hour) places and surplus of places in all other FEEE categories.
- The surpluses in other wards and overall, in the cluster, will be helping to cover for the deficits in Rushey Mead ward, especially for the working parent entitlements. We are supporting a provider in the process of re-opening a previously closed provision in the ward which will create additional capacity and help reduce the deficit position for that ward, especially for 2YO (15 hour) places for qualifying children from families receiving additional forms of government support.

North West Cluster (consisting of 3 wards)

- Abbey and Fosse wards have a deficit of places in all FEEE categories. Beaumont Leys ward has deficits for 9-23MO (30 hour) and 2YO (30 hour) FEEE places.

- Overall, the cluster has a significant deficit of places for 9-23MO (30 hour) and 2YO (30 hour) FEEE places and only relatively small surpluses in the other FEEE categories.

South Cluster (consisting of 4 wards)

- Aylestone, Eyres Monsell and Saffron wards have either got deficits or relatively small surpluses of places in all FEEE categories.
- Knighton Ward has surpluses in all FEEE categories except for 2YO (15 hour) places for qualifying children from families receiving additional forms of government support, where a no surplus or deficit position is indicated. However, this is not of concern due to the small numbers of children who qualify for this entitlement in the ward.
- Overall, the cluster has deficits for 9-23MO (30 hour), 2YO (30 hour) and 2YO (15 hour) FEEE places and surpluses for 3 and 4YO (15 hour) and 3 and 4YO (30 hour) places.

West Cluster (consisting of 3 wards)

- Braunstone Park & Rowley Fields wards have deficits for 9-23MO (30 hour) and 2YO (30 hour) FEEE places and a position of no surplus or deficit for 2YO (15 hour) places for qualifying children from families receiving additional forms of government support. Western ward has a deficit of places in all FEEE categories.
- Overall, the cluster has deficits for 9-23MO (30 hour) and 2YO (30 hour) places, a relatively small surplus for 2YO (15 hour) places and surpluses for 3 and 4YO (15 hour) and 3 and 4YO (30 hour) places.

Interpretation of the sufficiency position indicated by the MPS-Spr-25

The indicative surpluses or deficits at ward level need to be considered in conjunction with the overall position in the respective cluster area or in other clusters areas too.

The main areas of focus for growth in capacity would be the wards and clusters with significant indicative deficits for 9-23MO (30 hour) and 2YO (30 hour) FEEE places.

However, a key priority for the local authority is local area sufficiency 2YO (15 hour) places for qualifying children from families receiving additional forms of government support and places for children with SEND. Therefore, focus for growth in capacity will also be on wards with deficits or relatively small surpluses for 2YO (15 hour) places.

The surpluses or deficits are **indicative** because of use of assumptions and estimates in the working for supply and demand as detailed in this report and because, in practice:

- In the PVI-CM sector, subject to staffing, other resources and demand, some providers will be utilising their capacity flexibly across the FEEE categories and some 30-hour places will be available as 'blended' places between providers.
- There is parental choice in where children access their entitlement, and children can access provision outside their home ward or cluster. There will be cross ward, cross cluster take-up of places and some children will be accessing FEEE places with providers outside the city. Additionally, some children from outside the city will be accessing FEEE in the city.

Our data of where Leicester children are accessing their entitlement indicates the following:

- For 2YO (15 hour) places for qualifying children from families receiving additional forms of government support and 3 and 4YO (15 hour) universal entitlement places, a high proportion of children access their entitlements in their home cluster. The main reason for this is because distance to provision can be a barrier to access for vulnerable families, including families on low income or not in work.

- a significant proportion of children qualifying for the working parent entitlements access their entitlement outside their home cluster. This is because distance to provision is much less of a barrier for working parents and they are likely to be able to travel out of their local area to access a place of their choice even where there is capacity with providers in their local area.

Table 5 (under Section 5 of this report) shows the average percentages of where funded children were accessing their entitlement (in their home cluster or outside their home cluster).

