KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TO BE TAKEN BY:	DECISION NUMBER:
Paul Webb, Cabinet Member for Children's Services.	**26/00049**

Executive Decision – key

Proposal to accept Department for Education (DfE) funding in support of Phase 3 of the School Based Nursery programme 2027 to 2030.

Decision:

As Cabinet Member for Integrated Children's Services, I am asked to agree to:

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1. Delegate authority to the Corporate Director of Children, Young People and Education to:

   (a) Accept and deploy any funding awarded under the School Based Nursery Programme 2027-2030;

   (b) Finalise the programme of schools and projects included within the approved funding allocation, and to make amendments to projects where required by the Department for Education, affordability, deliverability or programme requirements;

   (c) Approve capital expenditure on individual school-based nursery proposals, including reallocating funding between approved projects, provided that the total capital expenditure remains within the amount determined by the DfE capital allocation, and in cases involving capital expenditure above £1m, such approval to be made in consultation with the Cabinet Member for Education and Skills; and

   (d) Take relevant actions, including but not limited to, negotiating, finalising and entering into contracts and legal agreements as required to implement the decision.

2. Delegate authority to the Director of Infrastructure, in consultation with the Corporate Director for Children, Young People and Education, to take relevant actions necessary to deliver the approved capital projects, including but not limited to, finalising, entering into and varying contracts and legal agreements as required to implement the decision.

Reasons for decision:
The local authority may submit a bid to the Department for Education (DfE), by 30th September 2026, putting forward the projects it proposes to develop in phase 3 of the national School Based Nursery Programme. Should funding be allocated, the decision seeks the Cabinet Members approval to accept and deploy the grant funding to deliver the new school-based nurseries.

The government remains committed to expanding SBNs across England and has pledged almost £325 million of further funding between 2027 and 2030 to support future phases of the programme. Local authorities can apply for as much capital funding as needed to create or repurpose spaces for nursery provision. The use of surplus space is not a requirement for phase 3 of the programme.

The local authority is currently working with approximately 20 school's county wide to develop each school's costed proposals. The local authority is then required to submit a bid to the DfE by 30th September putting forward the projects it deems are most likely to secure DfE funding.

How the proposed decision supports the Council's Strategic Statement:
The proposal aligns with and supports the Strategic Statement.
Aim 3: Supporting residents that need help.
Phase 3 of the School Based Nursery Capital Programme supports Aim 3 as it provides greater focus on prevention and early intervention and supports the ambition that every child has the chance to grow up safe and secure.

Financial implications:

Receipt of grant funding is subject to meeting the terms and conditions of the grant funding agreement with the DfE.

The DfE does not accept any liability for costs incurred as a part of this process and reserves the right to withdraw the grant process at any time.

Phase 3 of the school-based nursery programme is expected to be fully funded from the DfE through the School-Based Nursery (SBN) Capital Grant 2027-30. There is nearly £325 million of funding available with local authorities expected to bid for required funding for each individual project. There is no limit to the number of projects a local authority can bid for, but each is assessed on its own merits and the DfE are not expecting individual projects to cost more than £1 million (or £0.5 million if repurposing existing spaces). Local Authorities will be required to justify costs for all projects with the DfE considering relative value for money when assessing the bids. This funding can also be used in conjunction with other funding sources (for example Trust reserves) where applicable.

Subject to DfE approval, local authorities have a degree of discretion and flexibility in how they allocate their capital grant funding under phase 3, and funding can be used flexibly across the projects agreed in a local authority.

If a project is no longer viable, the local authority may either return the associated funds or engage with DfE to explore options for reallocating the funding. Local

authorities must not re-allocate funding between projects without consulting DfE, and the DfE will not fund projects where this occurs.

In order to support the government's commitment to create or expand school-based nurseries across England, there is no longer a requirement for local authorities, governing bodies or academies to follow the statutory process or a significant change application, however local authorities, governing bodies and academies have to have regard to changes that can be made outside the process, which includes an open and fair consultation.

The DfE also require the bids to span 3 financial years with the following funding distribution:

- 20% of total funding in Year 1 (April 2027 to March 2028)
- 30% in Year 2 (April 2028 to March 2029)
- 50% in Year 3 (April 2029 to March 2030)

The DfE will inform the local authority of the totality of the grant in Spring 2027.

It is expected that, should the DfE deem all the circa 20 projects be successful, the total amount of the grant with be circa £12m and this should create 550 additional nursery places.

Legal implications:
Under the Childcare Act 2006, local authorities have a duty to improve the wellbeing of all young children in its area and to secure, so far as is reasonably practicable, sufficient childcare (including early years provision) for working parents. The proposed school-based nursery projects will respond to the local authority's sufficiency needs.

Receipt of funding is subject to meeting the terms and conditions of the grant funding agreement.

DfE does not accept any liability for costs incurred as a part of this process and reserves the right to withdraw the grant process at any time.

If a project is approved for funding but the local authority is later unable to accept the terms and conditions, the DfE is under no obligation to make any payments. Any costs incurred by a local authority, representatives belonging to an organisation that may benefit from the funding or a third party prior to accepting the terms and conditions will only be reimbursed if explicitly approved by DfE.

The local authority will work with the schools to ensure that relevant legislation and guidance is complied with and that the necessary permissions, consents and approvals are in place. It should be noted that, in order to support the Government's commitment to create or expand school-based nurseries across England, there is no longer a requirement for local authorities, governing bodies or academies to follow the 'significant change' process when they want to make changes to a school's age range in order to add or change existing nursery provision (known as 'prescribed alterations' in the case of maintained schools). However, local authorities and governing bodies will still be expected to have regard to 'changes that can be made

outside of the statutory process' in the 'Making significant changes ('prescribed alterations') to maintained schools' Statutory Guidance and adhere to the usual principles of public law (for example acting rationally) and includes ensuring an open and fair consultation. Similarly, academies should still follow the guidance on making below threshold changes in the 'Making significant changes to academies' guidance and consult relevant stakeholders and obtain any required consents before making any changes. Whilst there are other instances/reasons a local authority, governing body or academy would need to make 'significant changes', linked to school-based nursery provision, the current proposals would not require any statutory significant change process to be undertaken, but this will be kept under review with the schools as the proposals develop.

Subject to the DfE approving the proposals, fundings agreements will need to be entered into with the relevant schools and academies. Funding agreements will be reviewed, with advice from Legal Services, to ensure the local authority is able to comply with the terms of the grant agreement with the DfE.

The DfE may be legally obliged to share information submitted in the proposal if requested.

The local authority is required to sign a declaration which focuses on Quality, Policy, Quality Assurance and Legal and Compliance. This declaration is found in the funding proposal template.

Any impacts arising from LGR will be addressed through contract management and the established LGR transition and governance arrangements.

Equalities implications:
An EQIA has been completed which identifies no adverse impact on those with protected characteristics.

Data Protection implications:
A DPIA was not required.

Cabinet Committee recommendations and other consultation:

The proposed decision was considered by the Children, Young People and Education Cabinet Committee on 15 September 2026

Any alternatives considered and rejected:
Option 1 – Accept and deploy any funding allocated by the Department for Education under Phase 3 of the school-Based Nursery Programme 2027–2030 (recommended proposal to be progressed). This would enable the Council to secure external capital funding to increase early years and childcare provision etc.

Option 2 – Decline funding allocation. This was rejected because this is an opportunity to receive capital funding from the DfE to further increase early years places across the county, especially in areas identified as being deprived and/or with lower, present capacity.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

02/10/2026

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Signed Date