Additionally, to give an indication of the overall numbers of children accessing FEEE places and the increase in the numbers following the expansion of the funded entitlements, we have compiled summary data as follows:

Table 6a (under Section 5 of this report) shows the numbers of children from Leicester accessing FEEE places, including 4YOs in school reception, analysed by PVI-CMs and Schools.

Table 6b (under Section 5 of this report) shows the numbers of children accessing FEEE places, including 4YOs in school reception classes, in Leicester based PVI-CMs and Schools.

Section 4: Other factors and challenges to consider in planning for the sufficiency of places for the expanded entitlement

In addition to place sufficiency, the local authority must consider other factors and challenges that affect the market, some of which are highlighted in the points below:

- The local authority has a statutory duty to secure information, advice and training for providers on matters regarding meeting the requirements of the Early Years Foundation Stage (Quality); meeting the needs of children with special educational needs and disabilities (SEND), vulnerable and disadvantaged children; and effective safeguarding and child protection.
- The quality of provision is an essential factor when considering sufficiency as Ofsted inspection outcomes determine a providers' ability to deliver FEEE places particularly 2YO (15) places for children from families receiving additional forms of government support. Good quality early education experiences have a positive impact on a child's overall outcomes and the local authority aims to ensure that every child in Leicester gets the very best start in life and is given every opportunity to learn and develop so that they are ready to begin school and achieve their best.
- The market position fluctuates over time as it is impacted by the ongoing changes to various contributory factors such as demographic changes, new housing and business schemes, Ofsted inspection outcomes affecting providers' ability to offer FEEE places, new provision or expansion of existing provision, setting closures and other changes.
- Providers in the sector, nationally and locally, are experiencing challenges with recruitment and retention of appropriately qualified and experienced staff. As a result, many providers are not able to operate to their potential registered capacity based on space availability. Recruitment challenges can particularly affect providers' ability to offer places for children with SEND and other vulnerable children, including 2YOs from families receiving additional forms of government support, who may require additional staffing input to meet their needs.
- Providers receive government funding from the local authority to deliver the FEEE entitlements. The hourly funding rate consists of a fixed base rate for each age group and, where applicable, deprivation and quality related supplements. Additionally, providers can receive payment for Early Year Pupil Premium (EYPP), Disability Access Fund (DAF) and Special Educational Needs Inclusion Funding (SENIF) for qualifying children. Providers must deliver the 15 or 30 hour entitlement hours at no cost to parents and, whilst providers can charge for extras such as consumables, meals and snacks, extra activities, and additional hours, these must not be made mandatory for parents in relation to the funded hours. Providers should be mindful of the impact of charges on families, particularly the most disadvantaged and any additional charges must be voluntary for parents.
- Providers can plan for the expected annual increases in statutory living or minimum wage levels but, due to the ongoing economic crisis, their businesses have experienced unexpected and unprecedented levels of increases to other operating expenditure. Although the government has increased the hourly funding rates, including rates for EYPP, DAF and SENIF for qualifying children, the limitations of the government funding has affected provider sustainability and growth especially in areas of deprivation where the demand would be mainly for 2YO (15 hour) places for children from families receiving additional forms of government support and the universal entitlement places for 3 and 4YOs (15 hour). The local authority must factor for these challenges when supporting growth for inclusive places for all FEEE categories.
- The hourly FEEE rates that the local authority pays to providers are based on the funding levels received from the government and reflect the effective delivery costs, mainly based on the staff ratio requirements for PVI group-based settings, for the different age groups.

Therefore, funding rates for 9-23MOs are the highest, followed by funding rates for 2YOs and the funding rates for 3 and 4YOs being the lowest. Normally, providers have similar fee levels for all age groups based on average cost of delivery across the age groups and therefore, they will have some challenges in planning for significant decreases in the funding income, for any given child, as the child moved from one age group to the next. However, they will be helped by the fact that the cost of delivery will also decrease in line with the funding levels. For childminders, their delivery costs do not change much for the different age groups and, the significant decrease in funding income for any given child, as the child moves from 9-23MO funding to 2YO funding to 3 and 4YO funding, will be more of a challenge from a financial management perspective. Childminders will therefore have to plan carefully and manage admissions of children, from different age groups, in a way that ensures that their overall funding income remains at a consistent and sustainable level.

- Specific demand for SEND places is not reflected in the workings for MPS-Spr-25 and the potential capacities of the local authority managed specialist nursery (for 0–5-year-olds) and 6 special schools with a limited number of potential places for F1 and F2 age groups are not reflected in the workings. However, all FEEE places are expected to be inclusive places and subject to eligibility, providers can claim additional funding to help with additional costs validly incurred to support children with SEND. There are challenges and restrictions to provider capacity to deliver SEND places due to factors such as availability of suitably qualified and trained staff, issues with the level of additional funding, space and resources considerations based on children's needs. Further work is being planned in partnership with the special needs support team and other stakeholders regarding sufficiency of places for children with SEND and finding out more about unmet demand for SEND places.

Planning for the sufficiency of places for the expanded entitlement

- The DfE has given local authorities a capital funding allocation to support development of early years places for the implementation of the expanded entitlements.
- The local authority is utilising the time over the first two phases of the expansion to analyse and monitor what the take-up data and information on any unmet demand is telling us.
- We are building governance and processes to manage the capital allocations to support providers to expand their existing capacities or open new provision where needed.
- The MPS-Spr-25 – forecast for September 2025, will help us identify and prioritise areas of significant need and channel the funds accordingly to meet the needs in the city.
- As well as focusing on areas where there are indicative deficits for 9-23MO (30 hour) and 2YO (30 hour) places, we know from local intelligence and government guidance that we need to give priority to places for children with SEND and to retain 2YO (15 hour) places for children from families receiving additional forms of government support. This is because, alongside other factors affecting the capacity for FEEE places, the growth in demand for the expanded entitlements will adversely affect the availability of 2YO (15 hour) places for children from families receiving additional forms of government support and places for children with SEND.
- The historical data for the entitlements shows that qualifying working families have less of a barrier to access provision outside of their home ward or cluster. Therefore, the impact of the indicative deficits at ward level may not be as significant for children from working families as they will access surplus capacity in other wards and clusters.
- We will take into consideration the geographical spread of wards with indicative deficits and surpluses and work on plans for supporting growth in areas which indicate significant deficits of places which are not readily served by areas which indicate surpluses. The planned growth will be essential to ensure localised sufficiency for places especially for 2YOs from families receiving additional forms of government support and for children with SEND.
- We will continue to analyse the take-up data each term to inform our plans for supporting growth where the data indicates significant gaps and where we have information on unmet

demand for the expanded entitlements and for places for 2YOs from families receiving additional forms of government support.

- We will continue to monitor the sufficiency of places in localised areas and work with the children centres to monitor the position and support parents who raise concerns about the availability of suitable provision for 2YOs from families receiving additional forms of government support and for children with SEND.
- The government has launched a School-Based Nursery (SBN) capital funding programme for eligible state-funded primary-phase schools to bid for capital funding to repurpose spare space within the school building to create or expand nursery provision. Proposed school nursery expansion projects will require the local authority's agreement to ensure a balanced and sustainable approach to nursery provision. We will work with the schools and DfE to ensure local area sufficiency and needs for the range and type of FEEE places is considered and encourage schools to work collaboratively with the PVI-CM sectors where there is a need and an opportunity to expand their nursery provision with the help of the SBN capital funding.
- The funding team will work with PVI-CM providers to support them to offer 'stretched' FEEE places which will help them effectively extend their overall capacity for FEEE delivery and offer this choice, especially for the working parent entitlements.
- The local authority will review provider capacities where these are being restricted due to recruitment and retention challenges and continue to support providers and facilitate them to access appropriate training to help them take steps to recruit appropriately where they have the demand for places and are able to offer more places to optimise use of their registered capacity.
- The local authority has processes in place to provide information, guidance and support on Ofsted registration, sufficiency considerations and business sustainability to:
 - prospective childminders, who can either register with Ofsted or with a childminder agency, and signpost them to apply for the childminder start up grant funding and to facilitate all new eligible childminders to sign-up to deliver funded places.
 - new and existing providers to open new provision or expand provision where needed.
- The local authority has processes in place to support new and existing providers by providing CPD training opportunities to help providers improve their quality of care and access specific training to explore how they can offer quality provision for under 2 year olds

If you have any queries or comments, please email the Early Education Development Team, Leicester City Council, at EEDteam@leicester.gov.uk.

Section 5: Data tables and sufficiency analysis

Table 1 – Number of providers and overall capacity

Number of providers and total adjusted or moderated PVI-CM and school F1 capacity at any one time.

CLUSTER	WARD	Numbers of providers delivering FEEE (or F1/F2) places			Capacity at any one time For sufficiency working this is moderated and split into the relevant 15 hour and 30 hours FEEE capacities.		
		PVIs	CMs	Schools	PVI-CM & School F1 capacity (moderated capacity used for MPS-Spr-25)	PVI - potential extra capacity Differences between MPS capacity and full Ofsted registered capacity	F1 - potential extra capacity (15-hour) Where sessions are limited to mornings only or numbers restricted
CENTRAL	Castle	11	3	2	544	100	0
	Spinney Hills	3	1	3	237	0	0
	Stoneygate	11	0	3	496	111	0
	Wycliffe	6	0	4	373	0	0
CENTRAL (TOTAL)		31	4	12	1,650	211	0
EAST	Evington	5	3	4	349	87	55
	Humberstone & Hamilton	5	2	6	410	0	26
	Thurncourt	2	1	2	132	0	22
EAST (TOTAL)		12	6	12	891	87	103
NORTH	Belgrave	6	4	4	409	41	15
	North Evington	7	1	5	498	12	91
	Rushey Mead	1	0	4	117	0	82
	Tron	7	4	3	472	0	26
NORTH (TOTAL)		21	9	16	1,496	53	214
NORTH WEST	Abbey	5	7	5	346	0	12
	Beaumont Leys	6	1	6	411	0	50
	Fosse	4	2	2	206	0	26
NORTH WEST (TOTAL)		15	10	13	963	0	88
SOUTH	Aylestone	2	2	2	173	22	0
	Eyres Monsell	2	2	4	205	0	48
	Knighton	11	2	2	529	0	0
	Saffron	3	3	3	183	16	51
SOUTH (TOTAL)		18	9	11	1,090	38	99
WEST	Braunstone Park & Rowley Fields	5	4	5	370	14	0
	Westcotes	8	0	1	520	0	0
	Western	3	2	5	229	0	38
WEST (TOTAL)		16	6	11	1,119	14	38
LEICESTER (TOTAL)		113	44	75	7,209	403	542

Note:

The capacities may be adjusted or moderated for various reasons as explained in the report above and, for the sufficiency workings, the moderated capacity at any one time is split into the indicative number of places for each FEEE category.

Additionally, the schools' capacity data shows that there are 4,933 places (full school day equivalent) for 4YOs in state funded school reception classes.

Table 2 – take-up of 2YO (15 hour) FEEE places by Leicester children

Take take-up of 2YO (15 hour) FEEE places (2024 average) by Leicester children from families receiving additional forms of support.

CLUSTER	WARD	2YO (15) TYF Numbers eligible Average for 2024 per DWP data	2YO (15) TYF Take-Up Average for 2024 (Spr-24, Sum-24, Aut-24)	% Take-Up Average for 2024
CENTRAL	Castle	40	30	75%
	Spinney Hills	42	29	69%
	Stoneygate	87	60	69%
	Wycliffe	65	55	85%
CENTRAL (TOTALS)		234	174	74%
EAST	Evington	60	41	68%
	Humberstone & Hamilton	67	54	81%
	Thurncourt	47	31	66%
EAST (TOTALS)		174	126	72%
NORTH	Belgrave	50	42	84%
	North Evington	85	62	73%
	Rushey Mead	34	26	76%
	Troon	52	29	56%
NORTH (TOTALS)		221	159	72%
NORTH WEST	Abbey	123	80	65%
	Beaumont Leys	96	72	75%
	Fosse	87	54	62%
NORTH WEST (TOTALS)		306	206	67%
SOUTH	Aylestone	44	28	64%
	Eyres Monsell	59	39	66%
	Knighton	19	9	47%
	Saffron	80	57	71%
SOUTH (TOTALS)		202	133	66%
WEST	Braunstone Park & Rowley Fields	116	63	54%
	Westcotes	47	29	62%
	Western	125	88	70%
WEST (TOTALS)		288	180	63%
LEICESTER (TOTALS)		1,425	978	69%

Note:

The take-up figures include 2YOs from Leicester accessing their entitlement with PVI-CM providers in Leicester or with PVI-CM providers in Leicestershire County.

Table 3 - Population data and estimated demand for FEEE places

CLUSTER	WARD	Population data <i>Source: GP lists (Oct-24)</i>			Estimated Demand for FEEE places				
		Under 2 year olds	2 year olds	3 and 4 year olds	Expanded Entitlements for Working Parents (based on take-up of the 30-hour FEEE by 3YOs (Leicester Ave.2024)		Vulnerable 2YOs 80% of DWP data Ave 2024 lists	3 and 4YOs demand at midpoint of the annual cycle (Spring Census) 3YOs: 95% of population 4YOs: 35% of population	
					9-23 month-olds (30 hour)	2YOs (30 hour)	2YOs (15 hour)	3 and 4YO FEEE (15 hour)	3 and 4YO FEEE (30 hour)
CENTRAL	Castle	461	191	422	38	35	32	231	50
	Spinney Hills	377	194	400	33	31	34	214	43
	Stoneygate	572	264	561	45	41	70	299	55
	Wycliffe	355	188	406	19	17	52	236	25
CENTRAL (TOTALS)		1765	837	1789	135	124	188	980	173
EAST	Evington	402	215	452	58	53	48	227	75
	Humberstone & Hamilton	526	287	605	123	112	54	220	149
	Thurncourt	264	141	293	48	44	38	132	59
EAST (TOTALS)		1192	643	1350	229	209	140	579	283
NORTH	Belgrave	412	185	413	37	34	40	231	39
	North Evington	689	301	632	32	30	68	368	40
	Rushey Mead	278	165	362	29	27	27	198	38
	Troon	348	192	379	69	63	42	148	92
NORTH (TOTALS)		1727	841	1786	167	154	177	945	209
NORTH WEST	Abbey	672	367	643	81	75	97	304	102
	Beaumont Leys	468	235	502	84	77	77	222	98
	Fosse	391	227	453	55	50	70	215	67
NORTH WEST (TOTALS)		1531	829	1598	220	202	244	741	267
SOUTH	Aylestone	272	170	311	69	63	35	122	81
	Eyres Monsell	271	143	336	54	49	47	151	63
	Knighton	310	159	357	92	84	15	112	116
	Saffron	309	172	393	32	30	64	209	42
SOUTH (TOTALS)		1162	644	1397	247	226	161	594	302
WEST	Braunstone Park & Rowley Fields	464	268	571	79	73	93	258	104
	Westcotes	418	182	394	39	36	38	207	50
	Western	443	283	534	84	76	99	224	112
WEST (TOTALS)		1325	733	1499	202	185	230	689	266
LEICESTER (TOTALS)		8702	4527	9419	1,200	1,100	1,140	4,528	1,500

Note:

- All 3 and 4YOs qualify for FEEE and 4YOs access a state school reception class place from the autumn term after their 4th birthday. The estimated demand for 3 and 4YO FEEE represents 64% of the 3 and 4YO population (made up of 95% of the 3YO and 35% of the 4YO population) expected to access FEEE places with PVIs, CMs and in School F1, at the midpoint of the annual cycle in the spring. The other 36% will mainly be 4YOs in a school reception place and some 3 and 4YOs not accessing FEEE.
- Not all 2YOs qualify for FEEE. The percentage of 2YOs who potentially qualify for FEEE, based on the estimated demand above, is around 50% of the 2YO population.
- Not all Under 2YOs qualify for FEEE. The percentage of 9-23MOs who potentially qualify for FEEE, based on the estimated demand above, is around 14% of the Under 2YOs population.

The demand for under 2YOs and 2YOs can grow if more families meet the criteria and qualify for the working parents' entitlements for 9-23MOs or 2YOs, or for the 2YO (15 hour) entitlement for children from families receiving additional forms of government support.

Table 4 – MPS (Spr-25) Sufficiency of FEEE places - forecast for September 2025

Market Position Statement (Spr-25) for sufficiency of FEEE places – forecast for September 2025

Key to RAG rating of the indicative Surpluses or Deficits		
Deficits: -11 and lower	Small Deficits: -1 to -10 No surplus or deficit: 0 Surplus: 1 to 24	Surpluses: 25 and over

CLUSTER	WARD	MPS (Spr-25) Indicative Surplus or -Deficit figures FORECAST FOR SEPTEMBER 2025				
		9-23MO (30) WP	2YO (30) WP	2YO (15) TYF	3 and 4YO (15) UE	3 and 4YO (30) WP
		30-hour Working Parents entitlement	30-hour Working Parents entitlement	15-hour TYF entitlement	15-hour Universal Entitlement	30-hour Working Parents entitlement
CENTRAL	Castle	52	67	108	63	85
	Spinney Hills	-14	-4	14	23	20
	Stoneygate	1	48	20	148	69
	Wycliffe	-16	-2	73	207	28
CENTRAL (TOTALS)		23	109	215	441	202
EAST	Evington	-19	-2	18	4	8
	Humberstone & Hamilton	-81	-48	8	94	11
	Thurncourt	-40	-28	-12	-11	-27
EAST (TOTALS)		-140	-78	14	87	-8
NORTH	Belgrave	-1	26	36	145	58
	North Evington	-3	17	15	119	62
	Rushey Mead	-29	-24	-23	-102	-15
	Troon	14	52	36	68	95
NORTH (TOTALS)		-19	71	64	230	200
NORTH WEST	Abbey	-57	-49	-7	-29	-5
	Beaumont Leys	-59	-33	27	83	28
	Fosse	-38	-32	-3	-46	-17
NORTH WEST (TOTALS)		-154	-114	17	8	6
SOUTH	Aylestone	-46	-31	-7	-4	-10
	Eyres Monsell	-38	-31	1	20	-10
	Knighton	28	58	0	75	143
	Saffron	-19	-14	4	-64	-20
SOUTH (TOTALS)		-75	-18	-2	27	103
WEST	Braunstone Park & Rowley Fields	-51	-38	0	40	33
	Westcotes	36	69	52	137	127
	Western	-74	-62	-43	-32	-50
WEST (TOTALS)		-89	-31	9	145	110
LEICESTER (TOTALS)		-454	-61	317	938	613

Table 5 – Summary of where funded children accessed entitlement (2024)

Data for 2024 (average for Spr-24, Sum-24 and Aut-24) to indicate average percentages of where funded children were accessing their entitlement

FEEE places accessed	Working Parent Entitlements Average for 9-23MO*, 2YO* and 3 and 4YO (30)	2YO (15) TYF	3 and 4YO (15) UE	4YOs in Reception
In the home cluster	57%	71%	76%	80%
In another city cluster	28%	22%	20%	15%
Outside the city	15%	7%	4%	5%

Proportion of average take-up in 2024 by children from outside the city*	23%	7%	6%	5%
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*For 9-23MO (WP) the data is for 15-hour take-up Aut-24 only and for 2YO (WP) the data is for 15-hour take-up in Sum-24 and Aut-24.

Table 6a – Numbers of Leicester children accessing entitlement (2024)

Numbers of children from Leicester accessing FEEE places, including 4YOs in school reception classes, analysed by PVI-CMs and Schools in Leicester and Leicestershire.

Term	PVI-CM	Schools	Total
Spr-24	4,367	5,273	9,640
Sum-24	5,655	4,346	10,001
Aut-24	4,959	6,254	11,213

The numbers in Table 6a include children from Leicester on our FEEE headcount plus adjustments for children from Leicester accessing entitlement with PVI-CM providers and Schools in Leicestershire County.

Table 6b – Numbers of FEEE children in PVI-CMs and Schools in Leicester (2024)

Numbers of children accessing FEEE places, including 4YOs in school reception classes, in Leicester based PVI-CMs and Schools.

Term	PVI-CM	Schools	Total
Spr-24	4,460	5,346	9,806
Sum-24	5,838	4,430	10,268
Aut-24	5,247	6,359	11,606

The numbers in Table 6b include children from Leicester and from outside Leicester accessing entitlement with Leicester based PVI-CM providers and Schools.

Notes for tables 6a and 6b:

- Children in school reception classes will all be 4YO for FEEE purposes, in Autumn. The decrease in numbers in schools from Autumn to Spring to Summer is mainly due to 4YOs in school reception places turning 5YO during the term and not being counted in the take-up figures in each subsequent term. The overall numbers of children in school reception will not be decreasing.
- The higher total numbers in table 6b, compared to table 6a, indicate that the numbers of Leicestershire children accessing their entitlement in Leicester settings is higher than the numbers of Leicester children accessing entitlement in Leicestershire based settings.

Table 7 – Glossary of Terms and information links

2YO (15) TYF	15 hour 'two-year funding' places for qualifying 2 year olds from families receiving additional forms of government support. Further information is available at Childcare Choices
3YO (15) UE	15 hour 'universal entitlement' places for all 3 and 4 year olds Further information is available at Childcare Choices
9-23MO (30) WP 2YO (30) WP 3 and 4YO (30) WP	30 hour 'working parents' entitlement places for qualifying children aged 9-23 months, 2 year olds and 3 and 4 year olds from eligible working families. Further information is available at Childcare Choices Note: 9-23 month olds and 2 year olds qualify for 15 hour entitlement until summer term 2025. The entitlement will increase to 30 hours from September 2025 (autumn term 2025).
FEEE	Funded Early Education Entitlement
Statutory Guidance	Statutory guidance - Early education and childcare (effective 1 April 2025) View the statutory guidance
PVIs	Private, voluntary and independent group-care settings
CMs	Childminders
SEND	Special Educational Needs and Disability
EYPP	Early Years Pupil Premium More information about EYPP
DAF	Disability Access Fund More information about DAF
Ofsted	Office for Standards in Education, Children's Services and Skills. Ofsted inspect services providing education and skills for learners of all ages. This includes, registering, inspecting and regulating services that care for children and young people.
CMAAs	Childminder agencies CMAAs are organisations that can register, and quality assure childminders as an alternative to registering with Ofsted.
EYFS	Early years foundation stage statutory framework More information about EYFS
RAG ratings	Red, Amber, Green ratings These are used to summarise indicator values, where green denotes a 'favourable' value, red an 'unfavourable' value and amber a 'neutral' value.

Other useful information sources:

- Early Education Development Team webpage - families.leicester.gov.uk/early-education-development
Refer to the section 'Starting a childcare business'
- Family information, advice and guidance website – families.leicester.gov.uk
Refer to the section on 'Childcare' for further information including FEEE information.
- My Choice Leicester City directory of services - mychoice.leicester.gov.uk
Refer to 'Children's Services' and then 'Childcare' to access information on childcare providers